PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 428 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FOURTH SESSION OF THE FIFTY-THIRD PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2004–05

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House of Commons

Alphabetical List of Members

[Returned at the General Election, 7 June 2001]

A

Abbott, Diane Julie (Hackney, North and Stoke Newington)
Adams, Gerry (Belfast, West)
Adams, Katherine (Paisley, North)
Ainger, Nicholas Richard (West Carmarthen and South Pembrokeshire)
Ainsworth, Peter Michael (East Surrey)
Ainsworth, Robert William (Coventry, North East)
Alexander, Douglas (Paisley, South)
Allan, Richard Beecroft (Sheffield, Hallam)
Allen, Graham William (Nottingham, North)
Amess, David Anthony Andrew (Southend, West)
Ancram, Rt. Hon. Michael Andrew (Devizes)
Anderson, Rt. Hon. Donald (Swansea, East)
Anderson, Janet (Rossendale and Darwen)
Arbuthnot, Rt. Hon. James Norwich (North-East Hampshire)
Armstrong, Rt. Hon. Hilary Jane (North-West Durham)
Atherton, Candice Kathleen (Falmouth and Camborne)
Atkins, Charlotte (Staffordshire, Moorlands)
Atkinson, David Anthony (Bournemouth, East)
Atkinson, Peter Landreth (Hexham)
Austin, John Eric (Erith and Thamesmead)

B

Bacon, Richard Michael (South Norfolk)
Bailey, Adrian Edward (West Bromwich, West)
Baird, Vera (Redcar)
Baker, Norman John (Lewes)
Baldry, Antony Brian (Banbury)
Banks, Anthony Louis (West Ham)
Barker, Gregory Leonard George (Bexhill and Battle)
Barnes, Harold (North-East Derbyshire)
Baron, John Charles (Billericay)
Barrett, John Andrew (Edinburgh, West)
Barron, Kevin John (Rother Valley)
Battle, John (Leeds, West)
Bayley, Hugh (City of York)
Beard, Christopher Nigel (Bexleyheath and Crayford)
Beckett, Rt. Hon. Margaret Mary (Derby, South)
Begg, Anne (Aberdeen, South)
Beggs, Roy (East Antrim)
Beith, Rt. Hon. Alan James (Berwick-upon-Tweed)
Bell, Stuart (Middlesbrough)
Bellingham, Henry Campbell (North-West Norfolk)
Benn, Hilary James (Leeds, Central)
Bennett, Andrew Francis (Denton and Reddish)
Benton, Joseph Edward (Bootle)
Bercow, John Simon (Buckingham)
Beresford, Sir Paul Alexander (Mole Valley)
Berry, Roger Leslie (Kingswood)
Best, Harold (Leeds, North-West)
Betts, Clive James Charles (Sheffield, Attercliffe)
Blackman, Elizabeth Marion (Erewash)
Blair, Rt. Hon. Anthony Charles Lynton (Sedgefield)
Blears, Hazel Anne (Salford)
Blizzard, Bob (Waveney)
Blunkett, Rt. Hon. David (Sheffield, Brightside)
Blunt, Crispin Jeremy Rupert (Reigate)
Boateng, Rt. Hon. Paul Yaw (Brent, South)
Borrow, David Stanley (South Ribble)
Boswell, Timothy Eric (Daventry)
Bottomley, Peter James (Worthing, West)
Bottomley, Rt. Hon. Virginia Hilda Brunette Maxwell (South-West Surrey)
Bradley, Rt. Hon. Keith John Charles (Manchester, Withington)
Bradley, Peter Charles Stephen (The Wrekin)
Bradshaw, Benjamin Peter James (Exeter)
Brady, Graham Stuart (Altrincham and Sale, West)
Brake, Thomas Anthony (Carshalton and Wallington)
Brazier, Julian William Hendy (Canterbury)
Breed, Colin Edward (South-East Cornwall)
Brennan, Kevin Denis (Cardiff, West)
Brinton, Helen Rosemary (Peterborough)
Brooke, Annette Lesley (Mid-Dorset and North Poole)
Brown, Rt. Hon. James Gordon (Dunfermline, East)
Brown, Rt. Hon. Nicholas Hugh (Newcastle upon Tyne, East and Wallsend)
Brown, Russell Leslie (Dumfries)
Browne, Desmond Henry (Kilmarnock and Loudoun)
Browning, Angela Frances (Tiverton and Honiton)
Bruce, Malcolm Gray (Gordon)
Bryant, Christopher John (Rhondda)
Buck, Karen Patricia (Regent's Park and Kensington, North)
Burden, Richard Haines (Birmingham, Northfield)
Burgon, Colin (Elmet)
Burnett, John Patrick (Torridge and West Devon)
Burnham, Andrew Murray (Leigh)
Burns, Simon Hugh McGuigan (West Chelmsford)
Burnside, David Wilson Boyd (South Antrim)
Burstow, Paul Kenneth (Sutton and Cheam)
Burt, Alistair James Hendrie (North-East Bedfordshire)
Butterfill, John Valentine (Bournemouth, West)
Byers, Rt. Hon. Stephen John (Tyneside, North)
Byrne, Liam (Birmingham, Hodge Hill) [*By-election, July 2004*]

C

Cable, John Vincent (Twickenham)
Caborn, Rt. Hon. Richard George (Sheffield, Central)
Cairns, John David (Greenock and Inverclyde)
Calton, Patsy (Cheadle)
Cameron, David William Donald (Witney)
Campbell, Alan (Tynemouth)
Campbell, Anne (Cambridge)
Campbell, Gregory Lloyd (East Londonderry)
Campbell, Ronald (Blyth Valley)
Campbell, Rt. Hon. Walter Menzies (North-East Fife)
Cann, Jamie Charles (Ipswich) [*Died, October 2001*]
Caplin, Ivor Keith (Hove)
Carmichael, Alexander Morrison (Orkney and Shetland)
Casale, Roger Mark (Wimbledon)
Cash, William Nigel Paul (Stone)
Caton, Martin Philip (Gower)
Cawsey, Ian Arthur (Brigg and Goole)
Challen, Colin Robert (Morley and Rothwell)
Chapman, James Keith (Wirral, South)

Chapman, Sir Sydney Brooks (Chipping Barnet)
Chaytor, David Michael (Bury, North)
Chidgey, David William George (Eastleigh)
Chope, Christopher Robert (Christchurch)
Clapham, Michael (Barnsley, West and Penistone)
Clappison, William James (Hertsmere)
Clark, Lynda Margaret (Edinburgh, Pentlands)
Clark, Paul Gordon (Gillingham)
Clarke, Anthony Richard (Northampton, South)
Clarke, Charles Rodway (Norwich, South)
Clarke, Rt. Hon. Kenneth Harry (Rushcliffe)
Clarke, Rt. Hon. Thomas (Coatbridge and Chryston)
Clelland, David Gordon (Tyne Bridge)
Clifton-Brown, Geoffrey (Cotswold)
Clwyd, Ann (Cynon Valley)
Coaker, Vernon Rodney (Gedling)
Coffey, Ann (Stockport)
Cohen, Harry Michael (Leyton and Wanstead)
Coleman, Iain (Hammersmith and Fulham)
Collins, Timothy William George (Westmorland and Lonsdale)
Colman, Anthony John (Putney)
Connarty, Michael (Falkirk, East)
Conway, Derek Leslie (Old Bexley and Sidcup)
Cook, Francis (Stockton, North)
Cook, Rt. Hon. Robert (Livingston)
Cooper, Yvette (Pontefract and Castleford)
Corbyn, Jeremy Bernard (Islington, North)
Cormack, Sir Patrick Thomas (South Staffordshire)
Corston, Rt. Hon. Jean Ann (Bristol, East)
Cotter, Brian Joseph (Weston-Super-Mare)
Cousins, James Mackay (Newcastle upon Tyne, Central)
Cox, Thomas Michael (Tooting)
Cran, James Douglas (Beverley and Holderness)
Cranston, Ross Frederick (Dudley, North)
Crausby, David Anthony (Bolton, North-East)
Cruddas, Jonathan (Dagenham)
Cryer, Constance Ann (Keighley)
Cryer, John Robert (Hornchurch)
Cummings, John Scott (Easington)
Cunningham, James Dolan (Coventry, South)
Cunningham, Rt. Hon. John Anderson (Copeland)
Cunningham, Thomas Anthony (Workington)
Curry, Rt. Hon. David Maurice (Skipton and Ripon)
Curtis-Thomas, Claire (Crosby)

D

Daisley, Paul Andrew (Brent, East) [*Died, June 2005*]
Dalyell, Tam (Linlithgow)
Darling, Rt. Hon. Alistair Maclean (Edinburgh, Central)
Davey, Edward Jonathon (Kingston and Surbiton)
Davey, Valerie (Bristol, West)
David, Wayne (Caerphilly)
Davidson, Ian Graham (Glasgow, Pollok)
Davies, Rt. Hon. David John Denzil (Llanelli)
Davies, Geraint Richard (Croydon, Central)
Davies, John Quentin (Grantham and Stamford)
Davis, Rt. Hon. David Michael (Haltemprice and Howden)
Davis, Rt. Hon. Terry (Birmingham, Hodge Hill) [*Resigned, June 2004*]
Dawson, Thomas Hilton (Lancaster and Wyre)
Dean, Janet Elizabeth Ann (Burton)
Denham, Rt. Hon. John Yorke (Southampton, Itchen)
Dhanda, Parmjit Singh (Gloucester)
Dismore, Andrew Hartley (Hendon)
Djanogly, Jonathan Simon (Huntingdon)
Dobbin, James (Heywood and Middleton)
Dobson, Rt. Hon. Frank Gordon (Holborn and St. Pancras)
Dodds, Nigel Alexander (Belfast, North)
Doherty, Pat (West Tyrone)
Donaldson, Jeffrey Mark (Lagan Valley)
Donohoe, Brian Harold (Cunninghame, South)
Doran, Frank (Aberdeen, Central)
Dorrell, Rt. Hon. Stephen James (Charnwood)
Doughty, Susan Kathleen (Guildford)
Dowd, James Patrick (Lewisham, West)
Drew, David Elliott (Stroud)
Drown, Julia Kate (South Swindon)
Duncan, Alan James Carter (Rutland and Melton)
Duncan, Peter John (Galloway and Upper Nithsdale)
Duncan Smith, George Iain (Chingford and Woodford Green)
Dunwoody, Gwyneth Patricia (Crewe and Nantwich)

E

Eagle, Angela (Wallasey)
Eagle, Maria (Liverpool, Garston)
Edwards, Huw William Edmund (Monmouth)
Efford, Clive Stanley (Eltham)
Ellman, Louise (Liverpool, Riverside)
Ennis, Jeffrey (Barnsley, East and Mexborough)
Etherington, William (Sunderland, North)
Evans, Nigel Martin (Ribble Valley)
Ewing, Annabelle (Perth)

F

Fabricant, Michael Louis David (Lichfield)
Fallon, Michael Cathel (Sevenoaks)
Farrelly, Christopher Paul (Newcastle-under-Lyme)
Field, Rt. Hon. Frank (Birkenhead)
Field, Mark Christopher (Cities of London and Westminster)
Fisher, Mark (Stoke-on-Trent, Central)
Fitzpatrick, James (Poplar and Canning Town)
Fitzsimons, Lorna (Rochdale)
Flight, Howard Emerson (Arundel and South Downs)
Flint, Caroline Louise (Don Valley)
Flook, Adrian John (Taunton)
Flynn, Paul Philip (Newport, West)
Follett, Daphne Barbara (Stevenage)
Forth, Rt. Hon. Eric (Bromley and Chislehurst)
Foster, Rt. Hon. Derek (Bishop Auckland)
Foster, Donald Michael Ellison (Bath)
Foster, Michael Jabez (Hastings and Rye)
Foster, Michael John (Worcester)
Foulkes, George (Carrick, Cumnock and Doon Valley)
Fox, Liam (Woodspring)
Francis, David Hywel (Aberavon)
Francois, Mark Gino (Rayleigh)

G

Gale, Roger James (North Thanet)
Galloway, George (Glasgow, Kelvin)
Gapes, Michael John (Ilford, South)
Gardiner, Barry Strachan (Brent, North)
Garnier, Edward Henry (Harborough)
George, Andrew Henry (St. Ives)
George, Rt. Hon. Bruce Thomas (Walsall, South)
Gerrard, Neil Francis (Walthamstow)
Gibb, Nicolas John (Bognor Regis and Littlehampton)
Gibson, Ian (Norwich, North)
Gidley, Sandra Julia (Romsey)

Gildernew, Michelle (Fermanagh and South Tyrone)
Gill, Parmjit Singh (Leicester, South) [*By-election, July 2004*]
Gillan, Cheryl Elise Kendall (Chesham and Amersham)
Gilroy, Linda (Plymouth, Sutton)
Godsiff, Roger Duncan (Birmingham, Sparkbrook and Small Heath)
Goggins, Paul Gerard (Wythenshawe and Sale, East)
Goodman, Paul Alexander Cyril (Wycombe)
Gray, James Whiteside (North Wiltshire)
Grayling, Christopher Stephen (Epsom and Ewell)
Green, Damian Howard (Ashford)
Green, Matthew Roger (Ludlow)
Greenway, John Robert (Ryedale)
Grieve, Dominic Charles Roberts (Beaconsfield)
Griffiths, Jane Patricia (Reading, East)
Griffiths, Nigel (Edinburgh, South)
Griffiths, Winston James (Bridgend)
Grogan, John (Selby)
Gummer, Rt. Hon. John Selwyn (Suffolk, Coastal)

H

Hague, Rt. Hon. William Jefferson (Richmond, Yorks)
Hain, Peter Gerald (Neath)
Hall, Michael Thomas (Weaver Vale)
Hall, Patrick (Bedford)
Hamilton, David (Midlothian)
Hamilton, Fabian (Leeds, North-East)
Hammond, Philip (Runnymede and Weybridge)
Hancock, Michael Thomas (Portsmouth, South)
Hanson, David George (Delyn)
Harman, Rt. Hon. Harriet (Camberwell and Peckham)
Harris, Evan Leslie (Oxford, West and Abingdon)
Harris, Tom (Glasgow, Cathcart)
Harvey, Nicholas Barton (North Devon)
Haselhurst, Rt. Hon. Sir Alan Gordon Barraclough (Saffron Walden)
Havard, David Stuart (Merthyr Tydfil and Rhymney)
Hawkins, Nicholas John (Surrey Heath)
Hayes, John Henry (South Holland and The Deepings)
Heal, Sylvia Lloyd (Halesowen and Rowley Regis)
Heald, Oliver (North-East Hertfordshire)
Healey, John (Wentworth)
Heath, David William St. John (Somerton and Frome)
Heathcoat-Amory, Rt. Hon. David Philip (Wells)
Henderson, Douglas John (Newcastle upon Tyne, North)
Henderson, Ivan John (Harwich)
Hendrick, Mark Phillip (Preston)
Hendry, Charles (Wealden)
Hepburn, Stephen (Jarrow)
Heppell, John (Nottingham, East)
Hermon, Sylvia (North Down)
Hesford, Stephen (Wirral, West)
Hewitt, Rt. Hon. Patricia Hope (Leicester, West)
Heyes, David Alan (Ashton-under-Lyne)
Hill, Keith (Streatham)
Hinchliffe, David Martin (Wakefield)
Hoban, Mark Gerard (Fareham)
Hodge, Margaret Eve (Barking)
Hoey, Catharine Letitia (Vauxhall)
Hogg, Rt. Hon. Douglas Martin (Sleaford and North Hykeham)
Holmes, Paul Robert (Chesterfield)
Hood, James (Clydesdale)
Hoon, Rt. Hon. Geoffrey William (Ashfield)
Hope, Philip Ian (Corby)
Hopkins, Kelvin Peter (Luton, North)
Horam, John Rhodes (Orpington)
Howard, Rt. Hon. Michael (Folkestone and Hythe)
Howarth, Rt. Hon. Alan Thomas (Newport, East)
Howarth, George Edward (Knowsley, North and Sefton, East)
Howarth, James Gerald Douglas (Aldershot)
Howells, Kim Scott (Pontypridd)
Hoyle, Lindsay Harvey (Chorley)
Hughes, Beverley June (Stretford and Urmston)
Hughes, Kevin Michael (Doncaster, North)
Hughes, Simon Henry Ward (Southwark, North and Bermondsey)
Humble, Jovanka Joan (Blackpool, North and Fleetwood)
Hume, John (Foyle)
Hunter, Andrew Robert Frederick (Basingstoke)
Hurst, Alan Arthur (Braintree)
Hutton, John Matthew Patrick (Barrow and Furness)

I

Iddon, Brian (Bolton, South-East)
Illsley, Eric Evlyn (Barnsley, Central)
Ingram, Rt. Hon. Adam (East Kilbride)
Irranca-Davies, Huw (Ogmore) [*By-election, February 2002*]

J

Jack, Rt. Hon. John Michael (Fylde)
Jackson, Glenda May (Hampstead and Highgate)
Jackson, Helen Margaret (Sheffield, Hillsborough)
Jackson, Robert Victor (Wantage)
Jamieson, David Charles (Plymouth, Devonport)
Jenkin, Bernard Christison (North Essex)
Jenkins, Brian David (Tamworth)
Johnson, Alan Arthur (Hull, West and Hessle)
Johnson, Alexander Boris (Henley)
Johnson, Melanie Jane (Welwyn Hatfield)
Jones, Helen Mary (Warrington, North)
Jones, Jon Owen (Cardiff, Central)
Jones, Kevan David (North Durham)
Jones, Lynne Mary (Birmingham, Selly Oak)
Jones, Martyn David (Clwyd, South)
Jones, Nigel David (Cheltenham)
Jowell, Rt. Hon. Tessa Jane (Dulwich and West Norwood)
Joyce, Eric (Falkirk, West)

K

Kaufman, Rt. Hon. Gerald Bernard (Manchester, Gorton)
Keeble, Sally Curtis (Northampton, North)
Keen, Alan (Feltham and Heston)
Keen, Ann Lloyd (Brentford and Isleworth)
Keetch, Paul Stuart (Hereford)
Kelly, Ruth Maria (Bolton, West)
Kemp, Fraser (Houghton and Washington, East)
Kennedy, Rt. Hon. Charles Peter (Ross, Skye and Inverness, West)
Kennedy, Jane Elizabeth (Liverpool, Wavertree)
Key, Robert Simon (Salisbury)
Khabra, Piara Singh (Ealing, Southall)
Kidney, David Neil (Stafford)
Kilfoyle, Peter (Liverpool, Walton)
King, Andrew (Rugby and Kenilworth)
King, Oona Tamsyn (Bethnal Green and Bow)
Kirkbride, Julie (Bromsgrove)
Kirkwood, Sir Archibald Johnstone (Roxburgh and Berwickshire)

Knight, Rt. Hon. Gregory (East Yorkshire)
Knight, Jim (South Dorset)
Kumar, Ashok (Middlesbrough, South and Cleveland, East)

L

Ladyman, Stephen John (South Thanet)
Laing, Eleanor Fulton (Epping Forest)
Lait, Jacqueline Anne Harkness (Beckenham)
Lamb, Norman Peter (North Norfolk)
Lammy, David Lindon (Tottenham)
Lansley, Andrew David (South Cambridgeshire)
Lawrence, Jacqueline Rita (Preseli Pembrokeshire)
Laws, David Anthony (Yeovil)
Laxton, Robert (Derby, North)
Lazarowicz, Marek Jerzy (Edinburgh, North and Leith)
Leigh, Edward Julian Egerton (Gainsborough)
Lepper, David (Brighton, Pavilion)
Leslie, Christopher Michael (Shipley)
Letwin, Oliver (West Dorset)
Levitt, Tom (High Peak)
Lewis, Ivan (Bury, South)
Lewis, Julian Murray (New Forest, East)
Lewis, Terence (Worsley)
Liddell, Rt. Hon. Helen (Airdrie and Shotts)
Liddell-Grainger, Ian Richard (Bridgwater)
Lidington, David Roy (Aylesbury)
Lilley, Rt. Hon. Peter Bruce (Hitchin and Harpenden)
Linton, Martin (Battersea)
Lloyd, Anthony Joseph (Manchester, Central)
Llwyd, Elfyn (Meirionnydd Nant Conwy)
Lord, Sir Michael Nicholson (Central Suffolk and Ipswich, North)
Loughton, Timothy Paul (East Worthing and Shoreham)
Love, Andrew (Edmonton)
Lucas, Ian Colin (Wrexham)
Luff, Peter James (Mid-Worcestershire)
Luke, Iain (Dundee, East)
Lyons, John (Strathkelvin and Bearsden)

M

McAvoy, Thomas McLaughlin (Glasgow, Rutherglen)
McCabe, Stephen James (Birmingham, Hall Green)
McCafferty, Christine (Calder Valley)
McCartney, Rt. Hon. Ian (Makerfield)
McDonagh, Siobhain Ann (Mitcham and Morden)
Macdonald, Calum Alistair (Western Isles)
McDonnell, John Martin (Hayes and Harlington)
MacDougall, John William (Central Fife)
McFall, John (Dumbarton)
McGrady, Eddie (South Down)
McGuinness, Martin (Mid-Ulster)
McGuire, Anne (Stirling)
McIntosh, Anne Caroline Ballingall (Vale of York)
McIsaac, Shona (Cleethorpes)
Mackay, Rt. Hon. Andrew James (Bracknell)
McKechin, Ann (Glasgow, Maryhill)
McKenna, Rosemary (Cumbernauld and Kilsyth)
Mackinlay, Andrew (Thurrock)
Maclean, Rt. Hon. David John (Penrith and The Border)
McLoughlin, Patrick Allen (West Derbyshire)
McNamara, Kevin (Hull, North)
McNulty, Anthony James (Harrow, East)
MacShane, Denis (Rotherham)
Mactaggart, Fiona Margaret (Slough)
McWalter, Tony (Hemel Hempstead)
McWilliam, John David (Blaydon)
Mahmood, Khalid (Birmingham, Perry Barr)
Mahon, Alice (Halifax)
Malins, Humfrey Jonathon (Woking)
Mallaber, Judy (Amber Valley)
Mallon, Seamus (Newry and Armagh)
Mandelson, Rt. Hon. Peter Benjamin (Hartlepool) [*Resigned, September 2004*]
Mann, John (Bassetlaw)
Maples, John Cradock (Stratford-on-Avon)
Marris, Robert Howard (Wolverhampton, South-West)
Marsden, Gordon (Blackpool, South)
Marsden, Paul William Barry (Shrewsbury and Atcham)
Marshall, David (Glasgow, Shettleston)
Marshall, James (Leicester, South) [*Died, May 2004*]
Marshall-Andrews, Robert Graham (Medway)
Martin, Rt. Hon. Michael John (Glasgow, Springburn)
Martlew, Eric Anthony (Carlisle)
Mates, Michael John (East Hampshire)
Maude, Rt. Hon. Francis Anthony Aylmer (Horsham)
Mawhinney, Rt. Hon. Sir Brian Stanley (North-West Cambridgeshire)
May, Theresa Mary (Maidenhead)
Meacher, Rt. Hon. Michael Hugh (Oldham, West and Royton)
Meale, Joseph Alan (Mansfield)
Mercer, Patrick John (Newark)
Merron, Gillian Joanna (Lincoln)
Michael, Rt. Hon. Alun Edward (Cardiff, South and Penarth)
Milburn, Rt. Hon. Alan (Darlington)
Miliband, David Wright (South Shields)
Miller, Andrew Peter (Ellesmere Port and Neston)
Mitchell, Andrew John Bower (Sutton Coldfield)
Mitchell, Austin Vernon (Great Grimsby)
Moffatt, Laura Jean (Crawley)
Mole, Chris (Ipswich) [*By-election, November 2001*]
Moonie, Lewis George (Kirkcaldy)
Moore, Michael Kevin (Tweeddale, Ettrick and Lauderdale)
Moran, Margaret (Luton, South)
Morgan, Julie (Cardiff, North)
Morley, Elliot Anthony (Scunthorpe)
Morris, Rt. Hon. Estelle (Birmingham, Yardley)
Moss, Malcolm Douglas (North-East Cambridgeshire)
Mountford, Kali Carol Jean (Colne Valley)
Mudie, George Edward (Leeds, East)
Mullin, Christopher John (Sunderland, South)
Munn, Margaret Patricia (Sheffield, Heeley)
Murphy, Denis (Wansbeck)
Murphy, Jim (Eastwood)
Murphy, Rt. Hon. Paul Peter (Torfaen)
Murrison, Andrew William (Westbury)

N

Naysmith, John Douglas (Bristol, North-West)
Norman, Archibald John (Tunbridge Wells)
Norris, Dan (Wansdyke)

O

Oaten, Mark (Winchester)
O'Brien, Michael (North Warwickshire)
O'Brien, Stephen Rothwell (Eddisbury)
O'Brien, William (Normanton)
O'Hara, Edward (Knowsley, South)
Olner, William John (Nuneaton)
O'Neill, Martin John (Ochil)
Opik, Lembit (Montgomeryshire)

Organ, Diana Mary (Forest of Dean)
Osborne, George Gideon Oliver (Tatton)
Osborne, Sandra (Ayr)
Ottaway, Richard Geoffrey James (Croydon, South)
Owen, Albert (Ynys Môn)

P

Page, Richard Lewis (South-West Hertfordshire)
Paice, James Edward Thornton (South-East Cambridgeshire)
Paisley, The Reverend Ian Richard Kyle (North Antrim)
Palmer, Nicholas Douglas (Broxtowe)
Paterson, Owen William (North Shropshire)
Pearson, Ian Phares (Dudley, South)
Perham, Linda (Ilford, North)
Picking, Anne (East Lothian)
Pickles, Eric Jack (Brentwood and Ongar)
Pickthall, Colin (West Lancashire)
Pike, Peter Leslie (Burnley)
Plaskitt, James Andrew (Warwick and Leamington)
Pollard, Kerry Patrick (St. Albans)
Pond, Christopher Richard (Gravesham)
Pope, Gregory James (Hyndburn)
Portillo, Rt. Hon. Michael Denzil Xavier (Kensington and Chelsea)
Pound, Stephen Pelham (Ealing, North)
Powell, Sir Raymond (Ogmore) [*Died, December 2001*]
Prentice, Bridget (Lewisham, East)
Prentice, Gordon (Pendle)
Prescott, Rt. Hon. John Leslie (Hull, East)
Price, Adam (East Carmarthen and Dinefwr)
Primarolo, Dawn (Bristol, South)
Prisk, Mark (Hertford and Stortford)
Prosser, Gwynfor Mathews (Dover)
Pugh, John David (Southport)
Purchase, Kenneth (Wolverhampton, North-East)
Purnell, James Mark Dakin (Stalybridge and Hyde)

Q

Quin, Rt. Hon. Joyce Gwendolen (Gateshead, East and Washington, West)
Quinn, Lawrence William (Scarborough and Whitby)

R

Rammell, William Ernest (Harlow)
Randall, Alexander John (Uxbridge)
Rapson, Sydney Norman John (Portsmouth, North)
Raynsford, Rt. Hon. Wyvill Richard Nicolls (Greenwich and Woolwich)
Redwood, Rt. Hon. John Alan (Wokingham)
Reed, Andrew John (Loughborough)
Reid, Alan (Argyll and Bute)
Reid, Rt. Hon. John (Hamilton, North and Bellshill)
Rendel, David Digby (Newbury)
Robathan, Andrew Robert George (Blaby)
Robertson, Angus (Moray)
Robertson, Hugh (Faversham and Mid-Kent)
Robertson, John (Glasgow, Anniesland)
Robertson, Laurence Anthony (Tewkesbury)
Robinson, Geoffrey (Coventry, North-West)
Robinson, Iris (Strangford)
Robinson, Peter David (Belfast, East)
Roche, Barbara Maureen (Hornsey and Wood Green)
Roe, Dame Marion Audrey (Broxbourne)
Rooney, Terence Henry (Bradford, North)
Rosindell, Andrew Richard (Romford)
Ross, Ernest (Dundee, West)
Roy, Frank (Motherwell and Wishaw)
Ruane, Christopher Shaun (Vale of Clwyd)
Ruddock, Joan Mary (Lewisham, Deptford)
Ruffley, David Laurie (Bury St. Edmunds)
Russell, Christine Margaret (City of Chester)
Russell, Robert Edward (Colchester)
Ryan, Joan Marie (Enfield, North)

S

Salmond, Alex Elliot Anderson (Banff and Buchan)
Salter, Martin John (Reading, West)
Sanders, Adrian Mark (Torbay)
Sarwar, Mohammad (Glasgow, Govan)
Savidge, Malcolm Kemp (Aberdeen, North)
Sawford, Philip Andrew (Kettering)
Sayeed, Jonathan (Mid-Bedfordshire)
Sedgemore, Brian Charles John (Hackney, South and Shoreditch)
Selous, Andrew Edmund Armstrong (South-West Bedfordshire)
Shaw, Jonathan Rowland (Chatham and Aylesford)
Sheerman, Barry (Huddersfield)
Shephard, Rt. Hon. Gillian Patricia (South-West Norfolk)
Shepherd, Richard Charles Scrimgeour (Aldridge-Brownhills)
Sheridan, James (West Renfrewshire)
Shipley, Debra Ann (Stourbridge)
Short, Rt. Hon. Clare (Birmingham, Ladywood)
Simmonds, Mark Jonathon Mortlock (Boston and Skegness)
Simon, Siôn Llewelyn (Birmingham, Erdington)
Simpson, Alan John (Nottingham, South)
Simpson, Keith Robert (Mid-Norfolk)
Singh, Marsha (Bradford, West)
Skinner, Dennis Edward (Bolsover)
Smith, Rt. Hon. Andrew David (Oxford, East)
Smith, Angela Evans (Basildon)
Smith, Rt. Hon. Christopher Robert (Islington, South and Finsbury)
Smith, Geraldine (Morecambe and Lunesdale)
Smith, Jacqueline Jill (Redditch)
Smith, John William Patrick (Vale of Glamorgan)
Smith, Llewellyn Thomas (Blaenau Gwent)
Smith, Sir Robert (West Aberdeenshire and Kincardine)
Smyth, The Reverend William Martin (Belfast, South)
Soames, Arthur Nicholas Winston (Mid-Sussex)
Soley, Clive Stafford (Ealing, Acton and Shepherd's Bush)
Southworth, Helen Mary (Warrington, South)
Spellar, John Francis (Warley)
Spelman, Caroline Alice (Meriden)
Spicer, Sir Michael William Hardy (West Worcestershire)
Spink, Robert Michael (Castle Point)
Spring, Richard John Grenville (West Suffolk)
Squire, Rachel Anne (Dunfermline, West)
Stanley, Rt. Hon. Sir John Paul (Tonbridge and Malling)
Starkey, Phyllis Margaret (Milton Keynes, South-West)
Steen, Anthony David (Totnes)
Steinberg, Gerald Neil (City of Durham)
Stevenson, George William (Stoke-on-Trent, South)
Stewart, David John (Inverness East, Nairn and Lochaber)
Stewart, Ian (Eccles)
Stinchcombe, Paul David (Wellingborough)
Stoate, Howard Geoffrey Alvan (Dartford)

Strang, Rt. Hon. Gavin Steel (Edinburgh, East and Musselburgh)
Straw, Rt. Hon. John Whitaker (Blackburn)
Streeter, Gary Nicholas (South-West Devon)
Stringer, Graham Eric (Manchester, Blackley)
Stuart, Gisela Gschaider (Birmingham, Edgbaston)
Stunell, Andrew (Hazel Grove)
Sutcliffe, Gerald (Bradford, South)
Swayne, Desmond Angus (New Forest, West)
Swire, Hugo (East Devon)
Syms, Robert Andrew Raymond (Poole)

T

Tami, Mark Richard (Alyn and Deeside)
Tapsell, Sir Peter Hannay Bailey (Louth and Horncastle)
Taylor, Dari Jean (Stockton, South)
Taylor, David Leslie (North-West Leicestershire)
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OFFICIAL REPORT

IN THE FOURTH SESSION OF THE FIFTY-THIRD PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 13 JUNE 2001]

FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 428**

FIRST VOLUME OF SESSION 2004–2005

House of Commons

Tuesday 23 November 2004

The House met at twenty-six minutes past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Message to attend Her Majesty:

The House went; and having returned:

The sitting was suspended until half-past Two o'clock, and then resumed.

2.30 pm

On resuming—

Speaker's Statement

Mr. Speaker: As the House will recall, it was decided earlier this month to dispense with most of the Sessional Orders. In their place, it was agreed that the Speaker should make a brief statement about the duties and responsibilities of Members. I am grateful to the Standards and Privileges Committee for its advice and suggestions.

Our privileges allow us to conduct our debate without fear of outside interference. In particular, we enjoy freedom of speech, both in proceedings in Committee and debates on the Floor of the House. It is a privilege that comes with our membership since the Bill of Rights. This is one of a number of great privileges that we should all seek to preserve.

It is up to each one of us to ensure that we, both as individuals and collectively, do not abuse the rights that we have been given. They should only be exercised in the public interest. We must ensure that we follow the letter and spirit of the code of conduct and related rules which we have approved to regulate our business.

Each Member is here to represent the views of his or her constituents and to participate in the process of democracy that we all cherish. It is the hallmark of our procedures that every Member has the right to speak and to be listened to. We should ensure that every Member is heard with the respect to which we are all entitled, regardless of the views that are being expressed.

Every member of the public has the right to expect that his or her Member of Parliament will behave with civility, in the best traditions of fairness, with the highest level of probity and with integrity. Their views are influenced by our behaviour here and if we are to maintain and increase public support, we should bear it in mind that how we behave in this House has a substantial bearing on the levels of confidence and trust which others have in us.

Mr. Desmond Swayne (New Forest, West) (Con): Bring back the Sessional Orders!

Mr. Speaker: Order. No one listened to me when I delivered the Sessional Orders.

I turn now to security, not only for Members of Parliament, but also for our staff and for the staff of this House, who work so hard on our behalf. In the coming months, further security measures will be put in place to ensure that this House remains a safe and secure place in which to conduct our business. In this respect, Members would not expect me to go into detail, but these measures must ensure that the House of Commons continues in its tradition of welcoming the maximum number of visitors, both from home and abroad.

I expect every Member of this House to co-operate fully with those officials who are responsible for ensuring our security.

[Mr. Speaker]

Before the Clerk gives the customary First Reading to the Outlawries Bill, I must put to the House the Sessional Order to the Metropolitan Police. We will continue to pass this Order until we have the new legislation, which the Government have promised, about demonstrations—*[Interruption.]* Order. We will continue to pass this Order until we have the new legislation, which the Government have promised the Speaker, about demonstrations and security around Parliament.

SESSIONAL ORDERS

METROPOLITAN POLICE

Ordered,

That the Commissioner of the Police of the Metropolis do take care that the passages through the streets leading to this House be kept free and open and that no obstruction be permitted to hinder the passage of Members to and from this House during the Sitting of Parliament, or to hinder Members by any means in the pursuit of their Parliamentary duties in the Parliamentary Estate; and that the Serjeant at Arms attending this House do communicate this Order to the Commissioner.

OUTLAWRIES

A Bill for the more effectual preventing Clandestine Outlawries was read the First time, and ordered to be read a Second time.

Queen's Speech

Mr. Speaker: I have to acquaint the House that this House has this day attended Her Majesty in the House of Peers, and that Her Majesty was pleased to make a Most Gracious Speech from the Throne to both Houses of Parliament, of which I have, for greater accuracy, obtained a copy.

I shall direct that the terms of the Gracious Speech be printed in the Votes and Proceedings. Copies are available in the Vote Office.

The Gracious Speech was as follows:

My Lords and Members of the House of Commons

My Government will continue to pursue policies which entrench economic stability and promote growth and prosperity.

My Government will continue to reform the public services to ensure they provide more security and opportunity for all.

My Government attaches the highest importance to extending educational opportunity so that all individuals can realise their full potential and the country can benefit from the talents of all its people. A Bill will be introduced to streamline the regime of school inspections to help raise standards for every child in every school.

A Bill will be introduced to extend financial support for 16 to 19 year olds engaged in training and education.

My Government recognises that we live in a time of global uncertainty with an increased threat from international terrorism and organised crime. Measures to extend opportunity will be accompanied by legislation to increase security for all.

My Government will legislate to introduce an identity cards scheme, and will publish proposals to support the continuing fight against terrorism in the United Kingdom and elsewhere.

Legislation will be introduced to establish the Serious Organised Crime Agency, and the powers the police and others have to fight crime will be strengthened. In particular, the Bill will introduce new measures to deal with harassment by animal rights extremists.

My Government will introduce legislation to tackle the problem of drug abuse and the crime that flows from it, and will tackle the disorder and violence that can arise from the abuse of alcohol.

My Government has always recognised the importance of clean and safe neighbourhoods. There will be further legislation to tackle anti-social behaviour.

A Bill will be introduced to help to reduce further the numbers of those killed or injured on the roads.

My Government will bring forward legislation to reduce re-offending by improving the management of offenders.

A draft Bill will be published to tackle juvenile crime through more effective rehabilitation and sentencing.

Legislation will be introduced to reform the criminal defence service, making better use of legal aid resources. A draft Bill will be published to support those with legitimate civil claims and reform the system of tribunals.

A draft Bill will be published to introduce a new offence of corporate manslaughter.

My Government will continue to take action to secure high levels of employment as it reforms the welfare state.

My Government will continue to provide protection from discrimination and exploitation.

Legislation will be introduced to combat discrimination in the provision of goods and services on the grounds of religion, as well as race, sex and disability. A single Commission for Equality and Human Rights will be established.

My Government will maintain its commitment to social justice and legislate to increase the rights of disabled people.

My Government will continue its reform of the National Health Service, offering more information, power and choice to patients, with equal access for all and free at the point of delivery.

My Government will continue with legislation to provide a statutory framework for dealing with the financial, health and welfare decisions of those people who might lack capacity through mental illness or disability.

Measures to reform the law on mental health will continue to undergo pre-legislative scrutiny.

My Government believes that the welfare of children is paramount. Draft legislation will be published to safeguard the welfare of children in circumstances of parental separation and inter-country adoption.

Consumer credit law will be updated to provide greater protection from unfair lending practices and create a fairer and more competitive credit market.

My Government will also introduce a Bill to improve standards of animal welfare and increase the penalties for abuse.

My Government will continue to modernise the constitution and institutions of our country to ensure they are equipped to meet the challenges of the future.

Legislation will be brought forward to provide a modern and comprehensive framework for statutory inquiries into matters of public concern.

My Government will continue to take forward in this session the constitutional legislation introduced last year.

A Bill will be introduced to give effect to the Constitutional Treaty for the European Union, subject to a referendum.

My Government is committed to reducing bureaucracy and the costs of Government, and to promoting efficiency. A Bill will be introduced to integrate the Inland Revenue and Her Majesty's Customs and Excise.

My Government recognises the importance of modern, effective and safe transport to meet the needs of the public and the wider economy.

Legislation will be introduced to streamline the organisation of the national rail system to improve performance.

A Bill will be brought forward to authorise the construction of Crossrail.

The Government will continue to legislate to allow local authorities to provide innovative and safe school transport.

My Government believes that the voluntary sector is a great strength of this country. Charity law will be modernised so that a vibrant, diverse and independent charitable sector can continue to flourish with public confidence.

My Government will introduce legislation to consolidate the distribution of lottery money to good causes.

Proposals will be published to protect the nation's rural heritage, through draft legislation to modernise the management of common land, and to create new arrangements to deliver rural policy.

Members of the House of Commons

Estimates for the Public Services will be laid before you.

My Lords and Members of the House of Commons

My Government will continue to work closely with the devolved administrations in Scotland and Wales, and will work to bring about the conditions necessary for the restoration of the political institutions in Northern Ireland.

Legislation will be introduced to provide the Welsh Assembly with a range of transport related powers.

Other measures will be laid before you.

The Duke of Edinburgh and I look forward to our visit to Canada. We look forward to receiving the state visit of His Excellency the President of the Republic of Korea and receiving the state visit of His Excellency the President of Italy. To mark the centenary of Norway's independence, we also look forward to receiving Their Majesties King Harald and Queen Sonja of Norway.

My Government will assume the Presidency of the European Union in July and will use this opportunity to work towards building an increasingly prosperous and secure Europe.

In addition to the European Union Presidency, my Government will hold the G8 Presidency in 2005, which will include working on the important issues of Africa and climate change.

My Government will continue to work with partners around the world to prevent terrorism and the proliferation of nuclear, chemical and biological weapons, and the problems of drug smuggling and international crime.

My Government will work to strengthen commitment on both sides of the Atlantic to the transatlantic relationship and to the continued effectiveness of the North Atlantic Treaty Organisation, and will work with the international community to strengthen the United Nations.

My Government will continue to support the Government of Iraq to provide security and stability and ensure that elections can be held in January.

My Government will continue to support efforts to build peace in the Middle East, to promote democratic reform and reduce conflict and extremism.

My Lords and Members of the House of Commons

I pray that the blessing of Almighty God may rest upon your counsels.

Debate on the Address

[First Day]

Mr. Speaker: It may be helpful if I announce to the House that the proposed pattern of debate for the remaining days of the debate on the Queen's Speech will be as follows: Wednesday 24 November—foreign affairs and defence; Thursday 25 November—environment and transport, and local and devolved government affairs; Monday 29 November—home affairs; Tuesday 30 November—health and education; Wednesday 1 December—economic affairs.

I call on Mr. George Howarth to move the Address, and Ms Meg Munn to second it.

2.36 pm

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I beg to move,

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign.

We, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom and Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament.

Hon. Members: Hear, hear.

Mr. Howarth: And I meant it, Mr. Speaker.

I am filled with pride at being given the opportunity to move the Address, together with my hon. Friend the Member for Sheffield, Heeley (Ms Munn). It is a great honour both personally and for my constituency.

I was elected to the House in a by-election 18 years ago, almost to the day, and I am especially proud that my constituency is such a diverse and interesting place to represent. At the southern end of the constituency, in Knowsley, we have the estate of the Earl of Derby, which incorporates Knowsley safari park, which is, of course, particularly noted for its lions. On one occasion, residents living in the vicinity were asked what would happen if one of the lions escaped. "The lions will have to look after themselves, like the rest of us," they said.

The heart of the constituency is the town of Kirkby, built mainly in the 1960s to accommodate people displaced by slum clearance programmes in Liverpool. I have had a lifelong love affair with the town since I was a student at the technical college many years ago. Kirkby went through hard times in the 1980s and early 1990s, with unemployment levels as high as 60 per cent. in some parts. However, I am pleased to say that thanks to the sound economic stewardship of my right hon. Friend the Chancellor of the Exchequer—*[Interruption.]* Wait for it. The town is now recovering dramatically.

I also have the eastern corner of Sefton in my constituency, which includes Maghull, Lydiate, Melling and Aintree. Aintree, of course, is the home of the grand national, and we are particularly proud that we host such a world famous event.

The House may be surprised to learn that a large part of my constituency is rural farmland. At a recent meeting in one village, I was asked what was going to happen about the problem of foxes causing a nuisance. I pointed out that, despite the Hunting Bill, in such circumstances landowners would still be able to shoot them. Another constituent then rose to his feet and said, "Well, that's fine for the foxes, but does it apply to the Jacksons?"

My constituency is not in Liverpool, but most of us who live there are of Liverpool and happily answer to the description, "scousers". As the hon. Member for Henley (Mr. Johnson) will no doubt confirm, if any Conservative Members have an issue with that, they should be warned: the right hon. and learned Gentleman the Leader of the Opposition and I have a little arrangement.

My constituency, in its various shapes and sizes, has in the past been represented by William Ewart Gladstone, between 1865 and 1868—*[Interruption.]* It was a long time ago. It was represented for many years by Harold Wilson, and my immediate predecessor was Robert Kilroy-Silk, who is now a Member of the European Parliament. They are all difficult acts to follow. Until I stood in the by-election following the resignation of the matinee idol, Robert Kilroy-Silk, I had blithely gone through life thinking that I bore a strong physical resemblance to Robert Redford. It came as quite a surprise to be described in one national newspaper as

"all nose, bone and moustache looking for all the world like a first world war Tommy about to go over the top at the Somme."

For a while, I consoled myself with the thought that I was just not photogenic. However, when I suggested that theory to my wife, she would not hear of it. "No, dear", she said, "you just look like that." [*Laughter.*]

I am afraid that I have no direct experience of Gladstone, but when I first became politically active as a teenager, our local MP was Harold Wilson. In 1966, as a reward for putting thousands of leaflets through letterboxes, I was invited to Harold's eve-of-poll public meeting, which was held in what was then called Prescot grammar school. At the end of the speech, as was his custom, Harold took questions in threes, which basically meant that if he did not like the sound of one he could answer the other two and hope that the third was forgotten. The first questioner asked, appropriately, about grammar schools. "Mr Wilson", he said, "you said in 1964 that they would abolish the grammar schools over your dead body, and now it's in your manifesto to abolish them. What have you got to say about that?" Harold duly answered the second and third questions, conveniently overlooking the first. A little later, the chairman—I never quite knew whether out of malice or myopia—called the same man again. He repeated the question, by this time purple with indignation. Harold stood up, took a long draw on his pipe and replied, "Friend, you're showing a morbid curiosity with in my corpse."

It is a particular pleasure to move this Address since so much of it is relevant to the issues that concern my constituents. Whatever divisions exist in my constituency, as elsewhere, about Iraq, we are as conscious and anxious as everybody else about the security threats that we face in the modern world.

We know that one grievance that fuels terrorism is the fate of the Palestinians in the middle east. My constituents will fully support my right hon. Friends the Prime Minister and the Foreign Secretary in their efforts to work with other world leaders to bring about a just settlement to that corrosive problem. As a former Northern Ireland Minister, I know at first hand the focus and skill that my right hon. Friend the Prime Minister has at his command, and I am sure that the whole House wishes him well in his efforts to bring peace and stability to the middle east.

One of the major concerns in my constituency is law and order, and my constituents will welcome the measures in the Address to tackle crime, disorder and organised crime. As a former Home Office Minister, I know that a great deal has already been done to give the police and other law enforcement agencies the power and resources that they need, but that remains work in progress. I certainly welcome the proposed introduction of identity cards, which I strongly believe will help in the fight against crime and in combating terrorism. My constituents are impatient that those who are intent on creating havoc and misery in our communities should be either brought under control or, if that fails, removed from the community altogether. We have already lost patience with those in the courts and elsewhere who confuse human rights and civil liberties with having a licence to deal in drugs and keep hold of the profits. Such behaviour rightly causes outrage in decent, hard-working people.

Another commitment that my constituents will welcome is the further reform of the national health service to offer more information, power and choice to patients, with equal access for all, free at the point of delivery. I know that when my right hon. Friends the Prime Minister and the Chancellor of the Duchy of Lancaster utter the words "reform" and "choice", nervous twitches break out on the Labour Benches. I would simply point out, however, that it is perfectly reasonable in the 21st century for people to have some choice and control over how services are provided. Surely it is a measure of progress that people now expect services to be delivered to suit the way that they live their lives, and it is fitting that a Government of the left should adopt such a progressive approach.

My constituents are particularly looking forward to improved public transport, including the Railways Bill, which I hope will help Merseyrail to extend the electrification of our local network. The proposed tram link between Kirkby and Liverpool city centre will also be of enormous benefit to the travelling public. My hon. Friend the Member for Halton (Derek Twigg) is sitting next to me, and we are both also looking forward to the second Mersey crossing.

Many of my constituents work in hazardous occupations, and some have died or been injured as a result of inadequate health and safety in the workplace. Tragically, members of the public have also lost their lives or been injured as a result of the negligence of those responsible for their safety. For those reasons, I am very pleased that the Government are to introduce a Bill to create a new offence of corporate manslaughter.

Road safety is an important issue, and I am particularly pleased that the Road Safety Bill has been proposed in the Queen's Speech, especially as my daughter, Siân, passed her driving test this morning. I shall leave hon. Members to imagine what that could mean.

I hope that as much as possible of this ambitious programme can be put in place before the general election. For my own part, I am anxious to avoid repeating a mistake I made in a previous general election campaign. On the Saturday evening before polling day, I unwisely agreed to go on a tour of the many social clubs in my constituency, arriving at the piano bar of the Royal Antediluvian Order of Buffalos club as my last port of call. I was asked by the club compere to take the stage and sing a song. Emboldened by several pints of bitter, I thought, "Why not?" Unaccountably, I decided to give a rendition of "Some Enchanted Evening". Having managed to get through it, I proudly headed to the back of the club where my agent, Mike Murphy, was standing. I approached him, poised to receive his admiring congratulations. "That," he said, "was worth a thousand votes—but not for you." On the basis of the measures in this Address, however, I confidently expect to have a better song to sing at the next general election, and I warmly commend the Queen's Speech to the House.

2.49 pm

Ms Meg Munn (Sheffield, Heeley) (Lab): It is a great honour to second the Queen's Speech, although that was not the only emotion that I felt when I was asked to do it. Equal amounts of honour and trepidation came over me after I said yes, which I tend to say too readily—[HON. MEMBERS: "Oh."] My confidence did not increase when I told my husband. After a shocked pause, he said, "But you have to be funny." With such support, how can I fail?

When I received the pager message to ring the Chief Whip, I was just about to give a speech in place of the Minister for Children, Young People and Families, who was otherwise tied up. I have advised her to keep her hands in her pockets in future.

I am very pleased to follow my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth), who has given such service to the House and to his constituents. I pay tribute to his work as a Northern Ireland Minister in pursuing the peace process. However, I most admire him for managing, despite his misfortune of living on the wrong side of the Pennines, to make something of his life.

I share one important bond with my hon. Friend: our involvement with the co-operative movement. The co-operative movement has long been important to the people of his region and mine. My noble Friend Lord Graham often jokes,

"it's not very co-operative, nor does it move a lot".

In recent years, however, it has had an upswing in its fortunes, with ideas of co-operation and mutuality enjoying a renaissance. I have been delighted to support three private Members' Bills in the House to modernise co-operatives and social enterprises, and I thank my hon. Friend the Under-Secretary of State for International Development and my hon. Friends the Members for Edinburgh, North and Leith (Mr. Lazarowicz) and for South Derbyshire (Mr. Todd) for their hard work in that regard.

[Ms Meg Munn]

As much as it is an honour for me and my constituents to be asked to second the Queen's Speech, the greatest privilege is to be a Member of the House, and for me, to represent the area where I grew up. I am sure that all Members will know that Sheffield, like Rome, is built on seven hills. It also has five rivers, and gets its name from the Sheaf, which forms one boundary of my constituency

I feel particularly fortunate to be the MP at a time of transformation for Heeley. Unemployment is down, school achievement is up, many children now go to new or refurbished schools, and there are more improvements to come. It is always a pleasure to meet children in the constituency and to get a glimpse of their view of the world. However, I am not always prepared for some of their questions. One year, St. Peter's Brownies troop were given the task of designing my Christmas card. After judging the drawings, and handing out the prizes, I chatted to them. Katie, aged seven, came up to me and with great seriousness asked, "Were you in the Houses of Parliament when Guy Fawkes tried to blow it up?" *[Laughter.]*

It has been a pleasure for me to work with local community groups, business organisations and faith groups, including churches and my local mosque. They provide support through educational opportunities and social activities. My constituents benefit from living in a thriving city, with its two universities, theatres, cinemas and modern tram system. South Yorkshire has been one of the poorest regions in the European Union, but with the support of objective 1 funding, there is substantial progress. I urge the Government to ensure that economically disadvantaged regions continue to receive extra help.

Before coming to Westminster, I had little idea of the day-to-day life of an MP. It was drilled into me that whatever else an MP does, they are expected to vote. To miss a vote is a dreadful thing. The punishment for such a heinous crime is cruel and unusual, and at the discretion of the right hon. Member for Glasgow, Glen—sorry, Glasgow, Rutherglen (Mr. McAvoy)—[HON. MEMBERS: "Oh."] However else I organised my day, it was my responsibility to arrange things so that I got to the vote in the magical eight minutes allowed.

Various ways to fill my day poured in. I was asked several times whether I wanted to join the tap dancers. I wondered whether it was code for something interesting, so I decided to find out. Intrigued, I ventured to my first class and discovered great company, exhilarating exercise and a new way to relax. After the first lesson, I entered the shower in a relaxed frame of mind. I turned on the water and then—horror of horrors—the Division bell rang. There was a great kerfuffle as tap dancers grabbed their clothing—I was the only new member; the others seemed remarkably practised. Thinking of my right hon. Friend the Member for Glasgow, Rutherglen and what might happen if I missed the vote, I lunged out of the shower, grabbed a towel and discovered to my horror that my hon. Friend—

Mr. Phil Willis (Harrogate and Knaresborough) (LD): Was standing there.

Ms Munn: My hon. Friend the Member for Stockton, South (Ms Taylor) had grabbed my locker key and disappeared. I was left with a stark choice—my reputation for modesty and decorum or my reputation with Tommy. He lost—I followed the advice of the great Nye Bevan and decided not to go naked into the Chamber.

I persevered with the tap group, known as the "Division Belles", particularly enjoying our public offering at the annual charity event, where the professional presentation of many hon. Members present is a wonder to behold. Tap dancing does not seem to be to the detriment of a parliamentary career, with two Home Office Ministers and the chair of the parliamentary Labour party being part of the troupe. Sadly, the most talented tap dancer in the House is not a Division Belle—I wonder whether it is fear for his reputation that keeps the Under-Secretary of State, Office of the Deputy Prime Minister, my hon. Friend the Member for Corby (Phil Hope), away.

I am aware that one of my faults is getting involved in too many things. So far, that has led to my playing hockey, taking part in the tug of war, running, cycling and becoming a founder member of the women's parliamentary football team, which sadly still only has sufficient players for five-a-side. I seem to get selected for everything, except for the tennis team—my greatest love—where our captain, the hon. Member for West Worcestershire (Sir Michael Spicer), has failed to pick me. I wonder whether that is because of the company that I keep at practice sessions. The most regular attendees are the right hon. Member for Bracknell (Mr. Mackay) and the hon. Member for New Forest, West (Mr. Swayne). The right hon. Member for Bracknell is a forgiving gentleman—he seems to bear me no malice for casting a vote for his Labour opponent in 1983, when I briefly lived in his constituency. However, I wonder whether the Conservative party has a dress code, because on the tennis court he always has his shirt firmly tucked into his shorts—at least.

I am sure that hon. Members on both sides of the House will join me in expressing appreciation for the service of the hon. Member for New Forest, West in Iraq. I shall resist the temptation to move from his gallant service with the forces to discuss his service on the tennis court. I was delighted for him when he was appointed to his current post, although as one of my more unkind hon. Friends said, "It seems extraordinary that a vampire should choose a werewolf as his PPS." Personally, I have always found the right hon. Member for Bracknell and the hon. Member for New Forest, West perfectly charming.

I know that the Leader of the Opposition appears in daylight, because we met recently outside our offices during a fire alarm. He has conducted extensive research in his quest for interesting information—nay gossip—about me, even sending a young emissary into the wilds of Yorkshire this weekend. Unfortunately for him, his emissary came across a member of my staff, whom he tried to quiz. The member of my staff replied in true Yorkshire style, "You're getting nowt out of me!"

Before I arrived at the House, I was described by one commentator as

"strapping with a'pleasant toothy smile".

I do not know how familiar you are, Mr. Speaker, with some of the websites that provide information on MPs, but a quick look at one profile of me reveals that

"This MP hardly ever rebels."

I think that that is what *The Times* meant in calling me an "arch Blairite loyalist". I am not sure about "arch", but as a Blairite loyalist I welcome the range of measures in the Queen's Speech, particularly proposals for financial support for those in education aged between 16 and 19. Sheffield has an excellent education strategy for that age group, and when it is coupled with that additional financial support, more young people than ever before will be in education or training.

I have had many letters praising the success of the fireworks legislation, and my constituents will be pleased to hear that the Government intend to legislate further on antisocial behaviour. My right hon. Friend—and fellow Sheffielder—the Home Secretary has rightly identified the importance to many of our constituents of tackling antisocial behaviour and its appalling impact on communities. Many constituents also write to me about their concerns regarding Africa and the need for trade justice for the developing world. They will be pleased to hear of the Government's commitments as Britain takes on presidency of the G8 and of the EU. Too little progress has been made internationally on the millennium development goals. Tackling poverty and HIV/AIDS in Africa needs to be a priority for the developed world.

Renewed effort on the middle east peace process will be widely welcomed. Israelis and Palestinians deserve to live free from the fear of violence and from the dreadful poverty that blights too many lives. Identifying how a two-state solution can be achieved could not be more important.

Mr. Speaker, it is with great pleasure that I second the Queen's Speech.

3.2 pm

Mr. Michael Howard (Folkestone and Hythe) (Con): I begin by paying tribute to Jim Marshall, who had a distinguished record as a Member of this House for almost 30 years. His sudden death last May shocked us all. Principled and independent-minded, he voted for what he believed in, and he did so without the fanfare of publicity. Honourable in every sense of the word, he was highly respected by friends and political opponents alike. Westminster is poorer for his absence. [HON. MEMBERS: "Hear, hear."]

I warmly congratulate the proposer and seconder of the Loyal Address. The hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) has many claims to fame. He was once a Home Office Minister—almost always a good sign. He is a racing man—always a good sign. Best of all, he is a keen supporter of Liverpool football club. I fought two elections in Liverpool, so between us we have fought seven and won five—a record that our football team would be pretty happy with just at the moment.

The hon. Gentleman is also an adviser to William Hill, so I hope that he can explain something that I found on its website today. Under "Political Bets" is a section headed "Peter Mandelson Specials". The bet is that Peter Mandelson will not last the full term. The odds are 4:1 and I am told that the Chancellor has filled his boots. *[Laughter.]* I am sure that I speak for the whole House when I congratulate the hon. Gentleman on the characteristic warmth, eloquence and sincerity with which he addressed us today. [HON. MEMBERS: "Hear, hear."]

The hon. Member for Sheffield, Heeley (Ms Munn) spoke with the wit and humour that we have come to expect of her, despite her short time in Parliament. She demonstrates her commitment to Westminster not only with words but with action, as she reminded us this afternoon. She has not only completed a Westminster mile, run in aid of Sport Relief, but has been on the winning side in the ladies' tug of war. She has given us tantalising glimpses this afternoon of her exploits on the tennis court and elsewhere.

The hon. Lady has shown great loyalty to her party, as she pointed out. She has played her full part in Labour's big conversation and remains one of its most enthusiastic supporters. In fact, such is her commitment to the big conversation that she suggests on her website that it should now be renamed "Still talking". The hon. Lady has put her party's approach to politics in a nutshell, and I am sure that she has a very bright future.

Before I examine the Gracious Speech in detail, I shall deal with certain matters that do not fall directly within the remit of the Government's legislative programme. The next few days could determine whether devolved government is restored to Northern Ireland this side of the general election. Like the Prime Minister, I certainly hope that it will be, but we must establish some clear ground rules before political parties that have links to paramilitary organisations can take part in government. All paramilitary activity must stop. All illegal weapons must be decommissioned. All parties must give their support to the police and all sides must back the principle of consent.

The elections in Iraq, planned for January, will introduce the principle of consent in that country as well. Although they pose real challenges, we welcome them. I pay particular tribute to the courage and dedication of the many British servicemen and women serving with such great distinction in Iraq today.

Opposition Members support the principles behind some Bills in the Gracious Speech, though we will doubtless have constructive suggestions about how they can be improved. However, there are a number of omissions from the Gracious Speech. There will be a Bill to give effect to the constitutional treaty for the European Union. Apparently, it will provide for a referendum, but there is no date. The Prime Minister said that he would stand up for Britain's interests in Europe, but as his own former economic adviser has admitted, the Prime Minister's approach to the constitution has been "gutless". That adviser said of the British Government:

"First, it opposed a written constitution and then it put forward its own draft, which was treated with contempt. Then there was all that nonsense about 'tidying-up'. There was no strategic thinking."

The Prime Minister promised to give leadership in Europe, so why can he not give a lead? Why is he waiting for the rest of Europe? Why is he content simply to follow? Why can we not have a date for the referendum?

[Mr. Michael Howard]

There will be a Bill to

"streamline the organisation of the national rail system".

The Government are too embarrassed to admit that that will really be a Bill to abolish the Strategic Rail Authority. No wonder—in 1999, the Prime Minister said:

"We have moved beyond the sterile debate between wholesale privatisation and old-style state control. There is a different way. A third way . . . That's what we're doing with the . . . Strategic Rail Authority."

Clearly, for the Prime Minister, the third way is not the permanent way.

I was particularly surprised not to see in the Gracious Speech a Bill for broadband Britain. After all, at his party conference just two months ago, the Prime Minister promised to

"end the digital divide by bringing broadband technology to every home in Britain that wants it"

by 2008. My right hon. Friend the Member for North-West Hampshire (Sir George Young) wanted to know how that was going, so he wrote to the Minister for Energy and E-Commerce, who everyone knows is a stickler for the truth. The Minister wrote back to say:

"The Prime Minister's speech . . . has not been agreed as government policy".

So now it is official—even his own Ministers do not take what the Prime Minister says seriously. They know that he is all talk.

While we welcome some of the individual proposals in the Gracious Speech, the overall reaction to it—even, I suspect, on the Government side—will be, "Haven't we heard it all before?" Today the Prime Minister says that he wants security and opportunity. Yet that same Prime Minister has already promised us "the decent society", "the creative economy", "a stakeholder economy", "a new age", "a new age of achievement", "the giving age" and "the age of challenge". No doubt he will soon be telling us that this is no time for soundbites. What the country wants to know is when he will deliver. The year 1998 was the post-euphoria, pre-delivery year and 1999 supposedly the year of delivery, but that clearly did not work because 2001 became the instruction to deliver year. That was not a great success either, so 2003 was christened the poised to deliver year. So what is it this year: is it the year of delivery, the year of achievement or are we just simply poised for the achievement of delivery?

Perhaps the Secretary of State for Trade and Industry can shed some light on that issue. After all, she was the one who criticised the Government last year for their lack of delivery. That was a bit rich coming from her. She spent last year lecturing people about the need to save energy. As she says, why pay more than we need to? Yet two nights ago, her Department was lit up like a Christmas tree. When asked why, her spokesman helpfully explained by saying that the lights were either on or off. He is clearly going to go far in this Government.

The truth is that we can tell the Prime Minister's mood from the tune that he sings. In 1997 it was, "Things can only get better"; in 2001, "We've only just begun"—*[Interruption.]*

Mr. Speaker: Order. Could the House come to order?

Mr. Howard: Today, we can all predict what the tune will be: "Give me just a little more time". If it took Winston Churchill five years to win the second world war and Clement Attlee six years to build the welfare state, surely seven and a half years is more than enough for this Prime Minister to get a grip on the problems that face Britain today.

"In a year or so we're going to have an election . . . when people will say we've 'paid a lot of taxes but what has really been achieved with all that money?' . . . Too often a lot of money has been spent. But very little seems to have been achieved".

Those are not my words, but those of the hon. Member for East Ham (Mr. Timms), the Financial Secretary to the Treasury. So now it is official: even Ministers know that the Government have not delivered. They know that it is all talk.

Jonathan Shaw (Chatham and Aylesford) (Lab): In my area, unemployment rose by some 20 per cent. when the right hon. and learned Gentleman was a Minister. He has told us that he will sack Ministers who do not deliver. How would he react to his Employment Ministers putting a million on to the jobless figures? Would he sack them?

Mr. Howard: What the hon. Gentleman has not taken into account and has conveniently forgotten is that unemployment started falling under the last Conservative Government in 1992. Perhaps he can explain to his constituents why 8 million people—more than in 1997—are economically inactive in the country today and why a million young people are still neither in work nor in training. I hope that he has a good explanation to give to his own constituents when he deals with those matters.

People are paying a lot more in tax and they are not getting value for money. Hard-working families are paying the equivalent of £5,000 a year more in tax, but what do they have to show for it? A million patients are still on NHS waiting lists, a million children are still playing truant from school and there are a million violent crimes. It is no wonder that hard-working families feel hard-pressed and hard done by under this Government. People are fed up with talk and want action.

Alan Howarth (Newport, East) (Lab): In respect of the possibility that more taxes can produce disappointing results, the right hon and learned Gentleman promised in his shadow Queen's Speech to restore the link between pensions and earnings. Does he accept that the cost of paying for that pledge would amount to an additional £38 billion in taxes by 2050—that is, twice as much as the cost of paying for pensions linked to prices? That policy would do nothing at all for low-paid workers, most of whom are women, as they would still not have a sufficient record of national insurance contributions to qualify for the basic state

pension. The policy would lay an enormous burden on the economy, while widening the inequalities in our society.

Mr. Howard: I think that the right hon. Gentleman will find that pensioners are more interested in the real difficulties that they face today than in what might happen in 2050. *[Interruption.]*

Mr. Speaker: Order.

Mr. Howard: I hope that the right hon. Gentleman has looked in detail at the reports from the committee on taxpayer value that we have published. They spell out in great detail how we will save enormous amounts of money by getting rid of bureaucracy and waste in this bloated and fat Government. The reports are all in the public domain, and people have had an opportunity to challenge them. Will he say which of those reports he criticises and why? *[Interruption.]*

Mr. Speaker: Order.

Mr. Howard: I should have thought that the right hon. Gentleman might have done some home work before intervening in such a crass way. *[Interruption.]* Anybody else?

Mr. James Plaskitt (Warwick and Leamington) (Lab) *rose—*

Mr. Gordon Prentice (Pendle) (Lab) *rose—*

Mr. Howard: I give way to the hon. Member for Warwick and Leamington (Mr. Plaskitt).

Mr. Plaskitt: The right hon. and learned Gentleman talks about people paying more in tax. Can he confirm the following figures from the House of Commons Library? They show that, in 1997, a married couple on average earnings with two children paid 17 per cent. in tax and national insurance contributions as a proportion of earnings. That proportion today is 12 per cent.

Mr. Howard: Most families are paying £5,000 a year more in tax than they were in 1997. That is what they know, and the hon. Gentleman ought to know it too.

Mr. Gordon Prentice: Was not the right hon. and learned Gentleman a member of the Cabinet that broke the link between earnings and pensions?

Mr. Howard: It was the right thing to do then, and restoring the link is the right thing to do now. *[Interruption.]* The hon. Gentleman may not have noticed that the world has changed in the past 20 years. It has become a different place. Under this Chancellor over the past seven years, there has been a move to make pensioners more dependent on the means test and the state, and on filling in complicated forms to get the help that they need. That is why we must take measures to help pensioners as soon as we get back to government. That is what we are going to do.

Let us talk about education. *[Interruption.]*

Mr. Speaker: Order. I call on the House to come to order.

Mr. Howard: I can understand why Labour Members do not want to be reminded of what the Prime Minister said 10 years ago. At that time, he said that it was important to stress the importance of discipline in schools, but what has happened? Today, a teacher is assaulted every seven minutes in our schools. The Education Secretary has told schools that they will have to admit unruly pupils, even if they do not want to.

Two years ago, the Government launched their flagship education policy, "The Power to Innovate". That was designed to give schools more freedom. There are 21,000 state schools in Britain, but just five have been granted that freedom.

The same year, the Government launched earned autonomy and the Education Secretary promised that he would promote it energetically. Not a single school has got earned autonomy. When people hear the Prime Minister talking today about school freedom and choice and about discipline in the classroom, they will see it for what it is—it is all talk. Parents want action. They want action to ensure that their children can actually learn when they go to school and are not disrupted by the unruly behaviour of others. That is why we would give head teachers the final say over expulsions.

Patients want us to clean up our hospitals. The Prime Minister talks about security, but the security that patients want is the peace of mind that comes from knowing that they will not catch a new infection when they go into hospital. Three years ago, the Government promised that every patient had the right to expect that their local hospital meets the highest standards of cleanliness. We have had 21 health Bills and 22 MRSA initiatives, yet at least 5,000 people still die every year from infections picked up in hospital. Doctors and nurses still do not have the power to shut wards that they know are infected.

We will have almost a dozen Home Office Bills in this Session. After seven and a half years, with just five months to go before an election, why should people believe now that the Government are suddenly going to fix crime? The Prime Minister promised cash point fines for yobs—it never happened. He said they would dock housing benefit from antisocial tenants—it never happened. Night courts were closed after six months. As for being tough on crime and tough on the causes of crime, his Government are letting prisoners out early and have downgraded punishment for shoplifting. Is it any wonder that crime is out of control?

Crime figures are the measure of whether the Government are succeeding or failing; that is what the Prime Minister says. When he criticises our record, he always uses the recorded crime figures. He did it again last week. Recorded crime fell by 18 per cent. when I was Home Secretary. Under his Government, it has gone up by 16 per cent. On his own criterion, he has failed where I succeeded.

This weekend, we were told that drugs would be the Government's priority. We have heard that before, too. In 1999, the Prime Minister promised new action to break the link between drugs and crime. It was all talk.

[Mr. Howard]

His Government have downgraded cannabis. According to the Met, more people are being caught with cannabis but fewer are being arrested. Perhaps that is what he meant by breaking the link between drugs and crime. What does it say about the Prime Minister's priorities that he talks about protecting children from sweets and crisps but will not keep them safe from cannabis?

Yesterday, the Metropolitan Police Federation said that, even without arrest, there is still plenty of paperwork. People do not want the police filling in forms. They want them out on streets, challenging and confronting every kind of criminal behaviour, from graffiti to drug dealing. That is why we will take action to cut police paperwork by scrapping the politically correct form that officers have to fill in every time they stop someone. We will take action on drugs. We need to offer every youngster on hard drugs the chance of residential rehab. All the evidence shows that that is what works best. That is what we will deliver.

The Prime Minister talks about our nation's security. It is one of his many priorities, just as it was 10 years ago when he said:

"Today's politics is about the search for security in a changing world."

How can we guarantee security when we do not even know who is coming into our country? There are 250,000 failed asylum seekers somewhere in Britain. So much for the Prime Minister's promise of a fairer, faster and firmer asylum system. He has had seven and a half years, but he has not even got to first base on that. How can he keep a straight face talking about security when he is going to cut our armed forces and disband historic regiments, including the Black Watch?

People can see through the talk. They are fed up with it. They want action to reinstate 24-hour security at our ports. They want action to tighten up on work permits, and to let Parliament decide how many people can come into Britain every year. The Prime Minister knows it. That is why the Chancellor of the Duchy of Lancaster—the Minister paid £130,000 a year to write Labour's manifesto—was busy briefing *The Sunday Times* that:

"the Tories have won a clear advantage by promising an annual limit for the number of asylum seekers and legal immigrants. Tony Blair is 'sympathetic'".

But we know that the Labour Government will never deliver because they are all talk, all spin and no substance. They never learn and never change.

The truth is that the Government have over-hyped everything. "Over-hyped" is not my word, but that of the right hon. Member for Darlington (Mr. Milburn). There is no one more addicted to over-hyping than the Home Secretary. Just last Sunday, he was talking about the measures needed to protect us from terrorism. He went through them in detail—juryless trials, wire-tap evidence, yet more police powers to pre-empt terrorists. But there is no legislation in the Gracious Speech to provide them. So we have a Government who admit that the law needs to be changed, but not yet; a Government who say that protection from terrorism is a priority, but not yet; a Government who say, "We will take action to keep you safe", but not yet. There can be no better example of the Government's pre-occupation with talk, spin and newspaper headlines. What the people of this country want is a Government who make their lives better month by month, year by year.

We will promise only what we know we can deliver. We will ensure that children can actually learn when they go to school by giving head teachers the power to expel unruly pupils. We will give patients the right to choose where they are treated and doctors the power to close wards when they are infected with a superbug. We will cut police paperwork so that the police can get out on the streets and cut crime. We will get a grip on immigration and asylum by giving priority to genuine refugees and people who have a real contribution to make to our country. And yes, we will give pensioners the security that they deserve in their old age by restoring the link between the basic state pension and average earnings. That is what this legislative programme should have been about—the people's priorities of school discipline, cleaner hospitals, more police, lower taxes and controlled immigration. Today, after seven years of this Government and five months before the general election, all that we get from them is more rhetoric, more promises and more talk. But this Government will never turn talk into action, so it is time for a Government who will.

3.28 pm

The Prime Minister (Mr. Tony Blair): First, may I join in the tributes to our colleague Jim Marshall. He was a well-respected Member of the House who worked tirelessly for his Leicester, South constituents. He will be missed by them and by his many friends on both sides of the House, and the thoughts of all of us are with his family at this time.

My hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) made a typically warm, witty and generous speech, and I pay tribute to it. As he said, he entered the House after a by-election in 1986. He replaced Robert Kilroy-Silk, whose television career, from what I hear, was largely spent with warring families who were at each other's throats. What a relief it must have been when he left television to join the UK Independence party.

I wholeheartedly support my hon. Friend's warm tribute to Harold Wilson and I pay tribute to my hon. Friend's work as a Northern Ireland Minister. He achieved something which I know from experience is pretty rare in the politics of Northern Ireland: he was popular in all parts of the community. Along with him and all Members of the House, I hope that we can restore devolved government in Northern Ireland.

My hon. Friend is, as we all know, a kind-hearted individual, but he is also someone with a sharp sense of humour, as we have heard today. In addition to other remarks made about his personal appearance, one parliamentary sketch writer rather unkindly described him as looking like a serial killer. My hon. Friend wasted no time in dropping the journalist a note to warn him that appearances "are not always deceptive". *[Laughter.]* I suspect that my hon. Friend is the only Member who can claim to be the chairman—unpaid—of an ice-lolly factory, which is famous locally for its slogan, "What could be nicer than a Pendelton's Twicer". So it is clear that politics' gain has been advertising's loss.

I pay tribute to my hon. Friend and also, of course, to my hon. Friend the Member for Sheffield, Heeley (Ms Munn). Like my hon. Friend the Member for Knowsley, North and Sefton, East, she knows her constituency extremely well, having been born and brought up there. Her mother was a linchpin of the local health service, having first been a nurse and then helping to train hundreds of others to follow in her footsteps, and I hope and am sure that she is proud of the investment and improvements that the Government, with her daughter's support, have wrought in the national health service.

I am told—although I have no means of knowing whether it is true—that for many years, as a child, my hon. Friend went camping with my right hon. Friends the Minister for Sport and Tourism and the Home Secretary; and even that did not put her off the Labour party. I also know that her late father was not only agent for the constituency but was also lord mayor of Sheffield, so she has a very long family tradition of association in Sheffield. She tap dances, as she said; she did not say that she also speaks several languages. I am not sure whether she does both at the same time, but I congratulate her on an excellent speech and wish her many years in the House.

The Queen's Speech commits the Government to continuing the policies for economic opportunity and change in our public services. The right hon. and learned Member for Folkestone and Hythe (Mr. Howard) asked where was the delivery, and he mentioned the Government's record. I am very happy to engage in a comparison of records, and indeed on what we have delivered. Over the past seven and a half years, Bank of England independence, prudent economic management and the new deal have delivered the lowest interest rates, lowest inflation and lowest unemployment for decades. Living standards of every section of the population are up. That is delivery after seven and a half years.

When the right hon. and learned Gentleman was a leading member of the last Conservative Government, we had two recessions. We now have sustained economic growth. We had interest rates of 10 per cent. for four years; now they stand at about 5 per cent. When he was Secretary of State for Employment, this country lost 1 million jobs; in the past seven and a half years, we have gained 2 million jobs. That is delivery. We saw pensioner poverty and child poverty increase under the last Government. Now we see 700,000 children lifted out of poverty and 2 million pensioners lifted out of acute hardship.

In the last Conservative Parliament, when the right hon. and learned Gentleman was a senior member of that Conservative Government, we saw spending per pupil in our schools cut. Since the Labour Government came to power, it has been increased by £800 per pupil in real terms. That is delivery.

When the right hon. and learned Gentleman was last in office, national health service waiting lists—under the Conservatives—rose by 400,000. Now they have fallen by 300,000. Of course there are still problems; he mentioned one—MRSA. But let us be clear: after years in which the NHS was run down, its services depleted, its training cut and its buildings unrenewed, we now have the national health service on its way back, thanks to the investment and reform under the Labour Government.

Go to any constituency. Look at the schools and see the computers, the new classrooms and new sports facilities. See the new nurseries and the Sure Start programme. Look at the hospitals and the new wings in hospitals—the biggest building programme in the NHS since it was formed.

Abroad, the Government can be proud that Britain is leading the way in debt relief, aid and help to the continent of Africa, with overseas aid to Africa set to treble by 2007–08. That is delivery, too.

Chris Grayling (Epsom and Ewell) (Con): Can the Prime Minister explain why three secondary schools in my constituency have to close one lesson early on a Friday for financial reasons?

The Prime Minister: I cannot, no, because I do not know the particular circumstances of the schools in the hon. Gentleman's constituency, but I bet that, if I look at the figures for those schools, they will have received substantial extra investment from the Government over the past few years. I do not know the particular circumstances of those schools, but I do know that, if we go into any constituency—I believe that mine is typical in this way—there is investment in primary schools, in secondary schools and in the numbers of teachers and classroom assistants. All of that was denied under the last Conservative Government; all of it delivered under this Labour Government. Let us never forget, indeed, that every penny piece of that investment, every economic measure, such as Bank of England independence, and every attempt at fairness, such as the minimum wage, was opposed by the right hon. and learned Member for Folkestone and Hythe and the Conservative party.

The Queen's Speech therefore builds on our record. Legislatively, it focuses on crime and security, but it should be taken alongside the pre-Budget report next week, which will focus on economic stability and opportunity, and the five-year programmes, not just for the NHS and schools, but for skills, child care, housing, public health, transport, pensions, art and sports. In every area, we recognise that the future is posing fresh challenges, that the traditional ways of meeting them no longer do so and that, if we want to help the British people to cope with economic globalisation, terrorism, organised crime and the pressures of modern work and family life, we have to change radically the way that public services, the welfare state and the criminal justice system work.

In respect of crime, the Queen's Speech does indeed build on earlier legislation. The right hon. and learned Gentleman suggested that all that had failed. He said that we did not want to look at recorded crime figures, but let me remind him that recorded crime doubled under the previous Government. According to the British crime survey, crime is down since 1997. It actually rose, even under the last Government, on the British crime survey figures. It is not true either that earlier legislation is effective. Antisocial behaviour legislation is now accepted in all parts of the House as one of the most successful pieces of law and order legislation that has been passed.

Mr. Nigel Evans (Ribble Valley) (Con): Will the Prime Minister now give the House an estimate of how many police hours he believes will be used in enforcing the shambolic hunting ban?

The Prime Minister: I do not believe that police time will be diverted into that, as the Home Secretary made clear at the weekend, but I hope that the hon. Gentleman would agree that 12,500 extra police officers—record numbers of police officers and community support officers—is something that the Government can be very proud of.

Mr. David Trimble (Upper Bann) (UUP): The Prime Minister has just said that antisocial behaviour legislation is accepted in all parts of the House, and it is warmly supported in this part of the House, but the people whom we represent will be quite disappointed to hear that the Government's third antisocial behaviour Bill has been announced, when we in Northern Ireland have only just got the first on the statute book, but not yet in force, and have no sight of the second. Will the Prime Minister ensure that his Government implement in Northern Ireland what they promise for the people of the rest of the United Kingdom?

The Prime Minister: I will do my very best to ensure that, since I am sure that the issue is every bit as important in Northern Ireland as elsewhere. Of course, if the hopes that he and I both have are realised, perhaps a devolved set of institutions can ensure that that happens quickly.

The measures that the Conservative party opposed are now accepted. The Queen's Speech announces the establishment of a serious organised crime agency and widens law enforcement agencies' powers to force co-operation with investigations. It takes up measures proposed by front-line law officers to tackle the menace of drugs and to compel criminals who are addicts into treatment. It gives parish councils and local Government the powers that they have asked for to tackle things such as fly-tipping, night-time noise and problem alleyways, and through the establishment of prison and probation service, allows us to target the prolific offenders, grip their behaviour after release and on bail and make it harder for them to commit crime. Through the identity cards Bill, we will pave the way for a British identity card—at first voluntary, and then in time, compulsory. That is a big change, but frankly, with terrorism, illegal immigration and organised crime operating with much greater sophistication, identity cards, in my judgment, are long overdue.

It is said that those measures are scaremongering. It is true that there are record numbers of police and it is true that overall crime is falling, but the fact is that the threats faced by this country and every other major country around the world are real. There are still far too many victims of crime and I am determined, building on the success of the antisocial behaviour legislation, to ensure that we have respect and responsibility back on the streets and in the communities of Britain.

Mr. Alex Salmond (Banff and Buchan) (SNP): The Scottish Executive said this morning that identity cards would not be compulsory in Scotland for gaining access to devolved services, leading to the possibility that people will not need them to go to hospital but will need them to collect a pension. Will identity cards be compulsory in Scotland or not?

The Prime Minister: The devolved services are a matter for the Scottish Executive under devolution legislation, as the hon. Gentleman knows. However, it would be our intention here to ensure that when they are compulsory—obviously, that has to go through a legislative process in the House—they are essential in order to access services.

As well as a strong domestic policy agenda, the Queen's Speech also commits us to completing the task of bringing democracy to Iraq. I pay a special tribute to the heroism, courage and commitment of British soldiers serving in Iraq. They are a huge source of pride for the country. The Queen's Speech also places at the centre of our foreign policy the reinvigoration of the middle east peace process. This is no longer just about security for the middle east. It affects Britain's security and that of the wider world.

Our G8 priorities—Africa and climate change—will form the other principal part of the Government's foreign policy and I hope, as priorities for the G8, will gain support across the House and the country. The Queen's Speech, therefore, builds on a strong economic and foreign policy record, investment in public services and the success of the antisocial behaviour legislation. Its policies are radical, but realistic and costed.

I turn now to the alternative Queen's Speech issued by the right hon. and learned Member for Folkestone and Hythe. It is just over a year since he became leader of the official Opposition—not a long time in most jobs, except perhaps that of the Tory leader. I thought it might help the House if we looked back at what he promised when he stood for the post.

"I will lead this party from its centre",

he vowed.

"We will never place our electoral self-interest before the good of the country",

he declared.

"No narrow partisan opportunism for us",

he promised. He went on to pledge:

"Rigorous honesty, measured criticism, realistic alternatives."

Let us examine that in relation to the tax and spending policies that the Conservative party issued in the past few weeks. Last week, the Conservatives published their tax plans. They tantalised us with billions of pounds of options on tax cuts on everything from inheritance tax—as ever, appealing to the top 5 per cent. of the population—to the top rate of tax. That is up to £6 billion of tax cuts or more. But then we read the small print of the document and, tucked away at the end is this sentence:

"The presence of a particular option in this paper does not constitute any guarantee or promise that the particular option in question will form any part of any Conservative budget."

We are introducing a consumer credit Bill to protect people from sharp practice. I think we will have to amend it to cover Tory policy.

Then the shadow Chancellor was at it again, promising five options on cuts in stamp duty. Great, we thought. Then we read the small print:

"The presence of a particular option does not constitute any guarantee or promise that it will form any part of any Conservative budget."

So there we have it. It is not a real tax cut; it is a fantasy tax cut and a fraud because it is sold as a reality.

Are the Conservatives any more credible on spending? One year ago, the shadow Chancellor said that if elected, he would freeze departmental budgets in cash terms except for the national health service and schools. That is £20 billion of cuts in vital spending. However, while he says that he will stop spending, the other shadows have started fantasy spending. They have promised more spending on defence, prison, rehab places, the elderly, schools, school nurses, pensions, transport, higher education and the national health service. But they have run into a bit of a problem. They have sort of promised tax cuts; they have sort of promised spending; and they have sort of realised that it does not add up. So now they promise fantasy savings.

The right hon. and learned Member for Folkestone and Hythe said that no one had challenged his figures on savings. Let me start the challenge—a challenge that he is going to hear from now until election day. The Tories say that they will spend £2.9 billion more on defence than Labour, and that they will get £1.6 billion of that from defence savings. When one looks at the detail, one finds that it is £900 million from what they call logistics and procurement, but unfortunately we are already going to save £1 billion from logistics and procurement; in other words, there are no savings of £900 million for the Tories to make. The other saving that the shadow Chancellor says he will get is from the new deal. He says that if he scraps the new deal he will save money, but the new deal is cutting unemployment and saving money for us.

The fantasy does not end there. *[Interruption.]* No, there is more. The Tories say that they will spend £1.3 billion extra on police because they will cut investment in immigration and asylum by processing all asylum claims abroad. I have been dying to ask them this all the way through: where is this place that is going to process all the asylum claims? Where is the country that is going to say, "Yes, I'd like your failed asylum seekers"?

We start with fantasy tax cuts; we then have fantasy spending; we then have fantasy savings and now we have a fantasy country. Then, of course, we have the Tory policy on Europe. We remember the words about leading from the centre; back comes the right hon. Member for Wokingham (Mr. Redwood) into the shadow Cabinet. The Tories have now ditched 30 years of policy on engagement with Europe in favour of renegotiation, a policy that even Margaret Thatcher would not entertain. We know that the right hon. Gentleman has boasted that the unilateral renegotiation of our membership of the European Union is "easy".

Mr. Howard: Can the Prime Minister explain how Margaret Thatcher got the rebate without renegotiation?

The Prime Minister: She did not get it through renegotiation. *[Interruption.]* Of course she did not. The financing terms of the EU had to be agreed, and she agreed the rebate as part of that. Indeed, the very reason we were able to get the rebate is that the EU had not agreed its financing terms. The right hon. and learned Gentleman has to explain how he will renegotiate things that the Government have already entered into. That is the difference. In order to renegotiate terms that the Government have already committed themselves to—on fisheries, on social policy, on the social chapter, on the common agricultural policy—and which other countries have already agreed, the right hon. and learned Gentleman would have to get the agreement of every one of the other 24 countries. Where are the other countries that are going to agree? They do not exist, so now we even have a fantasy European Union to go alongside the fantasy country.

Fantasy policies are amusing for a fantasy Government, but supposing that Government became a reality, then the fantasy becomes a fraud on the British people and is no longer amusing but dangerous. It would be back to the failed policies of the past. Think of the damage to mortgages, to jobs and to prosperity; think, and then think again before voting the Tories back in. Under the right hon. and learned Gentleman the Tories are right back to where they were. No wonder—he served as a Minister in that Government for 10 years, seven of them in the Cabinet. He introduced the poll tax. He opposed the minimum wage. He was a key economic Minister when interest rates rose, unemployment topped 3 million and negative equity took its toll. He is not the hope of a successful Tory future because he is the reincarnation of a failed Tory past. [HON. MEMBERS: "What about the Lib Dems?"] I was going to say a word or two about the Liberal Democrats, if that is all right.

As for the Lib Dems, I suppose at least they do not pretend that they can finance their spending commitments out of thin air, but they do pretend that taking £30 billion over one Parliament from top-rate taxpayers and giving local authorities the right to tax the income of hard-working families will finance their pledges. I simply say that that will increase hugely the income tax—top and basic rate—of millions of families. The wealthiest will find a way of avoiding it; it is ordinary families that will be hardest hit. Meanwhile, the Liberal Democrats will oppose the measures on crime that the same families will surely welcome.

The truth is that the policies of the Opposition parties—[HON. MEMBERS: "Is that it?"] It is about all they deserve, but I have more if they want—*[Interruption.]* Since they want a bit more, I will give them a bit more. On one of my occasional forays into Lib-Dem spending commitments, I have come across the best one yet. It is about bee keeping. The Lib Dem shadow Chancellor, the hon. Member for Twickenham (Dr. Cable), says:

"Benefits from bees' natural pollination activities are enormous, worth billions of pounds. There is however negligible research into damaging diseases and I have pressed the Ministry of Agriculture for a bigger research commitment."

I hope that the Chancellor is taking note. I had not realised that there were votes in bee keeping, but if the Liberal Democrats think there are, there probably are. If any bee keepers are listening, we are right on your side.

[The Prime Minister]

The truth is that this Government have a strong economic record; there is investment in public services and investment in extra numbers of police. Legislation on crime and security will go alongside the pre-Budget report and the five-year programmes to provide opportunity and security for all in a changing world. By contrast, the policies of the Opposition parties are either incredible or, where credible, damaging. So there is a choice: economic stability or economic danger; investment in public services or cuts; action on poverty and social justice or indifference; the future or the past. This Queen's Speech is strong on economic opportunity, strong on the nation's security and fair in helping all people whatever their background to fulfil their potential to the full. I commend it to the House.

3.52 pm

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): It is my pleasant duty as well to commence by paying tribute to the first two speakers of this afternoon's debate. The hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) entertained us with comments on his illustrious predecessors from his neck of the woods—well, some of them were illustrious. The one who was not was the one whom I used to sit beside on the Liberal Democrat Front Bench not that many years ago, and I think the hon. Gentleman knows whom I am referring to.

Chris Bryant (Rhondda) (Lab): Name him.

Mr. Kennedy: No. I have been in the House longer than the hon. Gentleman, but not that long.

The hon. Member for Knowsley, North and Sefton, East recounted Harold Wilson's ability to deal with the awkward question. My favourite in that department is the time when *The Daily Express* was characteristically giving the Labour Government a hard time of it and Jean Rook, the self-styled first lady of Fleet street, was sent round to No. 10 for an early-evening dram with Harold. He poured her a drink, got the pipe out and said, "In your own time, Jean." She said, "Prime Minister Wilson, is it true that whenever you are asked a tough, awkward or difficult question that puts you on the spot and you don't want to answer, you always respond by means of a question?" Wilson thought, took the pipe out of his mouth and said, "Now who told you that, Jean?"

As these exchanges will not be televised until after the watershed, I can say that we found the speech of the hon. Member for Sheffield, Heeley (Ms Munn) a fascinating lifting of the veil over the workings of the Labour Whips Office. If that is not an incentive for many of us to aspire all the more to the trappings of office, I do not know what is.

It is a sad task to pay tribute to a colleague who, alas, is no longer with us. He was a friend and somebody I very much liked and respected—a good European and a good internationalist, the late Jim Marshall. We shall miss him a lot, not least given the debates that have been so predominant since his passing, and the many European debates that lie ahead, to which the Queen's Speech refers. In that context, I know that Jim's successor in Leicester, South is anxious to catch your eye, Mr. Speaker, later this afternoon. My parliamentary colleague, my hon. Friend the Member for Leicester, South (Mr. Gill), may hope to contribute to this debate in his maiden speech.

The other two parliamentary by-elections that have taken place since the previous Queen's Speech were thankfully not due to bereavement. Terry Davis is going to the Council of Europe, where we wish him well in his new office and responsibilities. Peter Mandelson has moved on to the EU Commission, and we wish him well also. In respect of a Queen's Speech that is dominated by Home Office concerns and law and order, both the Chancellor of the Exchequer, who has, alas, left the Chamber, and the constabulary generally would describe Peter's departure, given his weekend interviews and subsequent comments, as a classic case of "He's gone to Europe, but by God, he has not gone quietly." It does not look as though he will remain quiet on these matters either, which will keep many of us outside the Labour party entertained, even given his further distance.

The Clerks in the Table Office have advised us that an amendment that we have tabled, but which will be moved more formally next week, is in order. I shall allude to it, if I may, by way of a description for the House, since it will not appear in printed form until tomorrow. Our reasoned amendment refers to the fact—it is unusual in this respect—that the Gracious Speech

"contains no commitment to introduce legislation to clarify the responsibility of the Prime Minister to Parliament, particularly in relation to prerogative powers and the role of Parliament in matters of war and peace, and calls for a special Select Committee of the House to consider these matters."

I am not revisiting all the background and arguments that lie behind this issue, which we have been over many times before. We want the House to have an opportunity to vote, as it will next week, for a Select Committee to look at that matter.

The reason for making this somewhat unusual move and for drawing attention to it at the outset is that that vote will be a genuine opportunity to invite cross-party support in the Division Lobby next week because of the remarkable series of Parliament-orientated events arising from Iraq that have coloured our proceedings regarding the role of Prime Minister and the relationship to the House of Commons. From within the House, there have been the reports from the Select Committee on Foreign Affairs, the Select Committee on Public Accounts and the National Audit Office. We have also had Hutton and Butler, and more recently, the Iraq survey group.

On Butler and his highlighting of the methods of prime ministerial and Cabinet working and the review that is now in place, to which the Prime Minister referred at the beginning the speech that he made when we debated Butler before the summer recess—it deals with working practices and how they could be improved or altered, and their role in the procedures and Committees of this House—we feel that a genuine issue arises here that Parliament would want to look at for its own good. That is the nub of the reasoned and considered view that we are putting on to the Order Paper, and I hope that it will find broad-based sympathy and can be taken further in this new Session of Parliament, however long it runs.

The Prime Minister referred in his opening remarks to the continuing heroic work that is being carried out by the British armed forces in Iraq. We certainly pay tribute to that. We have all expressed very grave concerns about some of the images that we have seen coming out of Falluja and about the reality behind them. Perhaps tomorrow's instalment of the Queen's Speech debate will be a more appropriate occasion for more detailed exchanges on these matters. With regard to the announcement of the 30 January scheduled elections, which is welcome, we would like to see to what extent the conduct of what happened in Falluja and the implications that flow from it will be assessed in terms of the processing and moving forward of that democratic ballot.

The Queen's Speech contains slightly odd new Labour wording referring to and introducing an important component of the speech this year. It states:

"My Government recognises that we live in a time of global uncertainty with an increased threat from international terrorism and organised crime."

It goes on to say—this is the bit that reads oddly—

"Measures to extend opportunity will be accompanied by legislation to increase security for all."

I am not sure whose opportunity the drafters of that sentence had in mind. It reads like one of those—we can all suffer from them—that has been through too many committees and has lost the je ne sais quoi that was sought at the outset. Nevertheless, as we have seen since yesterday evening's reports of the thwarted attack planned against Canary wharf, this is a serious issue that requires a serious response. We must always bear it in mind that the security services have to get it right every time, but the terrorist has only to get lucky once. That has to be weighed in the balance every time.

I do not share the scepticism that some have expressed at the coincidence of that report's coming into the public domain at the same time as today's Queen's Speech. However, it is interesting to note that, because of all that has gone before, the instinctive response of many members of the public to what the Government tell them about such matters is somewhat sceptical, to say the least. In this case, I regret that, because I do not, for a whole variety of reasons, believe that the Government orchestrated this in any way. The public response is indicative of the problem that will underlie many of the debates on such fundamental matters of life and death that will take place on the Queen's Speech and subsequently, presumably, into a general election.

The real danger is that terrorism and security measures are being conflated in the public's mind with issues of domestic crime and disorder. Indeed, there are those who for their own, rather disreputable ends would be only too eager and happy for asylum and immigration to be mixed into that elixir as well. As we know, asylum and immigration are themselves distinct issues that get conflated, but when they are poured with domestic law and order issues into the turmoil that can be created in the public's mind by those with an agenda of their own involving international insecurities, the debate can become very febrile and damaging for the fabric of society as a whole. Those of us in Parliament, as well as the political combatants if the debate plays into a general election, must to try to keep above those arguments and to resist such temptations.

I want to explain the Liberal Democrats' approach, in terms of broad principle, to the Queen's Speech, with the proviso that we will not yet see certain measures relating to matters that are still before the courts—for example, the continuing appeals concerning the Belmarsh detainees, the outcome of which will have a significant and fundamental influence on what the Home Secretary may decide into next year.

We will make the case, vigorously and on several fronts, against the introduction of identity cards. First, there is the question of cost. If asked, the public would say that they would prefer the £3 billion that has been allocated to be given to the priority of ensuring more visible policing on the streets of their communities.

Secondly, as we heard during last week's exchanges in Prime Minister's questions, terrible complexities have recently been experienced in the computerisation of the Child Support Agency. For that, in days gone by, read the Department of Health and the Inland Revenue—and so it goes on. The public have little confidence—and we do not share the Government's confidence—that a computerisation of the complexity that would be required for a national ID system could, if it bears any relation to the haphazard and hellish track record on these matters, in any sense be relied on.

Thirdly, of course, we must remember that identity cards did not prevent depraved individuals from carrying out terrorist assaults in Madrid and New York. We should not, therefore, allow the argument to develop that ID cards would be a fundamental failsafe against such an attack, particularly a suicide attack. A further issue is that, even according to the Home Secretary's own interpretation, these proposals would not kick in during this Parliament, even if it were to run for its entire five-year length.

Those are the practical and principled objections that we shall make to the introduction of identity cards on a voluntary, then a compulsory, basis. We shall work not only with our own party colleagues but, I hope, with colleagues in other political parties in this House and the House of Lords, and I still hope that we shall be able to thwart the proposed legislation.

Mr. Salmond: I agree with the general tenor of the right hon. Gentleman's remarks on identity cards, but, having heard the Prime Minister earlier, does he agree that the concept that the cards would not be compulsory for devolved services, but would be compulsory in regard to reserved issues, is nonsense?

Mr. Kennedy: I was intrigued by that proposal as well; it was a new one on me. The Deputy First Minister in the Scottish Parliament, my party colleague, Jim Wallace, did not seem to be willing to get bogged down in this distinction between what is devolved and what is not, when he said recently in a speech:

"The truth is that ID cards will fail to combat terrorism and make little or no difference in tackling illegal working and cutting crime. The harsh reality is that the UK government's ID card scheme is nakedly opportunistic and the certainty is the huge cost of ID cards, a cost that will have to be borne by every individual."

[Mr. Kennedy]

I think Jim put that rather well. He was previously, of course, Justice Minister in that Administration, so one would assume that he knows what he is talking about.

Mr. Salmond: Would that not perhaps be a reason for getting out of the coalition?

Mr. Kennedy: Temptation, temptation! There are issues on which we can clearly draw a distinction between what is devolved and what is not, and that one is devolved. That was not my decision; it was a decision for the Scottish Liberal Democrats, and that is as it should be.

Mr. Mike Hall (Weaver Vale) (Lab): But you are a Scottish Liberal Democrat.

Mr. Kennedy: I meant the Scottish Liberal Democrats in the Scottish Parliament, as opposed to Liberal Democrats representing Scottish constituencies in the Westminster Parliament.

Mr. Hall: Will the right hon. Gentleman tell us what his noble Friend Lord Steel's view is on ID cards? Will he be looking for his support in the House of Lords?

Mr. Kennedy: I have not heard Lord Steel sound off on this specific issue, I must admit. However, I find that I can always count on his moral support, as I can on that of all former leaders of the Liberal Democrats.

We continue to oppose detention without trial. In a liberal democrat society—in the non-party sense of the term—it surely cannot be acceptable. We acknowledge, however, that there is a real problem in regard to at least some of the detainees at Belmarsh. This matter is, of course, subject to the decision of the courts. It must be preferable to secure a conviction, when it is legitimate to do so, and that might involve the allowing of information obtained by phone-tapping to be given in court, if it is a relevant and essential piece of information. It is better to arrive at such a conviction than to leave someone languishing in a legal no man's land, as is happening at the moment. Depending on the detail that will be provided in due course, that proposal will have to be looked at.

The Prime Minister has also made much of a matter that we have been very straightforward about, which is that we, as a party, have had to reassess our attitude to antisocial behaviour orders. He was quite right to say that we were critical of them in the past, and that we warned him about some of their implications. We have been proved right about some of those implications, but we have to be realistic. My hon. Friend the Member for Winchester (Mr. Oaten) has been consulting not only the many Liberal Democrat-run local authorities that have had recourse to the orders and found them useful, but authorities of other political persuasions as well.

Where a developed view is concerned, I listened to the Leader of the House's interview on this issue on Sunday night—*[Interruption.]* I am sure that other listening posts within the Labour hierarchy follow very carefully what he says when he gives his later-night weekend interviews. If, after a scheme comes into operation, judgments must be formed on its practicality and changes must be made in the stance, we should be upfront about that. That is the kind of rational discussion that the public want to see. In being straightforward in saying that, I hope that there will be a degree more straightforwardness in the response from the Government in acknowledging that to be the case.

Let us consider some of the issues that we highlighted at the time. For example, if we put antisocial behaviour orders in the context of wider criminality in this country at the moment, we see that the prison population has risen by 20 per cent. since the Government came to power. Before 1997, however, the Labour party in opposition argued that prisons were already overcrowded. Perhaps that is tough on crime, but it is not tough on the causes of crime. With that increase, reoffending rates are now running at 60 per cent., and among 18 to 21-year-olds, at more than 70 per cent. "Tough on crime" is the headline, but we need to consider the facts that lie below it.

Equally, the Government are tough on the implementation of ASBOs. It must be acknowledged, however, that the ASBOs that have been administered have a 36 per cent. failure rate. What does "failure rate" mean? It means that the people made subject to ASBOs who break them—the failures—end up in detention. If we consider the detention figures, we see the effect that that has on those individuals becoming reoffenders. It would be better if we could get to those people—this is our whole argument, on which we differ from the Government—before the legal intervention takes place. Then, if something were to go wrong, we would have a better prospect of getting them back on the straight and narrow, before they reach the point of incarceration when they are much further down the track and much more difficult to reclaim as a fully paid-up, worthwhile member of society. That is a serious issue and it should be pursued.

The third context in which the issue should be placed is the need, which I mentioned, for more police and community police officers generally. It remains ridiculous that 10 per cent. of our active police on shift at any given time are acting as bureaucrats and are not out in the streets and communities. The vital need to reduce the bureaucratic imposition on the police continues.

We support the Government on their establishment of a serious organised crime agency. It must make sense to bring those functions together in a more coherent one-stop shop, as it were. We will scrutinise that, but we want to give it our broad support.

What I find most perverse, almost, about this Queen's Speech is that the Prime Minister, before he became Prime Minister, and in his earlier years in office, would often wax lyrical and with great reflection and consideration on the fact that the 20th century had been too dominated by the conservatives, and that the progressives—be they those in his party, my party or elements of the Conservative party—should try to capture the 21st century. Both the Prime Minister and the Chancellor have delivered speeches in which they have alluded to the fact that Liberal thinking has influenced and led to the enactment of big improvements in social measures and liberties by Labour Governments. However, what has happened today? Sadly, the Prime Minister's analysis is being

steadily eclipsed by his Home Secretary's approach. In a short space of time, the Home Secretary has managed to do something that took the neo-conservatives in the United States 20 years, if not more. In aping them, he has managed to turn "liberal" into a derogatory term of abuse in this country's political dialogue. I am not talking about the party political term "Liberal"; I am talking about people who consider themselves liberal, whatever their party political allegiance.

That is totally out of kilter with British society today—this is reflected in the legislation that we have passed on same-sex relationships and other matters—so much of which is instinctively liberal in its attitudes and aspirations. The Home Secretary seems to have lost that plot or, indeed, seeks to undermine that welcome development.

The Prime Minister: The right hon. Gentleman's argument is important, but surely there is no inconsistency between being liberal-minded on issues such as, for example, equality in terms of race, gender or sexuality and the incorporation of the European convention on human rights into our domestic law, and at the same time saying that people who make life hell for others in their communities should not be allowed to get away with it—there is nothing illiberal about that approach, which contains a lot of common sense. I agree that we need to invest in Sure Start and in opportunities for young people, but what do we do when elderly and vulnerable people's lives are made really difficult—sometimes they are made virtually impossible—by antisocial behaviour? Surely we have to act. I do not see any inconsistency between being entirely liberal on issues to do with equality and very sure and tough on issues to do with proper behaviour.

Mr. Kennedy: It is refreshing to get into a philosophical debate with the Prime Minister—they should let him out more often. I rather agree with him, but the problem for the Prime Minister, others of a like mind and me is that the Home Secretary does not agree one iota with that analysis. Indeed, I shall quote the Home Secretary's interview on the Saturday before last's "Today" programme. He discussed the Liberal Democrats, which is one of his favourite themes when he appears on that programme, and in particular my hon. Friend the Member for Winchester and me:

> "I would challenge Charles Kennedy on this, we actually have got to be able to distinguish an open, liberal society from libertarianism, where everything goes and selfishness and individualism are somehow presented as liberalism."

I know what he means, but he does not make that distinction in the way in which he presents his arguments, and he picks and chooses depending on how he wants to advance his case.

I mentioned the use of the word "liberal" as a term of abuse. The Home Secretary is incorporating something else from recent American political experience—neo-con stuff from the presidential campaign—and we can see it in the presentation of his case in and around the Queen's Speech. Just as the Bush Administration established in the minds of the average American citizen that al-Qaeda and 11 September were somehow connected with Saddam's regime in Baghdad—everybody knows that they were not—the Home Secretary would like us to think that international terror, disruption and disorder are part of ASBOs and people being threatened in their communities, and that that is part of losing control of ourselves, our communities and our sense of safety. That is an insidious, invidious and dangerous line to go down, and our voices will make that case again and again in many debates because it needs to be heard.

Mr. John Bercow (Buckingham) (Con): Surely the essence of the problem with this Home Secretary is that he has adopted a raft of measures that greatly adds to the power of the state without in any meaningful way adding to the security of the citizen. I put it to the right hon. Gentleman that the truest description of this Home Secretary is that never has there been a Home Secretary who has wielded so much power, has made so little effective use of it and has been in such an indecent haste to blow his own trumpet.

Mr. Kennedy: This emerging triumvirate—this Polish Government in exile—is the most amazing in which I have participated since *The Spectator* awards of two weeks ago, when the leader of the Conservative party and the hon. Member for Henley (Mr. Johnson) flanked me as I received an award. I can assure them that I have got that photo on the bedroom wall.

I certainly agree with the approach taken by the hon. Member for Buckingham (Mr. Bercow), and I commend the personal and parliamentary courage with which he has put his arguments of late on these and other issues. We in this country enjoy a relatively stable, mature, tolerant, fair-minded and open democracy and the material affluence that goes with it, and it is absolutely essential that we do not drift into—or worse still, consciously design—knee-jerk, short-term strategies that might, through a degree of popularity, buy votes in the run-up to an election, but which in the longer term would work against the interests of us all as citizens, regardless of political persuasion.

Chris Grayling: Will the right hon. Gentleman give way?

Mr. Kennedy: Yes, but I had better make this the last time.

Chris Grayling: I am very grateful. May I probe a little deeper into what the right hon. Gentleman is saying? He will be aware that a school of thought exists today whereby the publicity and policy making that have accompanied the events of the past few years in reality constitute an attempt by a particular part of the political spectrum in the west to create a "new enemy" to replace the one that existed during the cold war, and that the threat of al-Qaeda has been exaggerated to promote a particular style of politics. Does he share that concern?

Mr. Kennedy: I do not doubt that there are some who are of that mindset, and that the absence of the old fixed certainties—which were physically embodied in the presence of the Berlin wall and in the competing values and weapons systems that lay on either side of it—has created something of a void. However, I do not subscribe to the view that that has somehow left all politics in a moral vacuum, and I doubt whether the leaders of the Conservative or Labour parties do either.

[Mr. Kennedy]

No doubt there are those with a rather bizarre philosophical intent—those whose primary interest is with whom they are going to make the next weapons deal, and to which part of the world they are going to sell them and how much for, without asking too many questions about the purpose for which they are required. But there will also be those who approach this issue from the direction referred to by the hon. Gentleman.

I shall deal briefly—given that this philosophical excursion has lasted rather longer than I anticipated—with the other measures in the Queen's Speech and indicate our stance. We support the education measures for 16 to 19-year-olds, which are aimed essentially at part-time students. However, if we had had this legislative chance today, we would of course have legislated, as we have done in the Scottish Parliament, for a much fairer deal for our students—a deal that does not involve the savage amount of personal debt that will result from the imposition of student fees, and from the top-up fees that will shortly accompany them, in England and Wales.

We also welcome the establishment of a commission for equality and human rights, but in this respect there has been more than just a drafting oversight. Reference is made to the various categories that will be included in terms of sexual orientation, religious preference, race, and so on, but no reference is made to anti-age discrimination in respect of the provision of goods and services. I have no doubt that we will want to discuss that issue when the Bill comes before the House.

On road safety, I very much welcome what was said in the opening speech.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): Will the right hon. Gentleman give way?

Mr. Kennedy: I would like to move on.

As Members of Parliament, we have all heard from our constituents of horrific instances of maimings and deaths caused by road accidents. It is amazing that although we have accident investigation bureaucracies that deal with rail, sea and air travel, no such bureaucracy exists for road travel, despite the fact that 10 people will be killed today on our roads. We read the terrible headlines about the recent appalling rail accident, yet fewer people were killed in that accident than were killed in each subsequent day on the roads.

The proposals on corporate manslaughter are a step in the right direction, although, when it comes to the detail, the Government may have to revisit whether the Company Directors Disqualification Act 1986 would provide a more appropriate route to achieve their objective.

I commented on the difficulties that can arise with computerisation. I hope that those difficulties will not arise during the integration of the Inland Revenue with Customs and Excise. However, problems that will have to be addressed include the interdiction powers of Customs and Excise, which have been seriously questioned in recent court rulings. We support the further moves that will be made on charities and the fact that the threat—the reality—of global warming features in the Queen's Speech. However, it is essential that among the many other things that the Prime Minister has to talk to the President of the United States about, he engages him positively in that agenda, not least through the presidency of the G8.

There is one old friend that never goes away. Governments come and go, but this one never goes away: Europe—and it is here today. The Bill will be introduced, and I agree with the leader of the Conservative party that it would be more helpful to be able to flesh the subject out with a bit of detail, such as when Billy Bunter's postal order—any European referendum from this Government—is going to arrive. I hope that when we begin to get into the arguments in the House, the Government will stop making the mistake that they have been making all along, which is "defending the red lines" and speaking in Eurosceptical language to justify a pro-European move.

John Major learned, to the decimation of his premiership, that the more we feed the monster, the more the monster wants, and eventually the monster will devour us. We watched that when the Conservatives were in government, week by week and month by month. This Government are not in that position yet, but they are kidding themselves if they think that they can turn public opinion around by presenting an argument about engaging with Europe in the vocabulary and the stance that people instinctively equate with the Eurosceptics, if not the downright anti-Europeans.

Apparently, the Labour party has launched a new website, called "Proud to be British". In it, the party invites people to send messages to Labour to tell it why they are proud to be British. That is all very interesting. Perhaps Peter Mandelson will launch a website called "Pleased to be European". What most of us feel about being British is that we are proud to be British. Britain is a good country; it has a sense of fair play and of tolerance and the other virtues that I referred to earlier. But in addition to that, this country recognises that life is more complex and that decisions and difficulties that arise for Governments are more complicated than the easy tabloid analysis of life.

The leader of the Conservatives said in a recent interview in *The Guardian* that he was "frustrated", and that

> "The government stole our language."

I am glad to say that, from a Liberal Democrat standpoint, I have no such complaint about the Government. I am relieved to say that they show no temptation to steal our language or the philosophy that lies behind it. That will be the defining issue of the election in coming months. I am talking about an instinctively Liberal approach to the problems of the day at home and abroad, backed up by principles, as opposed to the instinctive reaction towards an illiberal partial solution to a much more complicated set of problems. The people of this country deserve to have that debated in a mature and rational way, and to have it put forward as a set of principles and a coherent view of Britain today and Britain's role in the world. I believe that, come the election, after the debates on the Queen's Speech and the legislation that follows, millions more of our fellow citizens will see that, instinctively and properly, that comes best and most sincerely from the Liberal Democrats.

4.29 pm

Mr. Ken Purchase (Wolverhampton, North-East) (Lab): First, I associate myself with the comments of the mover and seconder of the loyal address. My hon. Friends addressed the House with grace and wit, and created a sense of fun. Of course, we do not really come here to enjoy ourselves; anyone who wants to leave the Chamber now is free to do so, before I start boring hon. Members to death.

This Queen's Speech contains many measures and, in common with what has been said in the newspapers over the past few days, I believe that it is a Queen's Speech for an election. I am reliably informed by the Sunday papers that it is based on the themes of security and opportunity. Those are certainly fine sentiments. We have talked about being British and I believe that we are entitled to expect any British Government to ensure that we can enjoy both security and opportunity. Those will be the themes of Labour's general election manifesto.

It seems to me that not much changes. Once again, the election will be fought, won or lost on the economy and how people feel about their personal circumstances. It was interesting that the Gracious Speech opened with the sentence:

"My Government will continue to pursue policies which entrench economic stability and promote growth and prosperity."

Hon. Members will not be surprised to hear me say, as I have before, that at the heart of that economic strategy must be the continuing development of a manufacturing strategy. I believe that the Government have paid proper attention to that, but more needs to be done. I want to say sincerely, not just in passing, that the manufacturing advisory service, set up by the Government, is now working effectively across the nation. In my region of the west midlands especially, it is making an important contribution to companies and firms that wish to take on innovative processes, find new ways of doing things and share that information with the particular sector in which they are operating. There is no question but that the service has made a serious contribution to companies and I pay tribute to it.

Mr. Peter Pike (Burnley) (Lab): My hon. Friend represents a black country constituency and I represent a Lancashire constituency, both of which are heavily dependent on the manufacturing sector. My hon. Friend welcomes current developments, but is it not also important for the Government to do even more for research and development, especially if we are to advance the sharp-end industries such as aerospace, pharmaceuticals and so on?

Mr. Purchase: My hon. Friend is absolutely right about the similarities between our constituencies. We both have aerospace sectors, which indeed provide the cutting edge of research and development, that are greedy and anxious for further investment in new products, blue-sky thinking and, most importantly, innovation. Our companies must innovate and bring useful products to the marketplace, which can also help the rest of the industry. I entirely accept my hon. Friend's point; we share the same view on that matter.

I should like to make a couple of points about manufacturing. First, it has been tremendous to see the productivity gains that have been made by manufacturing industries. Many of those gains were forced by necessity as a result of difficult competitive conditions in Europe and worldwide. Despite those conditions, we have seen an annualised rate of something like 5 per cent. growth in manufacturing productivity while the economy as a whole has also improved, but only by about half that annualised rate.

Manufacturing employment, of course, has fallen by nearly 5 per cent. in 2003 alone, even though output has risen. That accounts mathematically for the improvement in productivity, but the loss of employment is keenly felt in my constituency. I cannot give the complete story, but I have to tell the House that a very important company in my constituency will make the sad announcement of its closure tomorrow. The company has manufactured in Wolverhampton for close on 100 years, but its last 150 jobs will be lost to the area tomorrow.

Sir Nicholas Winterton (Macclesfield) (Con): I share the hon. Gentleman's concern about the jobs that will be lost in his constituency. He and I are as one in our support for manufacturing. Will he state clearly that the Government can play a major role in ensuring a satisfactory and prosperous future for manufacturing industry by minimising social and additional on-costs? In addition, should not the Government ensure that, where possible, contracts are placed with UK manufacturing concerns? In this connection, I am thinking particularly about textiles and the Ministry of Defence. Does the hon. Gentleman agree that such contracts should not be placed with dubious holding companies or shell companies that place manufacturing overseas?

Mr. Purchase: The hon. Gentleman describes the unacceptable face of capitalism when he talks about shell companies. It is unfortunate that some companies on the international stage feel that they can compete only by stripping out all the major costs incurred in an advanced economy like the UK's. I do not accept that the social costs of employment should be stripped out. When he uses the word "minimising", does the hon. Gentleman mean that adequate provision will be made for workers? If so, I am with him entirely. However, I do not want such provision to be cut away to the level sometimes evident in the far east or Latin America, where workers are nothing but units of production with no social or economic life of their own. That is not the way forward for us. In fact, it was a member of the Conservative party who said that Britain would be lost if it had to compete only in terms of rates of pay for workers. We cannot win by taking that approach.

Lembit Öpik (Montgomeryshire) (LD): On that point, does the hon. Gentleman agree that companies have a lot to gain from the motivation and loyalty of their staff? Employers, especially in the textile industry—and the Laura Ashley company has been creating uncertainty about employment in my area—must recognise that the UK is a superb employment base, where workers will render loyal service as long as they feel that they are being treated like people.

Mr. Purchase: The hon. Gentleman makes a point that I would be proud to make myself. He is absolutely right. One of my big disappointments is that my colleagues in this Labour Government have found it

[Mr. Purchase]

necessary to wait on legislation from Europe before improving the condition of workers in this country. In my view, a Labour Government should have been able to achieve that improvement on their own, but the improvement is being made, in the way that has been described, and I support that.

I was talking about statistics. The fall in manufacturing employment is a serious problem, but output has risen by 5 per cent., which accounts for the improvement in productivity. Manufacturing investment continues to rise, and national surveys reveal considerable confidence in manufacturing circles. That confidence may not be as high as it was a couple of years ago, but it is still quite strong. We have lots to build on, and lots to do. I believe that the manufacturing base in this country still represents the most important engine for growth of any sector in the whole economy.

I want so speak briefly about Wolverhampton and the surrounding area. As a recent survey by the local chamber of commerce set out, the paradox is that although sales and profits are rising, there is a lack of growth in real confidence. That is mainly explained by cash-flow difficulties and falling revenues, but also by business investment itself showing some strength.

It is a mixed picture, but what is important is that the Government give as much support as they can. That means creating an environment in which companies feel able to take on new workers and to cope with the legislation that we rain down on them from time to time. In the majority of cases, I believe that we do that for perfectly good, sound, sensible reasons, but sometimes we may not give enough lead-in time before laws take effect, and that can create difficulties, particularly for smaller companies that simply cannot cope with some of the legislation that we ask them to deal with, particularly that relating to what my colleagues describe as the work-life balance.

I have told one of my right hon. Friends about a company in my constituency that employs 20 women on hand presses and one or two smaller hydraulic presses. Two youngish men are employed as setters, and they also clean up the tools a bit and make sure everyone has enough work to do. There is one woman, in the office, doing the bits and pieces, and she has a little computer to get the payroll done and one or two other things. Finally, there is the owner of the company. It just so happens that both men—nice men, married men—have wives who are having babies. I really do not see how that company, which has 20 women to keep moving on the presses, can afford to have the two setters off at the same time on paternity leave. I hope that my hon. Friends on the Front Bench will recognise that not all industry is made up of massive companies with enough resources to bring in different people at different times. In particular, the west midlands and the north-west have a plethora of smaller companies, sometimes with no more than half a dozen or 20 workers. If one person is out of that work force, it creates quite a difficulty. I hope that the Government will understand what is said by people such as me who have spent 20 or more years in industry and who try to understand the difficulties created when we introduce legislation. However laudable, sensible and honourable that legislation may seem—much of it can be embraced and worked through with a little flexibility and a little help—we must bear it in mind that it can create pretty serious difficulties.

Our manufacturers are doing very well on exports. They are working damned hard. They are creating markets and going out to exploit the opportunities that arise. But we should tell the manufacturing sector how we see the future and that we know that that sector is where the real wealth of the country is produced. We should tell it that we want to give it all the help and support we possibly can.

There are many measures in the Queen's Speech, and many will be addressed later in a far more detailed way than I can even attempt today. I shall confine myself to two or three more points. I feel particularly strongly about educational opportunity and allowing all individuals to realise their full potential. I shall absolutely resist going down one particular route on that; those on the Liberal Democrat Front Bench are already smiling at me, but I will resist them, because that subject would not be helpful to what I want to say. My point is that my Front-Bench colleagues seem absolutely intent on change, change and more change, but I am not at all sure that all that change is compatible with improving opportunity or that people can continue to cope with it.

I am absolutely convinced that the way to offer the widest possible opportunity for excellence in both academic work and practical and technical work is through the comprehensive education system. Where we can bring together on one site the skills, abilities, experience and dedication of our teachers, who can offer the wide curriculum that all children deserve an opportunity to take, we avoid the falseness of the intake into grammar schools. I have two good grammar schools in Wolverhampton, one for girls and a mixed one that is now private. They do excellent work; I have no quarrel with that. I want that excellence extended right across the secondary state sector. The only practical way to do that—it remains as true now as it was in 1966—is by bringing the skills that we need on to one site and to offer the curriculum choices that will, as it says in the Queen's Speech

"allow individuals to achieve their full potential"

for the benefit of this country.

Chris Grayling: The hon. Gentleman is making an extremely important speech. Some of his points about business regulation are very much on the mark. Is he aware that when the Queen's Speech refers to increasing opportunity in education for those aged 16 to 19, in reality that means substantial fee increases for those over the age of 19 taking level 3 vocational qualifications?

Mr. Purchase: I am afraid that the discrimination between the university sector and the further education sector has been with us for as long as I can recall. I remember the payments that were required when I went into further education. My employer met that cost. I believe that, with increasing levels of employment, employers will take more of the burden of fees where vocational opportunities are taken up. I hope that where employers have a commitment to the education and training of their employees, they will take on that entire

burden. I understand the point that the hon. Gentleman makes. It is one that I hope that my Front-Bench team will take on board.

We are extending financial support for 16 to 19-year-olds. In my constituency that makes a great deal of sense. We were one of the pilot areas, and there is no doubt that the scheme has improved the staying-on rate, which was frankly pretty abysmal in my constituency and in the west midlands. Kids were leaving school at 16 because that was the thing that they did. We have seen some changes. In the 1980s and 1990s employment opportunities were simply not there so it seemed to make sense to stay on at school. We have now consolidated that and there is no doubt that financial support—it went as high as £40 a week for full attendance and good results—has played an important role.

I approve of the creation of the serious organised crime agency. It is right to recognise the importance of tackling serious crime, especially money laundering, which is at the root of the drugs trade and prostitution—things that worry me in my constituency. The police are working hard on it, but the problem goes underground and becomes taken as normal. I am afraid that the drugs trade, money laundering and prostitution are serious and growing problems. So I welcome the introduction of the serious organised crime agency, but I have to say that it sits pretty badly with the idea of introducing American money into casinos.

In the 1960s, Harold Wilson refused George Raft entry into the country because of his connection with gambling and organised crime. George Raft was a good square tango dancer, by the way, so we were disappointed not to see his talents, but we were not disappointed that the Government had the common sense to say, "To these shores and no further." Even only a dozen of those casinos will present opportunities for laundering the money made from drugs and prostitution. We really do not want that, so I urge caution on my Front-Bench colleagues. Of course, measures on drug abuse featured in the Queen's Speech.

I echo the words of my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) on the new offence of corporate manslaughter. I hope it does not take us as long to introduce those measures as it did to deal with fox hunting. I am sure that we will have learned some serious lessons from the way in which that debate was conducted.

I have a few words to say about Europe. Yes, we are to have a referendum, but whatever else is true, the events of the past three or four years in the middle east, especially in Iraq, have shown us—have they not?—that the power of the Americans is increasing and is likely to continue to do so unless there is a countervailing balancing force. That cannot be achieved anywhere on the planet without a strong European Union committed to peace and prosperity, and prepared to ensure that the work of the United Nations is carried out effectively, efficiently and with economy, supported across the world.

The UN may not be a perfect institution and it may need considerable improvement, but for the time being it is the best we have and we must, in everyone's interests, make it work. We shall best play our part not as a lone voice in the Security Council, but by combining with our European partners in a proper alliance. Initially, I voted against joining the then Common Market, because I honestly felt that the British Commonwealth offered a way forward in terms of trade, culture, understanding and international relations and that it was a force for real good; but when we rejected that, it seemed to me that the Commonwealth would make its own way, as it has done extremely successfully in many spheres.

We are part of Europe, but whenever a treaty comes along, we say how terrible it is and how awful it will be and that we shall never be free again, yet in the end we sign. The current treaty will be no different. We may reject it in a referendum but, ultimately, we shall sign up to the European constitutional treaty. It will happen and we will be part of it, and better sooner than later. We should get on with that as quickly as possible.

Finally, I want to speak about a constituency problem that many Members may share. I can see little reference in the Queen's Speech to local government, yet one of the major problems I hear about in my surgeries is the lack of new council housing. We have a shortage of council housing under a Labour Government. If more council houses were built in Wolverhampton, I could fill any number of them. I do not want to prejudice anything else that is being done, but we need a new approach and money for new building. Selling council houses does not particularly worry me, provided that we build more. If we adopt a policy—in the south, the midlands and the north—of ensuring a good supply of council housing, it will solve many, many of our problems.

Overall, I commend the Queen's Speech. There is much that is good. It is an election manifesto writ small—for the moment—but I am quite sure that the twin themes will emerge as our major campaigning tools and I am confident that much of what we have heard today will ultimately make its way into legislation.

4.54 pm

Sir Michael Spicer (West Worcestershire) (Con): It is a great pleasure to follow the hon. Member for Wolverhampton, North-East (Mr. Purchase), particularly as he stays in my constituency from time to time, and he is very welcome when he does. I did not agree with all that he said, but I did agree with him when he talked about the difficulties faced by small businesses in his constituency, when they find that unnecessarily burdensome regulations are imposed on them. However, much of that comes from the European Union, which he seemed to extol the virtues of in the latter part of his speech.

This is a phoney Queen's Speech because its programme will be aborted by a general election, as the hon. Member for Wolverhampton, North-East has just implied. In fact, it is more a manifesto than a plan for legislation. The theme is clear: if it moves, ban it; if it does not, tax it. According to the Queen's Speech, there is a new menu for banning. We will apparently ban certain lottery causes, as well as goods and services that do not conform to certain religious beliefs. We will promote rural heritage, but we will ban the thing that symbolises rural heritage: hunting. I do not know why

[Sir Michael Spicer]

the Queen's Speech does not mention of banning the smoking of cigarettes in public places because we will apparently go ahead with that as well.

Certainly, taxation and private and public borrowing will be major issues at the next general election. The Queen's Speech talks of promoting economic stability, but not for a very long time has credit been so bloated. Various economists, such as Professor Congdon, have pointed out for some time the threat that that poses to economic stability, particularly given the prospect of inflation. They are saying that we cannot live for ever on borrowed money. That is as true of our economy as, for example, the American economy, where, as the House will know, the currency is now suffering under enormous pressure.

In our economy, the effect on house prices of heavy borrowing has been sharp and immediate, not just because of recent increases in interest rates, but because the speculative bubble, blown up by credit, has now been pricked. A downward spiral has begun, as people hold back from buying property and sellers begin to feel the pinch of a much higher debt-to-asset ratio, and they in turn pull in their horns. Given the nature of the British housing market, the recessionary process can be very rapid, and the shock is greater because people have become unused to recessions in this country.

The expansion of the British economy has been almost continuous for a quarter of a century. Its roots lie in the Thatcher reforms of the 1980s, particularly in the stabilisation of industrial relations; in the taming of trade union power; in the insulation of Britain from the worst excesses of EU regulations, which were referred to in the previous speech; and in the limits imposed on excessive taxation. All that added up to a British economic miracle, which was certainly the envy of the rest of Europe, if not the world.

The attempt by the Labour Government to keep in place key Conservative policies, which they defined as new Labour, was, in retrospect, bound to fail, although the pretence was kept up for most of the last Parliament. Tax policy produced the early cracks in the foundations. The £5 billion tax on pensions was introduced as early as July 1997. That was quickly followed by new health insurances taxes and swingeing increases in stamp duty. By early 1998, a further 13 taxes had been introduced, including a cut in married couple's allowance. A steep rise in national insurance contributions came in early 1999, as did the total abolition of married couple's allowance and mortgage tax relief, together with a further 15 rises in taxes. The big increases in national insurance contributions were made in 2002, and were followed by 10 increases in taxes in 2003–04.

The total effect has been to increase the net tax and social security burden as a percentage of gross domestic product from 34.8 per cent. in 1996 to an estimated 36.5 per cent. in 2004–05, all of which has happened during a period of rapidly rising GDP. The effect on individuals, especially those in low income tax brackets, has been dramatic. The number of people who pay taxes has increased by 4.2 million—a dramatic figure—between 1996 and 2004. The number of taxpayers has risen from 25.7 million to an estimated 29.9 million this year. When taxes go up, the evidence from around the world is that the poorest off are the hardest hit.

The Deputy Leader of the House of Commons (Mr. Phil Woolas): The hon. Gentleman makes a serious speech and I respect his point of view, although I disagree with much of what he says. Does he acknowledge that the Government introduced a lower tax rate of 10p for lower earners as part of the strategy to attack poverty?

Sir Michael Spicer: Yes, but that has not worked. Because taxes as a whole have been going up, there is a massive increase in the number of lower-paid people entering the tax bracket. That is an historical fact.

It is also true that as well as the lowest paid being proportionately hardest hit by tax, they are the most vulnerable to unemployment, which is the inevitable secondary effect of high taxation. That is why the Conservative party is right, from the point of view of good economic management alone, to place the lowering of taxes high on its agenda for its return to office. A low-taxed economy happens to be a recipe for greater fairness and economic well-being. Economic management and social fairness are, however, not the only factors that guide Conservatives to the fundamental belief in the merits of low taxation. We Conservatives believe that, above all, it is a guarantee of personal freedom.

The issue of how to cut taxes is not easy to address, particularly when the momentum towards ever-increasing taxation is as fast as it is at the moment. Certain taxes, such as the death tax, which is what the inheritance tax should be called, are theoretically easier to cut because, despite the emotion attached to them, they do not bring in much money to the Exchequer. In the case of inheritance tax, it is between £2 billion and £3 billion a year. As for the merits of the current level of inheritance tax, why should a person's home be taxed just because he has the misfortune to die in it? Why should he be able to sell it free of tax in life, but be taxed on its disposal in death?

Cutting income tax in a way that carries real benefit to the general public is more difficult because the short-term loss of revenue is large. My personal view is that the way forward is to stabilise public spending to the rate of inflation and to divert real increases in GDP to tax cuts. In that way, national wealth will grow at a faster pace and in the medium term it will allow us to improve public services with budgetary impunity. There is also, of course, much that can be done to improve efficiency within the public services, about which parties on both sides of the House have talked. The need to cut waste is clear. In that context, I chaired the Treasury Committee Sub-Committee, which recommended the amalgamation of Customs and Excise with the Inland Revenue, so I suppose I have to welcome that aspect of the Queen's Speech.

Mr. Woolas: We will remember that.

Sir Michael Spicer: Of course.

Raising taxes is not the only way in which Labour threatens to destroy the Thatcher legacy. The Government made it clear that they are once again willing to link arms with their founders and paymasters, the major trade unions, whose demands are firmly on the table. This summer, the four big unions—Unison, Amicus, the Transport and General Workers union and the GMB—began speaking clearly again with one voice.

Kevin Curran, the GMB general secretary, was quite explicit some weeks ago when he said that his union, backed by others, would insist that a re-elected Labour Government *should engage in a programme* of renationalisation—

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): Hear, hear.

Sir Michael Spicer: The hon. Gentleman will cheer even harder at this: the union will also insist on the right of trade unions to engage in secondary action. Mr. Curran also called for a substantial rise in the minimum wage. One wonders whether reference in the Queen's speech to a law that streamlines railways is a direct response to that, in particular the call for renationalisation. Certainly, Tony Woodley, the general secretary of the T and G, wrote in the quasi-Communist *Morning Star* in support of Kevin Curran, and he has attacked new Labour for being "pro-business". What, in effect, those increasingly powerful trade unions are saying is that one cannot be a true member of the Labour party and support business at the same time. All that is having an effect on business confidence, and thus on this country's economic prospects.

The third great issue threatening this country—one to which the hon. Member for Wolverhampton, North-East addressed himself at the end of his speech—is mentioned directly in the Queen's Speech: our relationship with Europe. As matters stand in the European Union, the process towards a federal state continues relentlessly, constitution or no constitution. The acquis communautaire, which is endemic in the Union treaties, ensures through the judgments of the European Court that the process moves in one direction and cannot be reversed. In the United Kingdom, the judgments of the European Court are supported by our courts under the terms of the European Communities Act 1972. That is true even when, as with the 1978 Merchant Shipping Bill, the British Parliament tries to reverse the judgments of the European Court.

The significance of the proposed constitution is that its adoption would mean that European law had primacy over our law and over member states in its own right. The primacy of European law would no longer rest on the foundation of an Act of the British Parliament which was reversible. A new system of law would be established in the UK of its own right. The only escape from that would be for the UK to leave the EU. Currently, that would be possible under article 59 of the proposed constitution, but the article itself would be amendable through qualified majority voting in order to force countries to stay in the EU against their will. Although it is arguable that, in those circumstances, force majeure would apply, there would at the very least be legal chaos in which two separate systems of law would work side by side, in competition with each other.

For those reasons, the Government's determination to adopt the new constitution needs to be resisted at every turn. For those who question the benefits of British membership of a European state, it is the single most important reason for rejecting the Government's claim in the Queen's Speech for continuing in office. Once the constitution is rejected—and with it, de facto, the acquis communautaire—it will become possible, especially taking into account the new moods in Germany and France, to renegotiate new arrangements in Europe—arrangements that will accommodate the desires not only of the British, but of those many new members of the EU, to live in harmony with their European neighbours and to retain their ultimate sovereignty, in the interests above all of democracy and the accountability of Governments to their peoples.

It was bound to be the case that a Labour Government, if left in office for too long, would destroy the legacy of the Thatcher revolution on which this country's economic recovery has been based. The case for Labour in the mid-1990s was that it would be best able to reform public services, in particular the health service. Beginning with the sacking of the right hon. Member for Birkenhead (Mr. Field) and, with him, throwing out pension reform, Labour has reverted to type. It has raised taxes and blown the proceeds, and now it is consolidating its return to its true roots by embracing trade union socialism.

Mr. Harry Barnes (North-East Derbyshire) (Lab): I wish.

Sir Michael Spicer: I suspect that the hon. Gentleman will get his wish.

History is turning on itself. Labour is once again losing the middle ground, and with the Liberal Democrats on the left-wing fringes of the political spectrum, middle England has nowhere else to go but back to the Conservatives. The Queen's Speech merely serves to underline that fact.

5.8 pm

Brian White (Milton Keynes, North-East) (Lab): Earlier today, we enjoyed the pageantry of Her Majesty reading her speech, which was printed on vellum. She keeps a company in my constituency in gainful employment, and I welcome that.

Conspiracy theories abound, and we have just heard one from the hon. Member for West Worcestershire (Sir Michael Spicer). Post-11 September, such theories are multiplying, and the politics of fear, as espoused in his speech, demonstrates that. I have no doubt that the Conservatives will continue that in the run-up to the general election, and that they will pretend that Big Brother is here. It is all too easy to lump together disparate groups. It is important that we recognise that the actions of David Omand in the Cabinet Office are vital not only to the security of this country but to its liberty. What he does in the reorganisation of the civil service and in responding to threats is vital.

We also need to understand what those threats are and what the nation truly faces. The Spanish Government failed to do that and mixed up the terrorism of ETA and of al-Qaeda. Al-Qaeda is not some super-terrorist group with a centralised command. We should recognise that we are dealing no longer with individuals or entities but with networks. The way in which a networks react and operate is fundamentally different from that of individuals and entities, as any systems analyst would say. That is why I am particularly pleased that the counter-terrorism Bill will be published in draft form. There will be are a range of things in that Bill that it will be important to get right.

[Brian White]

We must remember that the key objective of any terrorist group is to get the Government and the security services to overreact. The biggest single recruiting sergeant for the IRA in the 1970s was the introduction of internment. That turned out to be a big mistake and turned the IRA into a coherent, organised and supported organisation. Why does Hamas survive? It is because it has tacit support in the community. Terrorism thrives only where there is a political vacuum, so a counter-terrorism Bill must include proper safeguards, however frustrating introducing them might seem. The law must be not only flexible enough to respond to terrorism but robust enough to prevent miscarriages of justice. Such details need to be examined in pre-legislative scrutiny.

Animal rights extremists have support and do the things that they do only because we have not tackled as effectively as we should the problems of animal welfare and the issues on which they campaign. Now that hunting is not the focus of the House's attention, we should spend some time on the important animal welfare Bill. We need to close some of the key loopholes. I particularly welcome the new definition of cruelty, and the new powers that will be introduced, as well as the improved standards for kennels, catteries and so on.

One key issue that we all face in our constituencies is that of antisocial behaviour. I agree with the right hon. Member for Ross, Skye and Inverness, West (Mr. Kennedy), that if we intervene early enough, we can start to tackle the problem. The whole point of antisocial behaviour orders was to enable intervention as early as possible. We need to tackle the problem of graffiti. We have already given local authorities and the police extra powers, and the Bill on clean and safe neighbourhoods will provide more powers.

A change in culture is also required, and that is not easy to achieve when the powers are distributed across the police, local authorities and magistrates. Such a change in culture is essential. We must ensure that different agencies—whether local, regional or central Government—work together. We must address cross-boundary issues, too.

Mr. Clapham: Does my hon. Friend agree that the crime and disorder partnerships are helping to forge a new culture and at the same time providing for greater co-operation between local authorities and the police, which is having a positive and effective impact at local level?

Brian White: I entirely agree. The partnerships play a vital role in tackling some of the issues on our estates. In my constituency, the police, landowners and the local authority came together to set up a Travellers management unit, as we were having to deal with 150 illegal encampments each week. It was costing the local authority £300,000-plus to clean up after the Travellers. A police sergeant was put in charge of the unit, and he can now use the powers of the police, landowners or the local authority—he has the choice. Therefore, instead of somebody complaining about an incident having to go to the police, then the local authority and then the landowners, they can go to one number and one person can take effective action.

The unit was also able to deal with the health and education needs of the Travellers' children. We now have no new illegal encampments each week, and the total cost of cleansing was £325 for last year. That has been a successful example of the different agencies working together to tackle an antisocial behaviour problem. The Travellers who are abiding by a code of conduct are welcome, while those who were causing the problem have gone. Most of the problems have been solved, so much so that we now get cross-border issues from neighbouring Bedfordshire and Northamptonshire, but that is a matter of dealing with those authorities. Such an approach can and does work, and my hon. Friend is right that it is a key to tackling the issues.

As a former Customs officer, I have an interest in the Bill on merging Customs and the Inland Revenue. I was around in Customs at the time when they had just brought in other Government Departments or OGDs, as they are called, and were allowing members of the civil service to work in Customs. I remember the resistance to such an approach at that time, and I urge Front-Bench colleagues not to underestimate the complexity of merging Customs and the Inland Revenue.

When mergers happen, it is important that we get the culture of the new organisation right at the beginning. If we do not do so, there will be problems. It is important that we set out what it is essential to get right straight away and what can wait for the long term. We must give people the skills to deal with constant change and recognise the dangers that are involved in the merger. We should get the computer systems right and recognise that there are things that the Revenue does differently from Customs and from the Treasury. We must also recognise that there are important issues of culture in the different organisations and that we need to get them right if there is to be a successful merger. I welcome the Bill and the work that the Select Committee on the Treasury has done on this matter, which I think will benefit us in the long run. It is not a simple process, however, and we should not underestimate it.

I also welcome the fact that the Government are introducing a railways Bill. I certainly welcome the abolition of the Strategic Rail Authority. The problem with the SRA was that it was not listening to passengers, so the new arrangement that the Government are introducing must have at its core a strengthening of the passengers' voice and a listening role, so that passengers' wishes are held to be important. That will be key in delivering for my constituency, where the SRA has simply removed a number of peak-time trains without listening to people. One of the ways in which I shall judge whether the Bill is successful is by looking at whether those trains are reinstated for both inward and outward Milton Keynes commuters. I hope that they will be.

Chris Grayling: When the hon. Gentleman voted for the establishment of the SRA by this Government three or four years ago, what did he hope it would deliver, and where does he think it went wrong?

Brian White: I hoped that the SRA would deliver some stability for the railway industry. One of the issues that applies across a number of regulators is how we should reconcile an independent regulator with

Government policy. I was looking for independence and long-term thinking that was away from the day-to-day management of the railway, but the SRA did not deliver that, which is why I welcomed its abolition. It did not do the key thing that it needed to do—have the voice of the passenger at its heart. That was its key failing, and I think that the new arrangement has to have that role at its core. I hope that the in-built accountability to the Secretary of State will ensure that the passenger's voice is at the core of the new arrangements.

I welcome the identity cards Bill. I have long been a supporter of the introduction of ID cards, but a letter that I received recently from a constituent encapsulates my views. He said:

"ID cards are a good idea for the right reasons, benefits and NHS services, but . . . attach the terror tag to it and all of a sudden I am turned off by the idea".

We need to reflect on whether this is the right way in which to tackle fraud or terrorism, given that if one can forge a passport, one can forge an ID card. Identity fraud has increased in every country that has introduced an ID card system. Going back to the 1970s, it took so long to catch the Baader-Meinhof gang because they had valid identities within the system, which recognised them as ordinary people, not terrorists. There is a danger of having too much data and not enough information, and certain skills are required to deal with that. Introducing ID cards as a panacea for fraud or terrorism will not work—the way forward is to do it so as to benefit people.

We may end up creating a Betamax system when there is already a VHS system in the private sector. The main problem is the cost of readers. The credit card industry is creating cards that hold a lot of information, and we should piggy-back on that technology. Creating our own ID cards, with readers capable of reading biometrics, will be expensive, and we could find ways of doing it in conjunction with the private sector instead of reinventing the wheel through an in-house system.

The largest biometric database in the world has about 500,000 records; here, we will reach 48 million in 10 years. Such a scaling-up of the technology has not yet happened, and I question whether it is possible in such a time scale. I fear that we are being overawed by the technology instead of recognising its limits.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): If the hon. Gentleman thinks that identity cards are useful only in relation to benefits, the health service and the like, does he think that the system is worth the £3 billion that its implementation will cost?

Brian White: That is why I said that there are already reader systems that we can use: we do not to have to spend that kind of money on reinventing them. One of the dangers of introducing the system in-house is that by the time it is up and running private sector technology will be way ahead. Taking the "one big bang" approach is problematic.

Capturing terrorists, like crime solving, is about doing the basics well—it will not be achieved by the magic panacea of an ID card. Given the growth of identity theft and the misuse of people's identities to create bank accounts or to defraud the benefits system, ID cards are a useful way of establishing identity, but they are not a solution to the problem of terrorism.

Questions arise about the data. Who owns them—the state or the individual? Who has the right to make corrections? How does one resolve problems where mistakes have occurred? No one biometric—not even iris recognition—is 100 per cent. certain. DNA identification is certain, but expensive and time-consuming. The principle of ID cards is important, but the right technology is not yet available, and we must ensure that we do not fall into the bear traps that I have identified.

Mr. Michael Weir (Angus) (SNP): The ID card is being proposed as a panacea for many problems, but if it is to work, the new systems will all have to link together. Is that a practical proposition? Does it not raise other problems of sharing data between various systems that are supposed to perform different functions?

Brian White: Having written data sharing systems when I worked in the information technology industry a long time ago, I know that there are key issues that need to be resolved in that regard. That can be done, and it is important that it should be done within the provisions of the Data Protection Act 1998 and the Freedom of Information Act 2000. There are practical issues to be tackled, as I am trying to point out to the Minister, but the principle of having an ID card is one that I welcome. I already carry a lot of different proofs of identity—many of us do—but we do not have a single national identity card. There are twice as many national insurance numbers as people, and more driving licences than there are people who drive. These are real issues that need to be tackled, and a single identity card has a role to play. What we do not have is a use for all those ID cards that would make people's access to public services better, and I am arguing that we should make a case for that to happen.

That brings me to the Bill on serious organised crime and the police. If there is one Bill that we need to get through in this Session, this is it. It is vital that we establish the serious organised crime agency—the "British FBI". The national high-tech crime unit is doing a number of things very well, but we need an organisation to merge that work with that of the Customs and Excise investigation division to tackle organised crime. It is equally important that we re-engage with the community at local level on these issues.

I would draw the Minister's attention to one further problem. If the Government successfully prosecute someone under the Proceeds of Crime Act 2002, they get the costs of the court case paid for, as well as getting the assets of the person who has been convicted. However, the arrangements are different for a local authority. Waltham Forest is the classic example. It took some people to court in a case involving intellectual property rights, and the judge rightly ordered the seizure of their assets under the Act. The local authority was not entitled to costs, however, because there was no money available. If the Government could extend to local authorities and the private sector the ability to cover the costs of bringing such a prosecution out of the seizure of assets, it would go a long way towards ensuring that other organisations, such as trading standards, could do their job properly. That is a loophole that needs to be dealt with.

[Brian White]

I would also argue that we need to increase the role of special constables. Why is not every director of security in a bank also a special constable, for example? When they came across international fraud or money laundering, they would then have the power to take the appropriate action and to present their evidence to the police. Why should they have to rely on calling in the police? If they were special constables themselves, they could use those powers. That is what happens in Canada, and we should introduce such measures for our banks, internet service providers and other such organisations.

There is also a major problem of skills shortages in the justice system. There are only 240 computer forensic officers in our police forces. If we are serious about tackling organised crime, we need to get the resources into what have traditionally been regarded as the Cinderella services, and I would argue strongly that we need massively to increase the resources going into that particular area. We also need to recognise the international aspect of this problem, and to ensure that issues of jurisdiction are tackled.

Finally, I welcome the inquiries Bill. The Select Committee on Public Administration, of which I am a member, has been conducting an inquiry into inquiries recently, and has heard evidence from people such as Lord Hutton and Lord Laming, who have conducted inquiries. They have raised a number of issues that I hope that the Government will take on board from our report. They involve such matters as terms of reference, how the chair is selected, and the kind of secretarial support available. They also involve a review of recommendations, and of how an inquiry's recommendations are acted on. I would argue that there is also a greater role for Parliament in that Bill.

I hope that the Queen's Speech goes a long way towards reconnecting us with our communities. Several Bills in it benefit our constituencies. It will tackle some fears about security, and it also has an important role to play in ensuring that opportunities are taken advantage of, which the Government need to hammer on about regularly. As the Queen's Speech identifies, there are tremendous opportunities for this country, but we need the right security context.

5.30 pm

Mr. Parmjit Singh Gill (Leicester, South) (LD): Thank you, Mr. Deputy Speaker, for calling me to make my maiden speech. I do so with great pride and honour. I owe a great debt of gratitude to the people of Leicester, who have given me the privilege of representing them. When they elected me they sent a powerful message to this country that they want to restore trust in politics and trust in our politicians. It is a challenge for me and for all hon. Members.

Leicester, South was last held by a Liberal Member of Parliament, Ronald Allen, in 1923. It is interesting to note that in the same year, the right hon. Sir Winston Churchill also stood as a Liberal in Leicester. I am therefore honoured to be elected the first Liberal Democrat Member of Parliament in my constituency for more than 80 years. I am further honoured to be the first Sikh Liberal Democrat Member of Parliament in British history, and the first Liberal Member of Parliament from a black minority ethnic community for more than 100 years. My victory in July came 112 years after the election in July 1892 of Dadabhai Naoroji, the first British Member of Parliament from a black minority ethnic community, as the Liberal Member for Finsbury, Central. He was known as the "Grand Old Man of India", and both Mahatma Ghandi and Muhammad Ali Jinnah played a key part in his election campaign. They went on to become the leaders of India and Pakistan.

I would not be here today but for the sad and untimely death of my predecessor, the hon. James Marshall MP, to whom I wish to pay tribute. I knew Jim Marshall, who was respected both by his constituents and by hon. Members. In paying tribute, I want to refer to his maiden speech of October 1974, which contains the following words of wisdom:

"Finally, I refer to that section of the Gracious Speech opposing racial discrimination at home and overseas. Those who know Leicester well probably realise that within our city we probably have one of the highest percentage immigrant populations of anywhere in the country, and I should be foolish to deny that there are real social problems. There undoubtedly are, and in the long term they can be solved only by an ample injection of central Government funds, a point which I hope my right hon. Friends will again bear in mind for future reference."—*[Official Report, 29 October 1974; Vol. 880, c. 180.]*

Those were his words 30 years ago. Over time, as the Home Office has resettled more and more refugees in Leicester, there has not been an adequate injection of central Government funds to help with the costs of integrating new communities and Leicester has been left short-funded by millions of pounds in real terms. Like my predecessor, I hope that my right hon. Friends will bear that in mind for future reference.

In my constituency surgeries, I am inundated with people suffering from misery and hardship as a result of immigration rules and long delays by the Home Office in processing casework. That leaves husbands and wives and mothers and children separated and traumatised. That is happening now, with a Labour Government in office, but it was equally the case when we had a Conservative Government.

I am proud to say that I was born in the constituency that I now represent, in the royal infirmary. It has a significant problem with methicillin-resistant Staphylococcus aureus. It is one of three city hospitals, and more than 5,000 people are waiting for much-needed operations. I shall fight hard to put patients first and help cut the unacceptably long waiting times. Many of those patients are older people. Leicester, South contains more than 14,000 people of pensionable age, who are a particularly vulnerable group. Not only must they suffer the indignity of poor pensions and face the long-term prospect of paying for personal care and unfair council tax, but more recently they have the added difficulty in my constituency of travelling to find a post office, following the inconsiderate closures that took place despite strong opposition from the local community and the Liberal Democrats.

My constituency also contains two large universities, De Montfort and Leicester. The city's educational strength is a major attraction, with approximately 40,000 students making up about 14 per cent. of the city's population. Students from more than

100 countries are enrolled at Leicester university, which has Britain's only five-star rated research facility in genetics. It was the birthplace of DNA fingerprinting—or profiling, as it is now known—which is an invaluable tool in the fight against serious crime. That is in sharp contrast to the proposed national identity card scheme, which relies on untested new technology and is unlikely to achieve its stated objectives. However, it will cost in excess of £3 billion, money that would be better spent on the police service, which is already warning that it may have to cut police officers due to a lack of central Government funding.

Forty years ago, the textiles industry employed 140,000 of Leicestershire's population of some 800,000. It now employs around 28,000 people, and that figure is expected to halve by 2012. The industry, in which my mother, Gurdev Kaur Gill, worked for much of her life, has declined catastrophically. De Montfort university has played an active role in helping the local economy to survive the textiles industry's decline by focusing its energies on design and technology-led niches through the innovative business development centre.

However desirable Leicester is as a place to study through its connections to the outside world, this House cannot ignore the fact that undergraduate students face a real and severe financial burden from top-up and tuition fees. Concerned young people repeatedly make that point to me, and I shall continue relentlessly to support them.

Leicester has a population of about 284,000 and is among the 10 largest cities in the country. According to the 2001 census, 40 per cent. of its population belong to ethnic communities other than white British. The city celebrates its diversity, which is reflected in the Government's award of beacon status to Leicester City council in 2002 for its promotion of racial equality and in 2003 for its work on community cohesion. I welcome the proposal to establish a commission for equality and human rights and look forward to examining the detail. In February 2001, *The New York Times* ran the headline, "British city defines diversity and tolerance". The article referred to Leicester and recognised it as a model for diversity not only in the UK, but throughout Europe and across the world. Leicester was the first city to be twinned with an Indian city.

Those who have settled in Leicester have come from all over the world, and it is home for religious practice for, among others, Buddhists, Christians, Hindus, Jains, Jews, Muslims and Sikhs, and it contains the only Jain temple in Europe. That is a far cry from the early 1970s, when large Asian populations were evicted from east African countries and when the Labour council placed advertisements in Ugandan newspapers, warning:

"In your own interests and those of your family you should accept the advice of the Uganda Resettlement Board and not come to Leicester."

Labour's warnings failed. East African Asians came in large numbers and went on to contribute to Leicester's economy in a very significant way.

Most of all, credit must be given to the majority white population of Leicester, without whose help, tolerance and understanding the great social integration of so many ethnic minority communities could not have taken place. That population has proud roots. Leicester is known as the birthplace of the modern English language, which developed there from a mixture of Norse and Anglo-Saxon at the turn of the first millennium. The BBC's nationwide IQ quiz, "Test The Nation", in which 95,000 people took part online, revealed that Leicester folk were the brightest city dwellers. Given my by-election result in July, I can confirm that that is true.

The Leicester, South constituency is also the sporting capital of Britain: Leicester City football club, Leicester Tigers rugby club and Leicestershire county cricket club all have their homes there. It is also at the forefront of initiatives such as "Let's Kick Racism Out Of Football"; and in a survey by *Men's Health*, Leicester was described as the healthiest place in Britain for men to live.

During the by-election, many hon. Members and political activists from all parties got to know Leicester railway station. At this year's national rail awards, it was highly commended in the "station of the year" category as one of the three best in the country. I was particularly pleased at this accolade for the staff there, who, for over 30 years, included my father, Mohinder Singh Gill.

Leicester, South is a vibrant constituency, and people from the ward areas of Aylestone, Castle, Eyres Monsell, Freemen, Knighton, Stoneygate and Spinney Hills share similar concerns and desires: good education, good housing, locally available health care, a low crime rate and jobs for all. They want a better future for themselves and their children, and they want a concerted international effort to be made on environmental and climate issues. They recognise the principled stance that the Liberal Democrats took against the war in Iraq, and they want progress to be made on the middle east peace process.

My constituency was rightly hard fought for, and I intend to represent it to the fullest of my ability.

5.42 pm

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): It is a great pleasure to follow the newly elected hon. Member for Leicester, South (Mr. Gill). I am pleased that in his very interesting contribution he referred to his predecessor, who was well liked in this Chamber and worked hard for ethnic and cultural diversity in Leicester.

My hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) and the hon. Member for West Worcestershire (Sir Michael Spicer) said that the Queen's Speech is tantamount to an election address. If so, it certainly builds on what this Government have done for communities and for society in general, and I want to start from that position.

A number of things in the Queen's Speech cause me concern and I shall refer to them a little later, but I want to begin by concentrating on three aspects: education, crime and drugs. I shall say a little on the latter by discussing the impact of drugs in my constituency, while also pointing out the clear need for a sustainable eradication programme in Afghanistan.

The Queen's Speech refers to two Bills on education: one to streamline standards and the other to extend the education maintenance grant and assistance for 16 to 19-year-olds. Such assistance is particularly important in a constituency such as mine and in Barnsley overall.

[Mr. Michael Clapham]

The objective of the Bill to streamline standards relates to a policy to allow more individuals to reach their full potential. One argument that I have always made on education is about the difference between individuality and individualism. I see individuality as being about enabling a person to reach their full potential. There was a setback in the form of an Act passed by Parliament during the past year, but I will not go into that; it is now history.

Chris Grayling: I appreciate that the hon. Gentleman does not want to be drawn on the history of the past 12 months, but does he accept that it appears that the measure announced in the Queen's Speech to improve educational support for 16 to 19-year-olds will involve a substantial increase in fees for those above the age of 19 doing level 3 and other qualifications? Does he welcome such a measure?

Mr. Clapham: The hon. Gentleman will be aware that, as my hon. Friend the Member for Wolverhampton, North-East pointed out, there has always been a fee structure in further education. Indeed, I did my O and A-levels as a student at night classes and I paid a fee for doing so. Previously, I worked for an employer who paid a fee for me to attend the local technical college for two years. There has always been a fee structure; the question is how we assimilate it in such a way that people can afford the fees. There is an absolute difference between that and the Act of last year—but I do not want to get further involved with that. I want instead to refer to the notable developments that have taken place in education in my constituency and in Barnsley overall.

We have a number of new primary schools. Previously, the primary schools were run-down; we had not had a new one for more than 25 years. Now, we have two brand-new primary schools and a number of major refurbishments, which create an environment much more conducive to learning. At the same time, there have been a number of developments in the local secondary schools. On Friday, I had the privilege of attending Elmhirst secondary school to give out achievement certificates. It is the most improved school of last year; there has been a 31 per cent. increase in attainment. The headmaster could say with great commitment that this year the improvement will be even more marked. Watch this space—but the investment that the Government have put into education has clearly done a terrific amount to help to renew Barnsley.

Education is at the heart of the renewal plans for Barnsley. Some people here may even have seen references in *The Guardian* to the Tuscan hill village—the concept of Will Alsop, the international architect, who was asked to come to Barnsley and help with the planning. That planning has involved the entire community looking at what Barnsley will be like in 30 years. Education is at the centre of where we expect the town to be in 30 years. We expect that, in the next decade, students will leave schools in Barnsley with the same qualifications as children anywhere else in the country. People from Barnsley will work in Manchester, Sheffield, Bradford and other cities, but they will come back to Barnsley, which has beautiful countryside. It is not always appreciated that Barnsley is a rural town with exceptionally beautiful countryside that is ideal for walking. People working in the surrounding cities will, as I said, want to live in Barnsley and return there after work.

Mr. Kevan Jones (North Durham) (Lab): I look forward to the day when Chianti is served in working men's clubs in Barnsley. Does my hon. Friend agree that in former mining communities such as those in my constituency, parents have high aspirations for their children? Is it not important that investment in education is supplemented by the support offered in the Queen's Speech for 16 to 19-year-olds, conferring the financial independence to meet those aspirations?

Mr. Clapham: I agree entirely with my hon. Friend. That support will be a great help. Although the maintenance grant attracted more people into further education, its extension will reach some of the people whom we were previously unable to reach. It will certainly be a big help.

We have had a crime reduction and disorder partnership in Barnsley since 1995, and I have had the privilege of chairing it since that time. Much of our work has been recognised and adopted by the Government. I know that the Conservative party is rather sceptical about the role of support officers, but Conservatives should reflect further on the value of providing a framework in which community support officers work with the police. Right across the borough we have created what we call LPTs or local police teams, which consist of police officers working with community support officers and estate tenants with the help of local authority professional officers. The team has a social worker, a housing officer and has access to a legal adviser. As soon as a problem arises in a particular location, it can be dealt with and resolved pretty speedily.

The LPTs have had a progressively effective impact. Comparing the last quarter with that of a year ago, Barnsley has seen a 51 per cent. reduction in crime. There has been about a 30 per cent. reduction in domestic burglary and a 20 per cent. reduction in car crime. The co-ordinated approach is clearly working well. If Conservative Members want to know how crime support officers actually work in the LPTs, I invite them to visit Barnsley to see how it is done.

Dr. Andrew Murrison (Westbury) (Con): I am pleased that such measures seem to be working well in the hon. Gentleman's constituency, but I have to tell him that in my constituency the burglary clear-up rate is deteriorating all the time. Does he accept that the picture that he paints of his own constituency is by no means mirrored across the country?

Mr. Clapham: I would accept that it is not mirrored across the country, but statistics show that, across the country, there has indeed been a reduction in domestic burglary, as in car crime, right across the piece. Although it is not exactly the same from one constituency to another, there is certainly clear evidence of improvement. We now have between 138,000 to 140,000 police officers, the largest number ever to operate in the UK, and they are working with

community support officers in the sort of framework that I have described. That shows how the improvement has been brought about and that positive results are achievable. If the same provisions in the hon. Gentleman's constituency are not working as well as they are in mine—when I talk about Barnsley, I am talking about three constituencies—it might be worth his looking further into what has happened. It provides a template that many other local authorities are actively considering. Positive developments in tackling crime are therefore evident and they are built on the back of what the Government have proposed for tackling antisocial behaviour.

Drugs are a big problem in Barnsley, as they are across the piece. In the late 1990s, we had an enormous problem with heroin. In 1997–98 the drug action team, which is part of the partnership, suggested that as many as 5,000 people regularly took heroin. Since then, we have provided a number of overlapping programmes, with some going into primary schools and some into secondary schools, and a recent report from the DAT suggests that great improvements have been made. There has been a fall in the number of people taking class A drugs and the number of young people starting to take such drugs, which shows that many of the national framework's programmes are indeed beginning to work.

This year's heroin crop in Afghanistan, estimated at 3,500 tonnes with a market value in excess of £30 billion, could undo much of the good work that has been done in our communities. We need to concentrate on what we, as the lead nation, can do in tackling opium eradication in Afghanistan. Although eradication is vital to that country's future as it is to the welfare of our communities in the UK, we need to be aware that sustainable eradication programmes take considerable time to work through. It is necessary to build viable communities and replace institutions.

Some have suggested that aerial spraying is the best way to eradicate the poppy crop and get on top of the opium problem in Afghanistan, but it would be a disaster and would undermine much of what has already been done. The provisional reconstruction teams have an opportunity to engage effectively with the community, but if we were to embark on an aerial spraying eradication programme it would undermine the good relationships that have been built up. Rather, we should put in place an income substitution programme and help to introduce new crops for farmers or to create industries in which the farmers could earn incomes other than from poppy growing. If we were to do otherwise, it undermine all that has been achieved in Afghanistan. I hope that Front Benchers are listening and taking notes, because it is crucial to get that message across to those who are proposing aerial spraying as the way forward.

The Gracious Speech's reference to corporate manslaughter is to be welcomed. The proposal is long overdue, and it shows the country that the Government are tough on the causes of death and injury at work. Any measures in that regard should be complemented by increased fines for health and safety breaches.

In conclusion, I want to say a little about my concerns. I am worried that we are in danger of eroding civil liberties under the banner of the fight against terrorism. I do not think that identity cards will help in that fight. Indeed, I suggest that false cards will be available on the market even before the real thing has been rolled out to every individual. That would undermine a project that would cost an enormous amount. I am therefore rather sceptical about identity cards.

We must move carefully and cautiously when it comes to dealing with terror. I am sceptical about judge-only trials. I agree with the Law Society that such trials represent an unacceptable erosion of citizens' rights. We must be very careful about how we take forward legislation to deal with terrorism.

In large part, the Gracious Speech builds on what has gone before. It offers a chance to build strong and progressive communities. We must weigh some of the proposals in respect of terrorism carefully if we are to retain our civil liberties. Freedom is precious, and we must not sacrifice it.

6.1 pm

Mr. David Amess (Southend, West) (Con): I congratulate the hon. Member for Leicester, South (Mr. Gill) on his maiden speech, which is a great occasion for any hon. Member. I made mine on the rate-capping Bill, and I followed Sir Edward Heath, so the House was packed. Sadly, the House is seldom packed these days. As I listened to the hon. Gentleman's speech, I felt jealous when he said that he now represents the area in which he was born. I was born in West Ham, and fought that seat in 1979. If I had won then, that would have been the end of the Labour party. Although that may be a nice thought for me, I am sad to say that it did not happen.

Like many hon. Members, I visited Leicester, South during the by-election campaign. I know that the hon. Member for Leicester, South faces a number of challenges locally and I wish him well with them. He spoke with great knowledge and fluency today about his constituency, and I wish him well as a Member of this House.

A naive observer might say that today's Gracious Speech was wonderful, and that it was going to cure all the country's ills. However, not all of us are so naive. Today's Gracious Speech was not delivered after a Government election victory. We are now in the eighth year of this rotten Government. In that time, crime has become completely out of control, our hospitals are not as clean as we would want them, our immigration system is a shambles, school discipline has broken down, taxes have gone up 66 times, and people are not getting value for money.

The Prime Minister has said that he wants to make the country more secure, yet a missile was thrown at him in this very Chamber and people have run on to the Floor of the House. That never happened before, but it has happened under a Government who say that they want to make the country more secure.

The Prime Minister made his name as shadow Home Secretary by telling everyone that he would be tough on crime, yet there are a million violent crimes a year now. He said that he would save the NHS, but 5,000 people die in hospital from methicillin-resistant Staphylococcus aureus, or MRSA. He did not forecast that when he was running for election in 1997.

[Mr. David Amess]

The Prime Minister said that he would make sure that the immigration system was firm and fair, but it is an absolute shambles. He has also said that our armed forces are a vital part of Britain's standing in the world, but he wants to cut their number. I do not understand how he thinks that that will make the country more secure.

Labour said that it would be tough on crime and its causes, but police officers spend almost half their time at their desks filling in forms. They have to fill in even more forms when they actually stop someone. They spend more time filling in forms than they do fighting crime on the streets.

The Government said that they were going to control immigration and that the policy would be fairer, faster and firmer. However, only one failed asylum seeker in five is removed from the country these days.

The Prime Minister said that he would improve the NHS. However, he did not tell people that they would be in danger, while they were waiting in hospital for an operation, of contracting an illness that would kill them. That happened to 5,000 people last year.

Finally, the Prime Minister said that he wanted to make the country more secure by building up our armed forces. How on earth can he stand at the Dispatch Box, as he did earlier today, when 2,500 infantry personnel are to be cut and six warships are to be lost from the Royal Navy? In addition, the number of ready-to-go fast jet aircraft is to be cut to only 84. People should examine the Gracious Speech very closely, as it is a sham, and mere gesture politics.

The Government have let it be known that there will be an election in May, so we need not have bothered with a Queen's Speech today. The House will adjourn in April, so there will not be time to get any of the 32 Bills that have been announced on to the statute book, even if the Opposition supported them.

I have read the Gracious Speech carefully, and want to speak briefly about various points. The speech states that the Government

"will continue to reform the public services to ensure they provide more security and opportunity for all."

Nothing that the Government have done convinces me that they are capable of reforming public services in a way that will provide more security and opportunity for anyone. The speech goes on to say that the Government

"attaches the highest importance to extending educational opportunity so that all individuals can realise their full potential and the country can benefit from the talents of all its people."

Like all Conservatives, I believe that everyone should be given the opportunity to make the most of his or her God-given talents. Under this Government, parental choice has gone out of the window—parents cannot send their children to the school of their choice. How can the Government square their aim of giving opportunity to all with their introduction of tuition fees? They said that they were not going to introduce those fees, but they will be a chain around students' necks for decades to come.

We are told that the Government will introduce legislation to increase security for all, and I wish them well with that. I do not know what the answer to terrorism is. The climate today is that a person is willing to sacrifice his or her own life in order to kill others. What is the deterrent against that? Again, and in the light of what they have done since 1997, I say that I have absolutely no faith that the Government have any clue about how to deal with security.

On identity cards, I was the first Member of this House to introduce a ten-minute Bill on this matter, and I am sick to death of just talking about it. Everyone has a birth certificate and a death certificate, so why should we not have a life certificate? It is absolute nonsense to say that such cards are a threat to our human rights. The sooner identity cards are introduced, the better. We should get on with it and not just talk about it.

The Gracious Speech also says that the powers of the police and others to fight crime will be strengthened. For goodness' sake! We are to have eight Home Office Bills. When the Conservatives came to power in 1979, police morale was rock bottom, and the very first thing we did was to introduce the Edmund-Davies report, which restored morale. It is a waste of time introducing more laws that will not be enforced. The problem is one of management. Far too many excellent officers take early retirement because they are stressed or for other reasons. That leaves us a police force that simply does not have the experience it needs. It is no good all officers being young. We are all on life's journey, and we need a mix of ages, common sense and proper training for the police. Having special constables walking around in exactly the same uniforms as properly trained police officers, pretending to the general public that they are the same, is absolutely ridiculous. The management of our police force needs to be dealt with, and we need to restore morale.

The Government tell us that they are going to deal with drug abuse. Yet they are the Government who say it is all right to take cannabis. All Member of Parliament have people come to their constituency surgeries to tell them their problems, and I have at least half a dozen constituents who have been completely messed up and who suffer severe mental health problems from taking cannabis. It is absolutely ridiculous for any Member of Parliament to say that it is all right to take cannabis and that it does not damage health. It is a disgrace, and when we have a Conservative Government I hope that they will change all that.

We are told that the Government will tackle the disorder and violence that can arise from the abuse of alcohol. Yet they are the same Government who are making it so easy to have alcohol. It is served everywhere. They are the same Government who have changed the licensing laws, yet they have the brass-necked cheek, in their gesture politics, to tell us they are going to be tough on alcohol abuse.

We are told that the Government recognise the importance of clean and safe neighbourhoods. I have seen absolutely no evidence of delivery on that.

I am delighted that there will be a Bill to help to reduce further the number of those killed or injured on the roads. However, Essex Members of Parliament know that out of all the country's constabulary areas, ours has raised the most from speed cameras. It is all

very well the Government legislating further, but a 19-year-old constituent of mine, Jo Martinson, was killed when driving her car. Her parents will never get over it. The person responsible for the accident had one eye and was driving a vehicle with no insurance, no MOT and faulty tyres. Because of a complete mess-up with the timing of the prosecution, by one week, the only thing that has been done to that person is the imposition of a £60 fine. I do not think that the life of a 19-year-old is worth only £60. It is all very well the Government telling us they will introduce road safety measures, but my experience in Southend, West has been somewhat disappointing.

I am delighted that the Government will introduce measures to deal with consumer credit. What goes on now is an absolute rip-off, given the amount of interest that the credit card companies charge. I welcome the Government's proposals and will support them in all their endeavours to deal with that unfair market.

I would have been delighted to see something in the Gracious Speech about our airlines. I was a Member of this House when we privatised British Airways under the leadership of Lord King. That was one of the finest things we ever did, but anyone who travels on British Airways now will find it an absolute joke. It is a cross between Easyjet and Ryanair. Services in British Airways, which has a monopoly, have gone down and down. I hope the Government will address that.

We are told that the Government will introduce a Bill to improve standards of animal welfare and increase the penalties for abuse. I have a consistent record of supporting animal welfare legislation, and I certainly support the Government's endeavours in that regard. No doubt as we rush towards the general election we will be able to get all-party agreement. I will be introducing a 10-minute Bill, inspired by the Royal Society for the Prevention of Cruelty to Animals, to amend the Fireworks Act 2003, because the noise from fireworks this year was frankly out of control and resulted in the deaths of any number of animals.

I am disappointed that the Gracious Speech contained nothing to do with mobile telephones, given that all Members make speeches about them and say that the current policy on masts is shocking. I introduced a 10-minute Bill, the Telecommunications Masts (Need and Safety) Bill, which would have put the onus on operators to prove that there was no danger to health and a need for a mast to be put in place. I was given the impression that the Government would legislate on that, but there was absolutely nothing in the Queen's Speech.

While we are talking about mobile phones, and gesture politics, I should say that it is a criminal offence to use a mobile phone while driving. Yet, right now, thousands and thousands of cars will contain people on their mobile phones. Nothing at all is done to enforce that law.

We are told that health is a priority for the Government, but unless I missed it, there is not one health Bill in the Queen's Speech. Following the Government's White Paper, the very least we expected was a public health Bill. The report of the Select Committee on Health on obesity was excellent, but treating that is not a short-term project. We are into that for 20 years. It will be all very well messing about with the Olympic bid for 2012, when everyone will be running, jumping and hopping, and there will be more physical activity. People do not die if they do not engage in physical recreation, but they do die if they do not eat and drink. We must tackle the fat, sugar and salt put into what we eat and drink.

There will be legislation concerning lotteries. Wow! That is excellent news in Southend, West. I was one of those who very much supported the Conservative Government who introduced the national lottery. Yet in the last 10 years, my constituency has received a total of £1,480,442, which puts us third from bottom among the 659 parliamentary constituencies. We certainly are not the third wealthiest constituency in the country. When I raise the point, I am told that there are not enough bids and the quality is not what it should be. I do not believe that for a moment.

I note from the Gracious Speech that the Government will reduce bureaucracy. That is laughable. The Deputy Prime Minister stood at that Dispatch Box last week, with no grace at all, to talk about the referendum that had been held. Some 80 per cent. voted no, and 20 per cent. voted yes. That referendum cost the British people £10 million. Did the Deputy Prime Minister say he would stop all that nonsense? He did not. The East of England regional assembly was awarded £2,974,000 so that that absolute nonsense can continue.

I also note that the Inland Revenue and Customs and Excise will be joined together. I hope to goodness that the Government do not intend to affect the jobs of people working at Portcullis house in Southend. That is the biggest employer in the town, and the people do an absolutely magnificent job. Under no circumstances do I want any jobs cut there.

I will do everything I can to secure the election of a Conservative Government, a Government who will restore decency to this country, a Government who will put this country back together, and a Government who will make Britain great again.

6.20 pm

Mr. Harry Barnes (North-East Derbyshire) (Lab): The hon. Member for Southend, West (Mr. Amess) said some peculiar things. He said that everyone had a death certificate. No living person has a death certificate. If he wants to establish the point, perhaps he will show me his death certificate. He then said that he supported privatisation of the airlines, but criticised British Airways and said that it was a mix between Easyjet and Ryanair. What are Easyjet and Ryanair but the cutting edge of the cheap end of the private market? His examples told against his own argument.

I wish to say a few words about the maiden speech of the hon. Member for Leicester, South (Mr. Gill). My hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) and I were impressed by the comments that he made about Jim Marshall. Although the Chamber is not well attended, these things get around and his comments are liable to be reported in the Leicester press. Our respected former colleague meant a great deal to people on both sides of the Chamber.

The hon. Member for Leicester, South quoted at length from a speech by Jim and said a great deal about ethnic groups and cultural links within his constituency. Such links are telling for a person such as me. The

[Mr. Harry Barnes]

constituency that I represent has one of the smallest ethnic minority populations in England—it is in the bottom 10. When people who have picked stuff up from the *Daily Mail* or other sources and would push rather racist arguments, I say to them, "The problem is that you do not know what areas are like. Go to places such as Leicester and see what the communities are like and interlink. You will see that many of the perceived problems do not exist or can be overcome if people work together."

I canvassed in Leicester, South—unsuccessfully. It was very interesting. I canvassed in areas called Chesterfield road, Staveley road and Dronfield road in my constituency. I also represent part of Staveley. I used to visit Leicester, South a great deal. There was once a firm there called Blackfriars Press, which was associated with the Labour movement. I was on the board of Blackfriars Press. It was the only occasion when I have been on the capitalist wing of things rather than on the workers' side. It was interesting to be in that area, which had differences and distinctions from the area that I reside in and that I now represent.

I travel by train from Chesterfield to London. The last time that I passed through Leicester, the Sunderland-Leicester match was about to begin. I am a Sunderland supporter, and unfortunately I missed the match; it was one of the few occasions when we have won against Leicester. The only times I have been to Leicester, we have always been beaten by Leicester City.

I was pleased to be in the Chamber for the maiden speech of the hon. Member for Leicester, South. I do not know how people will judge him. When I made my maiden speech, Dale Campbell-Savours, now Lord Campbell-Savours, was asked by my hon. Friend the Member for Bolsover (Mr. Skinner) what he thought, and my hon. Friend said, "He is a late-night kamikaze pilot." I did not know what a late-night kamikaze pilot was. The House used to sit late in those days, sometimes through the night, which we do not now, and a handful of people could keep the whole thing going and cause all sorts of problems for the Government of the day. Dale Campbell-Savours knew before I did that I was a late-night kamikaze pilot. Perhaps some of us have ideas about the contributions that the hon. Gentleman will make in the future.

If there is a general election in May next year, this is the last contribution that I will make to a Queen's Speech debate. I hope that hon. Members will not mind if I am a little self-indulgent. I will attempt always to be in order and will refer throughout to items contained in the Queen's Speech, but I may do so in a rather personal way.

The Queen's Speech talks about streamlining

"the organisation of the national rail system to improve performance."

That is a matter of considerable interest to me. I started my working life as a railway clerk. Even when I engaged in my national service, I was working as a rail transport official in Basra with the Iraqi state railway. The privatisation of the railways here was the most doctrinaire piece of privatisation that the Conservative Government entered into. They had no understanding of the nature of railways. Even in the 19th century, people such as Alfred Marshall, who was not a socialist economist, said that railways were natural monopolies. They said that we had to recognise that they developed as monopolies and therefore we had to regulate and control them. To try to work a system in which someone controlled the rail track and different companies ran over the same lines was nonsense. Until we invent some "Beam me down, Scottie" system and we do not need railways, the notion that we can apply such extreme privatisation and competitive principles to the operation of a system such as the railways is nonsense.

Chris Grayling: Is the hon. Gentleman aware that what he has just described is European law?

Mr. Barnes: There may be some problems with European law and I could suggest avenues for seeking to come to terms with them. It strikes me that, whatever the local difficulties with European law, the answer for the railways is that we should have a decent public ownership system. That is the policy of the Labour party conference. When the matter is brought before the House, it will be discovered that some of us will try to push the Government further. We will seek to tackle the matter that the hon. Gentleman has just raised.

I mentioned that part of my railway clerk experience was as a member of the forces. I was in the RAF in Basra in a movements unit that used to move troops and goods from the port and Basra up to Baghdad to be taken up to the camp in Habbaniya. The Queen's Speech says that the

"Government will continue to support the Government of Iraq to provide stability and security and ensure that elections can be held in January."

I am one of those who opposed the invasion, but I realise that once the invasion had taken place, new sets of circumstances began to be created. I would have preferred to give assistance and encouragement to the considerable forces of opposition in Iraq at different stages who wanted to get rid of Saddam Hussein and change the system. When people struggle within their own system, they develop organisations and arrangements that are part of the transformation and have the potential to build a democratic society. That was not done. Such organisations—clandestine bodies—existed, but the invasion still took place.

We must now look to the development of a democratic Iraq, with civic provisions in a new framework. We must argue against unacceptable military action and try to prevent its worst excesses, but we must realise that terrorism cannot be allowed to rule the roost; it must be contained and people must be defended in order to build democratic provisions and arrangements. There are considerable forces in Iraq that look towards those things—women's organisations, youth organisations, ex-prisoners organisations, community groups, trade unions and bodies such as the Iraqi Federation of Trade Unions, which has 200,000 members in 14 organisations—in a setting of 50 per cent. unemployment, massive problems and difficulties about which forms of privatisation will take place. Will it be a rip-off, as it was when the regime changed in the Soviet Union? There are worries about those issues, but there are forces for a better Iraq.

Democracy is not just about voting in a ballot; it is about civil liberties, organisations and people's rights and freedoms to press their corner and get involved. I am joint president, with my hon. Friend the Member for Cynon Valley (Ann Clwyd), of Labour Friends of Iraq, and I am keen that other political parties should establish similar groups. Our joint presidency is symbolic, as my hon. Friend supported what she would call a liberation, but which I call an invasion, while I opposed it, so it shows that people can come together on specific items and work in current circumstances to try to determine a way forward and whom they should assist.

I said that I would be self-indulgent. The next item I want to refer to is educational opportunity. The Gracious Speech referred to "the highest importance" of

"extending educational opportunity so that all individuals can realise their full potential".

I was an adult student. Some people need second opportunities in education, but I was a late developer. I was lucky enough to go to Ruskin college with no formal qualifications and, after a two-year course, to gain a diploma. It was through that avenue that I was able to go to university. Much is being done to extend lifetime education in various fields, often with associated modules and certification that enable people to move into other sectors. To some extent, that has squeezed the old, liberal adult education tradition in places such as Northern college, near Barnsley, and Ruskin college. We should realise that that element still exists.

People change their interests in life and there is much more information in the media to grab people's interest and help them to develop their potential without having to qualify for certificates and modular recognition at an early stage, so an open form of education and the time to study in institutions such as those I mentioned is worth while.

I taught access courses at Sheffield university. People with no formal qualifications who studied those courses did better at university or college than those who had not had the opportunity to go down that avenue. I hope that the Government consider such forms of education as an important element that can add to the valuable work that is being done elsewhere.

The next item I want to refer to is the legislation to be introduced

"to combat discrimination in the provision of goods and services on the grounds of religion, as well as race, sex and disability".

The right hon. Member for Ross, Skye and Inverness, West (Mr. Kennedy) suggested that age should be added to those categories. I am worried about those matters—*[Interruption.]*—not just about age. To discriminate or attack people on grounds of race, sex, disability or age is entirely unacceptable and we should have the strongest legislation against that. However, if someone attacks another person on the ground of religion, we must be careful about where we draw the boundaries. If a person is abusive or derogatory about another person's religion, that is an extreme form of attack and action is justified to protect people. However, discussion and argument about religious matters is of considerable importance.

Mr. Purchase: I hope that, like every Member, and more widely, my hon. Friend accepts that it is quite possible not to share someone else's religious beliefs and to argue that vigorously from a sense of commitment, without insulting them or their religion. Will my hon. Friend take that point on board?

Mr. Barnes: My hon. Friend has set out the position that I wanted to express much better than I could. It should be possible to have the strongest dialectical debate and sometimes heated argument, because if people feel strongly they will get into that position, but arguments should be carried on in a way that does not attack individuals and their most fundamental and sacred feelings. People's ideas are important to them, whatever their religion and whether their views are humanist or perhaps even anti-religion, but debate should take place.

At Hull university, I studied philosophy—including the philosophy of religion—ethics and politics. It is precisely on those topics that there should be full and fearless debate. In the Chamber, we can have full and fearless debate on political and moral issues. We are kept in order by the Speaker and Deputy Speakers and there are rules so that we do not go beyond what is reasonable. Such debate is to be encouraged and we need to be careful about the extent of legislation.

Some people say that religion and politics should never be discussed. Well, in that case I would have to shut up, because I think that they are the only two things worth arguing about—apart perhaps from football, opera and various other things. In terms of where we stand on particular issues and how our views change and shift over time, politics and religion are key matters. I hope that care will be taken when measures relating to religion are brought before us.

I want to say something about identity cards. My hon. Friend the Member for Milton Keynes, North-East (Brian White) said that there were certain points in favour of identity cards, but he did not think that they would do much to tackle terrorism and that other things, such as social provisions, could be important in that regard. I feel that if we could switch the agenda somewhat, there is a lot in what he said.

The problem of electoral registration in this country has interested me for a considerable period. I became interested in it when the Conservatives introduced the poll tax, as I knew that it would squeeze certain people off electoral registers and stop new voters registering. When I looked into it a little more, I discovered that the problem did not just relate to the poll tax—it certainly did—but that it went wider. We have a mobile society—people move from bedsitter land to different areas—so there were problems with registration, particularly in black communities and deprived areas. About 2 million people were missing from electoral registers. That was tackled to some extent by the current Government in the Representation of the People Act 2000, which introduced a version of rolling registers, but that still has not tackled the problem properly. I would recommend my own attempt at a private Member's Bill. When I was lucky in the ballot in 1993, I proposed a host of arrangements that tied in with making rolling registration effective, and we still need to move in that direction.

[Mr. Barnes]

Would not identity cards be of great value in securing electoral registration? If we gave votes to people at the age of 16 and ensured, through the schools system, that registration for identity cards started as people were reaching that age, that could be used to track them for electoral registration purposes, wherever they move in the United Kingdom, to achieve their rights. A democracy should have as its first building blocks the vote and the ballot. I argued earlier that voting was not enough in Iraq, but it is the starter and it must be universal. We should do all that we can to establish universal provision, so I shall try to persuade the Home Secretary to switch more to that agenda. He says that he is sympathetic, but we must ensure that that agenda is delivered.

I introduced a further private Member's Bill on civil rights for disabled people when I drew lucky in the ballot a couple of years later. Alf Morris, now Lord Morris, had introduced a similar measure in 1992, and my hon. Friend the Member for Kingswood (Mr. Berry) had introduced a dramatic version on the Floor of the House in 1994. In 1995, the then Conservative Government opposed my Bill because they had introduced the Disability Discrimination Act 1995 in conflict with it. At that time, the views on how far we should go with civil rights for disabled people were solidly divided into two camps.

This Government have extended the interpretation of the 1995 Act and introduced legislation to establish the Disability Rights Commission. In fact, that was done with the support of those on the Conservative Front Bench. Things have moved considerably in that period. The next stage is that we now need to get nearer to achieving civil rights for disabled people, and we need to stop the people who discriminate. Like the arguments of race, gender and age, people should not be able to use the argument of disability to discriminate against other individuals. No one should be able to discriminate by perceived, actual, past and possible future disability. The notion that people should discriminate on the ground of disability is very peculiar because we could all be disabled in the future—I am much more disabled than I used to be—so it is like people discriminating against themselves or their possible future selves. That could not happen with other forms of discrimination. We can understand, without agreeing, why people discriminate in other areas.

Finally, I want to deal with the points about the European Union made in the Queen's Speech. Ever since the days of Harold Wilson when the vote was lost and we argued "No", pointing to the undemocratic, bureaucratic and essentially capitalist nature of the EU, my position on the EU has not changed, but there is no use arguing against a two thirds vote against us in the hope that things will alter very considerably. We must get in and seek to change things.

Seeking change has always involved my arguing for a federal, democratic and social Europe—federal in the proper sense, not in the sense that is often used to pretend that the creeping centralisation and bureaucracy that often take place represent federalism, as though federalism involves centralised control. We need federalism in which there are divisions of power and power is pushed much more to the states. The bodies that make the decisions should not be Councils of Ministers or Commissions; the lead should be taken by Parliaments. Those Parliaments will be operated and run by leaderships, but they will be open and people will be able to check everything that is going on. To that extent, I have a similar agenda to that of the Liberal Democrats on that matter, but not on many others, although I do not know how far they go on the social provisions and changing the EU's economic arrangements.

I might get a chance to push some of those things a bit further during this Session of Parliament, but if not, I have put out a few markers in the hope that people pick up issues, such as electoral registration, run with them and pass on the baton.

6.47 pm

Rev. Ian Paisley (North Antrim) (DUP): I thank you for calling me to speak, Madam Deputy Speaker. I apologise to the House for not being present for most of the debate through no fault of my own, for I was enclosed in the talks that are going on about Northern Ireland between the Government and some of our parties. I came from those talks directly to the House, and I appreciate you calling me to speak in the debate.

In the Gracious Speech, Her Majesty said that her Government

"will work to bring about the conditions necessary for the restoration of the political institutions in Northern Ireland."

Of course, that is why the talks have taken place and why my party has taken part in those talks. The Prime Minister made it clear what the basis and aims of the talks are. I refer the House to a statement that he made in the city of Belfast on 17 October 2002, in which he said:

"Another inch by inch negotiation won't work. Symbolic gestures, important in their time, no longer build trust. It is time for acts of completion. Republicans to make the commitment to exclusively peaceful means, real, total and permanent. For all of us, an end to tolerance of paramilitary activity in any form. A decision that from here on in, a criminal act is a criminal act. One law for all, applied equally to all."

It was on that basis that my party joined in those talks.

On 27 November 2002, I asked whether the Prime Minister was

"aware that in the past two days my party has met the Minister with responsibility for security in Northern Ireland and the Secretary of State for Northern Ireland. We put one question to both: what is an act of completion? Does it consist of IRA-Sinn Fein repudiating and ceasing violence and being disbanded, or does it simply mean that they make a statement that they will give up violence? Can the Prime Minister tell us what he believes it means?"

The Prime Minister replied:

"I can. It is not merely a statement, a declaration or words. It means giving up violence completely in a way that satisfies everyone and gives them confidence that the IRA has ceased its campaign, and enables us to move the democratic process forward, with every party that wants to be in government abiding by the same democratic rules."—*[Official Report,* 27 November 2002; Vol. 395, c. 309.]

Those statements are crystal clear and on that basis my party joined the talks. It has spent considerable time and energy in them because we hoped that at very long last we were coming to a time when democracy would

conquer and intolerance, paramilitary activities, murders and terrorism would come to a complete and total end.

Running with that is that we need not only full decommissioning but an end to the criminal activities of IRA-Sinn Fein. The Prime Minister made it clear that he also believed that they must cease. Then I read in a newspaper this week that a leading member of Sinn Fein in the south of Ireland is spying on senior Fianna Fail and Fine Gael politicians, and there is a hue and a cry from IRA-Sinn Fein that the Dublin courts do not provide justice and that that man should not be condemned. So the IRA is busily engaged in those activities.

Some people say to me, "But Ian, is it not a fact that things are now different?" People should not be deceived. We do not have a normal situation in Northern Ireland. I have the last report made to the Northern Ireland Policing Board by the Chief Constable. He gave the figures for what happened last year, and this year as far as they go. The number of persons charged with terrorist offences was 56 in April to September 2003, and 41 in April to September 2004. That is not a big reduction or normalisation. The number of deaths occurring as a result of the security situation was four in April to September 2003, and three in April to September 2004. The number of shooting incidents was 103 in April to September 2003, and 103 in April to September 2004. The number of bombing incidents was 26 in April to September 2003, and 37 in April to September 2004. The number of casualties arising from paramilitary-style attacks was 149 in April to September 2003, and 116 in April to September 2004.

The situation is not normal. It is essential not only that IRA-Sinn Fein put away all their guns and that those are seen to be put out of use for ever, but that we see what happens to their massive criminal activity. Something like £500,000 of cigarettes were recently stolen from the Gallaher's factory. All those things are piling up, as well as the bombings, killings, targeting, recruiting and so on. The Government have to face up to the problem. Yet in the midst of that we are told that, because of normalisation, certain things are to take place and the Royal Irish Regiment is to be cut. In fact, steps have been taken eventually to disband that regiment altogether.

We need to keep those things in mind when great pressure is put on Northern Ireland's politicians to make a settlement. If there is to be real peace in Northern Ireland, IRA-Sinn Fein must give up all their weapons in such a way that the ordinary man in the street knows that it has been done. It must be clear and open, and there must be a ceasing of their criminal activities and those activities that continually put a black spot on our Province. The soldiers of the RIR deserve honest treatment. They need honesty, clarity and certainty about what is happening to their regiment.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): Is my hon. Friend aware of the statement issued tonight by the right hon. Member for Upper Bann (Mr. Trimble), in which he claims to have negotiated the retention of the Royal Irish Regiment last year? Is he also aware that soldiers are being briefed across the Province that their regiment or the home service battalions are to be disbanded within the next 18 months? Will he therefore comment on what the right hon. Gentleman said?

Rev. Ian Paisley: The right hon. Gentleman has said many things. He told us about decommissioning. It did not happen. He told us that we were lying to the people when we said that it did not happen. I asked the civil servants at the talks at Leeds castle, "What was the decommissioning?" One of them said, "Don't cause my face to get red." How many guns were put away? Possibly two the first time, possibly four the second time, and possibly 12 the third time. Yet politicians tell us that if we only knew how many IRA-Sinn Fein gave away, we would be amazed.

I am not a youngster. I am getting on and have been in Northern Ireland politics not because I wanted to be but because the people put me there. I want the matter settled in such a way that I can think of tomorrow and the children and grandchildren of tomorrow knowing that they are going to live in part of the United Kingdom where there is proper peace and where the enemies of our Province, whether they call themselves loyalists, IRA men or anything else, cannot break the law and be armed to break the law.

As my hon. Friend the Member for Lagan Valley (Mr. Donaldson) said, the regiment members know that the guillotine is upon them. I have facts on that which I shall give to the Secretary of State for Defence when I meet him tomorrow. The soldiers who served and bore the burden in the heat of the day deserve help from the House to be rehabilitated into the civilian population. They deserve to be treated as honourable people who gave their lives in the service of freedom. I appeal to the House to see that that is done.

The other matter that I am concerned about is the fact that tomorrow I have to meet the Prime Minister of the south of Ireland and our Prime Minister, and I regret that tonight I do not have, and have never got from either of them, an assurance that the IRA are going properly to decommission their weapons. They argue now that decommissioning has to be done in a corner and that we cannot have photographs of it. If there are to be photographs, they will take them. They claim the right to keep them, and any royalties for printing them in a newspaper will be paid to the IRA. That is what they are at now. All I can say to the House is that I believe that both Governments must put to an end to that by standing up and saying, "Do what the Prime Minister said. Let us have completion. Let us come to an end. Finish this once and for all, and give to the people of Northern Ireland the liberties and rights that they deserve."

I have dedicated myself to that task. My party has dedicated itself to that task. We are not going to run away from the table and we are not going to be pressurised. We are going to stick to the issue as it was presented to us. Were we brought into the talks under false pretences, or are the Government going to keep their word? That is the issue. I trust that we will see the Government keeping their word. I trust that soon the people of Northern Ireland will know that the IRA are finished once and for all, the other terrorists are finished once and for all and we will have peace on the basis of democracy—all men equal under the law, and all men subject to that law. That is what it has to be.

[Rev. Ian Paisley]

I trust that the House will understand what the Unionist population have suffered and what the Roman Catholic population have suffered from IRA-Sinn Fein. Many thousands of Roman Catholics vote for me. Anyone who does not believe that should go and watch the results coming out of the ballot boxes in some areas—they will get a big surprise. I remember standing with John Hume and saying, "What about those votes, John? Why are those people voting for me?" He said, "Well, Ian, I don't know." I said, "I'll tell you. It's because I have tried as best as I can to do right by all the parties I represent."

I say to the House that now is the time for it to exercise its power with the Government, and see that this sad chapter is closed and that opportunities will be given for all people, no matter what their religion or their political convictions, who want to live in peace to do so. We must use the system of democracy to help their families and to help the future. That is what I wish.

I am glad that I followed the hon. Member for North-East Derbyshire (Mr. Barnes) because he has always taken an interest in Northern Ireland. We do not see things the same, but he has always been in his place, and I regret the fact that he is not coming back after the general election. Maybe after this debate he will be persuaded that he should come back and finish the job that he feels he should do.

7.3 pm

Chris Grayling (Epsom and Ewell) (Con): Following the speech of the hon. Member for North Antrim (Rev. Ian Paisley), I can say that the wishes of everyone in the House are that the talks in which he is to take part will yield positive progress. There is a universal desire among the citizens of this country—in England, Northern Ireland, Scotland and Wales—to see the troubles of the past generation or two finally laid to rest and the peace that the hon. Gentleman describes brought to Northern Ireland. He and all those involved in the talks have the good wishes of the House and we hope that they can make progress in the discussions that lie ahead.

As I listened to the Queen's Speech, I was struck by two things. The first was that this Queen's Speech is a clear indicator that the Government are increasingly out of touch. That is perhaps inevitable when one has been in office for several years, had one's diary organised every day, made ministerial visits in which one is met by welcoming parties and been told what one wants to hear by all around. The second was that, wrapped in all the Bill titles and messages in the Gracious Speech is the Government's obsession with spin. This Queen's Speech is about fighting a general election campaign. It is a public relations exercise, which is the wrong strategy for the country. The Bills mentioned will not make the difference claimed by the Government. I look forward, over the next few months, to taking messages from our side of the House to the country, to explain precisely why the Government's strategy is wrong, will not work and cannot work.

Put simply, the Government seem to believe that new laws mean action. If that were true, we would not this year have a Queen's Speech full of Bills from the Home Office—another series of Bills designed to tackle crime and disorder. Over the past seven years, we have had endless Bills on crime and disorder—more than 20—including the Crime and Disorder Act 1998, the Criminal Justice (Terrorism and Conspiracy) Act 1998, the Youth Justice and Criminal Evidence Act 1999, the Criminal Justice and Court Services Act 2000, the Anti-terrorism, Crime and Security Act 2001, the Police Reform Act 2002 and another Criminal Justice Act in 2003. Yet crime is becoming more and more of a problem for more and more people in our society, despite the Government's claims. Out there, our constituents, including those of Ministers, find that crime, antisocial behaviour and the threat of violence on our streets are getting worse and worse, year by year.

What is the Government's response to all that? A propensity to establish new offences where none is needed. I can think of two obvious recent examples. The Government, to create a headline, introduced legislation on the use of mobile phones while driving, but the existing offence of careless driving was perfectly adequate to do the job. We voted recently in this place on smacking, but there exists an offence, assault, which is perfectly adequate for dealing with genuine violence against children. Too often the Government introduce Bills and create new offences, not because that will make a difference in the fight against crime but because they want to create the impression that they are trying to do something in that fight.

What we need is proper enforcement of existing laws. The police do not say that they need more offences to deal with people. When one goes out on a Saturday night with one's local police force, as I suspect Members on both sides of the House do, one does not hear those officers asking for additional penalties to levy on offenders. They say, "I wish we just had a few more officers on the beat. We wish we were not one of only two cars on patrol in a wide area." We need more police officers on the streets and less bureaucracy.

Mr. Woolas: We have them.

Chris Grayling: The Minister says that we have them. I can tell him that I recently talked to a chief superintendent in my area, who said that the truth is that we have far fewer police on the streets today than we did 10 years ago, not because they are fewer in number, but because the police are now committed to doing so much stuff behind the scenes on behalf of the Government: collecting data, filling in forms and dealing with a raft of bureaucracies that simply did not exist a generation ago. That means that, out on the streets, the thin blue line is thinner than it has ever been. If the Minister does not accept that, he is simply reinforcing my point that the Government are increasingly out of touch.

What is the experience on the ground? Let me share some experiences with the Minister, since he does not believe me. Earlier this year, I did an exchange with the hon. Member for Liverpool, Riverside (Mrs. Ellman). I went and spent some time in some of the rougher areas in her constituency, where I talked to people who are suffering from antisocial behaviour. I remember talking to one young family in particular. They live in a run-down block, and every night a gang of youths comes into the stairwell outside the flat, takes drugs, causes trouble and vandalises the place extensively. One has to

ask: where are the police? When someone is in that position, being traumatised, night after night, is it really beyond the wit and wisdom of our society to deliver policing to tackle those problems? That experience is shared by people across the country. When they seek and need the police, the police are not there. That is not because officers are not committed. We have some fine police officers in this country, but there are not enough of them on the streets and in patrol cars to do the job when needed.

In my constituency, which is in many respects a great contrast to that of the hon. Member for Liverpool, Riverside, the lack of police presence is all too common. We had a terrible case recently. A young man walking across a recreation ground late at night was tackled by a gang of young people. He was assaulted, viciously attacked, had a number of his teeth kicked out and was left unconscious. The police took 45 minutes to arrive. The ambulance got there first, and the ambulance staff were assaulted by the gang of yobs. It is simply not good enough that the police took 45 minutes to arrive.

The police try to do something about antisocial behaviour. To give another example from my constituency, a local beat officer faced a problem of over-18s buying alcohol for under-18s. He wanted to point a closed-circuit television camera at a specific off licence to enable him to identify those buying alcohol for under-age groups. He said that it took days of paperwork to enable him to do so—endless form-filling and process just to tackle one problem. That is madness and it should not be happening.

Mr. Russell Brown (Dumfries) (Lab): The hon. Gentleman is painting a very bleak picture of what some of our emergency services have to deal with, and to a certain extent I agree with him. I know only too well of instances of ambulances arriving at a public house where there has been an incident and of ambulance officers being attacked by people on the licensed premises. There seems to have been a breakdown in society. Can the hon. Gentleman point to a time when he believes that that breakdown began? Has it occurred in the past two or three years, or over the past 10, 15 or 20 years?

Chris Grayling: I know what the hon. Gentleman is encouraging me to say. I could pick 1997 as an obvious time when the decline started. He would no doubt try to claim that it began in 1979. I think that it has been a trend over the past 40 or 50 years, and it is accelerating. The level of respect in our society is decreasing and the likelihood of people stepping outside conventional, legal, law-abiding behaviour is increasing as time goes by, and we must address that.

Hon. Members who have talked about the need for a broad range of solutions and for different agencies to work together to bring different ideas to bear on the problem are all absolutely right. There is no single solution, but if we do not deliver proper policing and stop people in their tracks when they commit illegal acts, acts of disorder and antisocial behaviour, they will realise that there is no sanction and they will offend and reoffend. That must stop.

Let us take the example of Manchester. The hon. Gentleman may be aware that there has been much coverage about the lack of officers available in Manchester city centre on a Saturday night. There are perhaps a dozen trying to control all the pubs and clubs in central Manchester, and that cannot be right. We must get more officers on the streets, tackling the issues up front. We must be tougher and not let people get away with such behaviour.

Mr. Brown: The hon. Gentleman makes a point about lack of police officers, but does he not believe that there is a duty on licensees to do something about the activities on their premises? I am not about to condemn young people en masse, but I hope that he and other hon. Members agree that in today's society young people go out with the sole intention—perhaps this should not come from a Scot—of drinking until they fall down. What enjoyment there is in that I do not know, but that is the society in which we are living and, as today's Queen's Speech says, something must be done.

Madam Deputy Speaker (Sylvia Heal): Order. That was a rather lengthy intervention.

Chris Grayling: The hon. Gentleman is right. As I said a moment ago, the problem does not have a single solution. Active and proactive participation from all those involved is required; licensees clearly have a role to play in reducing antisocial behaviour. None the less, where there is trouble, illegality and disorder, the police are too often unable to do anything about it. A couple of years ago, there was a large illegal rave involving 2,000 or 3,000 people just outside my constituency. As the event started to build, 12 officers were available in the local station in Kingston. They said that there was nothing that they could do, so the event built up and became a major public order problem. We simply do not have enough officers to deal with problems when they arise.

None of these problems will be solved by a raft of new legislation or increased bureaucracy—by Metropolitan police officers having to fill in forms every time they stop someone on the streets. I wait patiently, but probably fruitlessly, for the Government to realise that we will reduce crime only if we put the police back into pole position—if we give them real power again, trust them with the job and get them out of police stations and back on to the streets to do the job that we need them to do: fair but tough policing of such problems.

If ever there were a symbol of a Government whose transport policy has been in chaos, continues to be in chaos and will be in chaos until we can finally get rid of them, it is the railways Bill. To hear all the noises that the Government have made in recent months, one would think that the Strategic Rail Authority was a Tory creation. It was the Government's great answer to the problems of the railways. "The terrible Tories", they said, "have privatised the railways and caused chaos. Our Strategic Rail Authority will solve the problem." Three or four years later, the Government have discovered that it does not work. Sadly, I have no confidence that the alternative announced today will do any better. We are seeing the creeping renationalisation of the railways. Many responsibilities for the management of the network are being passed to Network Rail, which is a creature of Government. The remainder are being passed back to the Department for Transport. Step by step, the Government are taking back control of the railways.

[Chris Grayling]

Sadly, all of that misses the point. What is wrong with our rail network is that it is over-congested. There are more passengers on our railways today than before the Beeching cuts were made to a much larger rail network. I travel into Waterloo in the mornings, and it would not matter who owned or controlled the railways, because there are too many trains chasing too few slots, too few platforms and too little space at key junctions. It is not about ownership or control, but about measures to alleviate congestion.

One tragedy of the past few years was that the SRA produced a clear strategy to address some of the pinch points on the network, including on the routes through my constituency, but within a few months of those ideas being put forward the Government shelved them all. All around the country there are opportunities to ease congestion that this Government have passed by. That is a great loss. When Labour loses office, people will look back on transport policy as one of its great failings.

The references to education in the Gracious Speech had a heavy element of double-speak:

"The Government will continue to legislate to allow local authorities to provide innovative and safe school transport",

which really means that the Government will continue to make progress on passing a law that will end the provision of free school transport. The Gracious Speech also said:

"A Bill will be introduced to extend financial support for 16 to 19 year olds engaged in training and education."

That really means that the Government will charge substantially higher fees to those in our colleges who study at level 3 and above and who are over the age of 19. That is top-up fees mark II. If one reads the documentation behind the proposed measure, one sees great commonality between what the Government said about top-up fees and what they are now saying about the new proposal. They are saying that people who get higher qualifications earn a premium in their professional and working lives, so they should contribute more to the education that they receive. The hon. Member for North-East Derbyshire (Mr. Barnes), who is no longer in his place, talked about his experience of coming to qualifications slightly later in life than many people. Somebody who leaves school at 16 having failed in their exams, goes back to college immediately to try again and works their way through level 1 and level 2 qualifications will probably be 19 before they set about obtaining a level 3 qualification. Such a person will now be charged a 50 per cent. higher fee.

Across the further education sector, there will be examples of people who are trying to broaden their skills and to move themselves to the next stage professionally, but who will lose out significantly. Such people may be deterred by the measure, which is not about deferred fee payments in further education; it is about money up front, paid by the students, many of whom will turn away from education and training as a result. For all the Government's great words about commitment to broadening educational access to all, the measure is a retrograde step that they will come to regret.

That measure features in a Queen's Speech that is disappointing, will not make a difference but useful for the Government in generating headlines. Good government is actually about doing the right things, and not just about public relations spin to try to win elections. What is lacking in this Government is substance and action that deliver real results and change. I hope that, when we come to vote next year, the people of this country will understand that and vote for the change that they really need—a change of Government.

7.21 pm

Mr. Michael Fallon (Sevenoaks) (Con): I remind the House of the business interests recorded in the register.

The Government are very keen on warnings. There are new health warnings on cigarettes, and there are to be wealth warnings on credit card statements. I think that there should be a label displaying a clear warning at the bottom of Queen's Speeches. Today's speech was something of a deception. By my reckoning, at least two thirds of the Bills will never become Acts. Worse, there are phrases in the Queen's Speech that are a sham:

"My Government will continue to take forward... the constitutional legislation introduced last year."

Let us be clear about that. The constitutional legislation introduced last year is not going on to the statute book this year, and I very much doubt that it will do so in any year. Even more disgracefully, we were told:

"Measures to reform the law on mental health will continue to undergo pre-legislative scrutiny."

Those measures are updating legislation that is now 20 years old. More than four years ago, the then Secretary of State for Health promised me that it was a Government priority, but it is still at the stage of pre-legislative scrutiny. That is simply not good enough for a Government who were committed to introducing them.

There is always something to welcome in any Queen's Speech. I particularly welcome the measures on animal welfare and against animal welfare extremism, which are very important. I also welcome the Bill to merge the Inland Revenue and Customs. I do so on behalf of the Select Committee on the Treasury, which recommended such action almost five years ago. I have to tell the House that the Government then turned down our recommendation, and it is only now, some four and half years later and after the O'Donnell review, that it has finally been accepted.

The Treasury Committee reported on the O'Donnell review as well, and I hope that the Bill that is introduced to complete the merger takes account of our two major concerns. First, we were concerned that merging two very large organisations with very different cultures should not put at risk the collection of the revenue and the service that individual and business taxpayers deserve to receive. Secondly, confidentiality should be protected and indeed enhanced in statute. That is all the more important because the two departments and their policy-making arms are now being moved into the Treasury building itself, and the arm's length relationship that should exist between Treasury Ministers and Revenue officials may become all the more suspect when they are sharing the same corridor, building or cafeteria. I hope that those two reservations or concerns will be taken into account when the Bill is introduced.

I also notice—it is possible that the Deputy Leader of the House can help me on this—no reference anywhere in the Queen's Speech to legislation to reform statistics. The way in which this Government have treated statistics is nothing short of disgraceful. First, they promised a statutory framework to make statistics truly independent of Government. Having spent four years producing the code of practice, they have welched on that responsibility and not introduced the necessary legislation. That is all the more important when national statistics and the national statistician are being dragged into the political arena because the Government have set themselves all these different targets and have then expected statistics to be thrown up to measure their achievement or otherwise.

It is all the more important that we put the Office for National Statistics on a basis that is truly independent of Government. At the moment, its staffing and resourcing, as well as, indeed, the staffing and resourcing of the body that supervises national statistics, the Statistics Commission, depend on the Treasury budget. The national statistician and the ONS are still responsible to a Treasury Minister. That is not good enough in a modern democracy, and we should legislate soon to give ourselves the independent department of statistics and independent office of the national statistician that other modern democracies have.

As some of my hon. Friends have said, the Government are still flailing around improving security and public behaviour. We spend weeks in this building debating banning smacking, smoking and hunting, and suddenly the Government wake up and realise that, with an election coming, they have to deal properly with terrorism and yob culture. If these terrorism Bills are now so necessary, why has it taken the Government three years after September 2001 to tighten our security? Was it that the original Bills were so badly drafted that new offences have suddenly proved necessary? Why, three years after that dreadful act, are the Government still flailing around trying to come up with the right legislative response? On antisocial behaviour, why is this now their third attempt to improve the legislation to give the police and local authorities the powers that they really need to crack down on such behaviour? I do not think that that is good enough.

My priorities for this Queen's Speech would have been very different indeed. If the Government really wanted to help communities such as the villages in Sevenoaks, I can tell the Deputy Leader of the House exactly what he should have been proposing. He should have been doing something about the planning rules that Travellers continually ride roughshod over in my villages—in West Kingsdown, Halstead, Crockenhill and Hextable. All we are promised is yet another review. Instead of another review, there should be action.

First, there should be a presumption against retrospective planning in the green belt or areas of outstanding natural beauty. Why should Travellers or those who act on their behalf for very distinct commercial purposes be allowed to apply for retrospective planning permission that they know should not be granted?

David Taylor (North-West Leicestershire) (Lab): Will the hon. Gentleman give way?

Mr. Fallon: In a moment.

Secondly, I would like to see much tougher enforcement powers. The Planning and Compulsory Purchase Act 2004 has just gone through the House, and the Government missed the opportunity to give local authorities the powers that they need to enforce the planning rules. Thirdly, I suggest to the Government that we need a stricter definition of just who these Travellers are. On investigation, far too many of them turn out not to be wandering itinerant people, but to have had or have homes or assets in this country; quite often, they have considerable wealth in this country that enables them to purchase fields to carry out significant and substantial infrastructure works to build up sites for what are clearly commercial purposes. I apologise to the hon. Member for North-West Leicestershire (David Taylor) for keeping him waiting.

David Taylor: I am grateful to the hon. Gentleman for giving way at this point. When I surveyed parish councils in North-West Leicestershire about their main concerns regarding antisocial behaviour, although the issue of Travellers was at the top of the pile, they asked not necessarily for planning, better enforcement or improved definition—although it was clear that those could play a part—but for the police to use the powers they already have, for the Environment Agency to be required to instigate prosecutions where necessary and for better co-ordination, at a local government level, of action against illegal encampments on public land.

Mr. Fallon: The hon. Gentleman was courteous enough to accept my three points, and I will accept his, but those are all matters that we could put right in this House through legislation. We could give the Environment Agency greater powers and help local authorities. I hope that he agrees, for example, that it is unfair to expect parish councils constantly to pick up the tab for the legal costs of enforcement and for clearing up sites when it has been successful. The Government could do much to help communities in that respect, and I regret that there is no such proposal in the Queen's Speech.

The Government could be helping patients. I do not understand why the Government continue to spend money on setting up more health bureaucracies when, seven and a half years after they promised to get rid of them, we still have the indignity of mixed-sex wards in the Kent and Sussex hospital, which serves my constituency. After repeated promises to phase them out, they are still there despite all the additional health expenditure and all the new health bureaucrats.

The Government could be helping teachers and parents. I share the concern expressed by my hon. Friend the Member for Epsom and Ewell (Chris Grayling) about charging for school transport. How much more refreshing it would have been had the Government proposed a Bill that ensured that the home-to-school contract gave schools the powers they need to get the co-operation of parents in ensuring that children are delivered to school on time ready to be taught, and was made enforceable by the school's refusal to take pupils whose parents did not comply with it. And how refreshing it would have been had the Government announced that they would stop interfering in the admissions arrangements of our schools and local authorities through the adjudicator.

[Mr. Fallon]

For commuters, instead of yet another reorganisation of the rail bureaucracies, why cannot we have a commitment to cleaner, more punctual trains, on which so many of our constituents depend? My constituents do not write to me saying that they want another reorganisation of Network Rail, another look at the way in which the Strategic Rail Authority is set up or a different relationship between the regulator and the Minister—what they want are clean, punctual and reliable trains.

David Taylor: Does the hon. Gentleman recall whether his constituents, if he had any at the time, wrote to him urging that the rail industry be privatised?

Mr. Fallon: I think that I can honestly say to the hon. Gentleman that I did not have constituents at that point in this country's economic development. Rail use increased as a result of privatisation, yet despite all the money allocated under the 10-year transport plan our constituents still do not see the basic results that they need—cleaner, reliable and punctual trains to get them to work on time.

For individual taxpayers, it would have been refreshing had the Government announced that they were going to look again at their horrendous tax credits system, under which people are paid too late, then overpaid and asked to refund the money, and find that the helpline does not work, that the staff whom they deal with are constantly changed and that complaints are lost. That system does not help those of our constituents who need the most help. It is exactly the same with the Child Support Agency, as was proved by the resignation of its chief executive. There are the same computer faults, the same poor customer service, and the same helpline inadequacies. Why are our surgeries and advice bureaux full of constituents complaining about their tax credit award, the overpayment that is demanded to be repaid, or the negligence of the Child Support Agency? Why do they come to us to sort out such problems when the Government are running bureaucracies that should be eliminating them?

For business, the Queen's Speech does not reflect the Secretary of State's last-minute U-turn and her sudden, new-found interest in deregulation and simplification, as I could find no specific measures on those topics. Last year, the Treasury Sub-Committee reported on the administrative cost of tax compliance, pointing to factors such as the company car scheme and statutory sick pay, which impose an unnecessarily complicated burden on business that Government could easily eradicate. They could easily exempt smaller businesses from all this new legislation until it is properly proven. They could confine the various tax changes to a single day in the tax calendar, thus helping small firms, in particular, to budget better for the year ahead. I appreciate that the Department for Work and Pensions is trying to confine the implementation date for legislation to two points in the financial year, but other Departments across Whitehall have not followed suit, and it remains true that several such changes are introduced at different points.

I hope that the Government will reconsider capital gains tax. We all welcome the lower rate, but it is not yet accompanied by the necessary simplicity that businesses need.

This is a fag-end Queen's Speech that does very little for my constituents in Sevenoaks and reminds them of just how deeply this Government have so far failed to tackle the real issues.

7.37 pm

Mr. Michael Weir (Angus) (SNP): The legislative programme put before us today contains some very interesting Bills, including some that we might support should they ever be put to a vote.

At the centre of the Queen's Speech is the law and order and terrorism agenda. It is a shame that the Government came to power claiming to restore hope but now cling to office by turning to the politics of fear. This Queen's Speech is clearly a prelude to a general election campaign in which fear and terror will be placed at the heart of the Government's proposals. It is probable that leaflets accusing those who have the temerity not to agree wholeheartedly with ID cards of being soft on crime are already winging their way to the printers and will soon be coming through a door near us. In 1997, Labour told us, "Things can only get better". That now has a hollow ring, but perhaps its 2001 anthem, "Lifted", will take on a new meaning should many of these measures go through.

At the heart of the Government's agenda is the Bill on identity cards, but that has already descended into utter confusion with Ministers all over the place on what ID cards are and what they are meant to achieve. I heard one Minister on the radio at lunchtime describing ID cards as a means of dealing with identity fraud, asylum, crime, fraud in public services and terrorism, as well as offering gold-plated proof of identity. That is a lot for one little card to manage to do. Other Ministers have told us that they are no different from a store card or a driving licence. Well, frankly, they cannot be both. Either they are an aid to fighting terrorism or they are no different from a store card.

We were presented with a vision by one Minister who said, "When people are stopped in their car and they don't have their driving licence with them, they can hand it in to the police later on. That's all right; there's no problem with that." However, it strikes me that, if an identity card is meant to deter terrorism, it would fail in that objective if the police were to stop a suspected terrorist and say, "We suspect you of terrorism. Where is your identity card?", and, on being told, "I don't have it", asked the person to hand it in to the police within 72 hours, 14 days, or whatever. That would rather defeat the purpose.

So, what is the identity card for? That is the crux of the proposal, and of the muddled thinking behind it. It is even worse when we consider the situation in Scotland. The Scottish Executive have—quite rightly, in my view—said that they will not make identity cards compulsory for services delivered under the devolved Administration. However, in an earlier exchange with my hon. Friend the Member for Banff and Buchan (Mr. Salmond), the Prime Minister confirmed that, as far as the Westminster Government were concerned, identity cards would be compulsory for services

delivered from Westminster Departments. So we now face the ridiculous situation in which, if someone wanted to go to a doctor or hospital in Scotland, they would not need to present an identity card, but if they wanted to pick up their pension or their benefit, they would have to do so. That is a recipe for utter confusion, if ever there was one. It gets worse, however. We are told that identity cards are essential in protecting those services. I have many elderly constituents who are already struggling with Post Office card accounts and bank cards, and the PIN numbers that go with them. They will now also have to struggle with an identity card when they try to collect their pension. That, too, is a recipe for utter confusion.

We are told that the cards will not be compulsory. The Prime Minister suggested that they would be voluntary to start with, moving towards compulsion. As I understand it, however, anyone who applies for a passport will also have to apply for an identity card at the same time, and pay an increased fee to get it. A Minister said on the radio today that that would involve 80 per cent. of the population. That sounds pretty compulsory to me. The difference between identity cards and driving licences, store cards or any other cards is that people have a choice whether to apply for one of those cards, but they would not have a choice in regard to an identity card, as they will become compulsory.

The logic behind the system is that the card will become compulsory anyway, but its application will have to become stricter if it is to have any chance of dealing with the many things that people claim that it will tackle. It will become compulsory, whether we like it or not. It will become compulsory in Scotland by stealth for the same reason, and that is something that the Executive need to deal with. If the Government want to make it compulsory, they should debate the issue on those terms, rather than in the wishy-washy way in which they are doing at the moment, saying, "Oh, it's not really compulsory. You'll get used to it. It's all voluntary." That is simply not true. It will become compulsory because that is the logic of the system that they are introducing.

Worse than that is the fact that the identity card scheme is unlikely to produce the desired result. Let us take the example of the fight against terrorism. We all agree that terrorism is a problem that we need to fight against, but the argument should be about the best way of doing that. I suggest that identity cards will not offer effective protection against terrorism. In the most high-profile al-Qaeda attacks, terrorists either moved across borders using tourist visas—as they did in the 11 September attacks—or were already domiciled in the country concerned and equipped with legitimate identity cards, as in the case of the Madrid bombings. There is no evidence that identity cards would have any impact on dealing with the terrorist threat.

Also, fraud will be committed in any system. Many of those who take part in organised crime and terrorism will already have several passports and identity cards from other areas. In the United States, they might perhaps have driving licences from several states. That is already an established way of getting round identity checks, and one new card from the UK is not going to make any difference. However, Ministers have said that there will be a significant difference because of the biometric data that will be stored on the card. We are told that that will involve cutting-edge technology, and that that will be the answer to the problem.

However, the technology is unproven and has never been used on a large scale. I think that the hon. Member for Milton Keynes, North-East (Brian White) said earlier that the biggest existing biometric database held information on only some 2,000 individuals, but we are talking about a UK-wide system that would be required to cover millions of individuals, and whose technology would have to work. I—and, I suspect, most other hon. Members—have a filing cabinet full of cases involving constituents whose lives have been blighted by the failures of the computer system at the Child Support Agency. The Government have an appalling record on computer systems, not just at the CSA. Other hon. Members have mentioned the Passport Agency, the immigration service, and even the Driver and Vehicle Licensing Agency. The stark reality is that the Government, whose record on computer systems is shocking, are proposing to introduce a system to deal with something as important as identity cards, using unproven technology.

How are we to collect this biometric data, if the system is to be semi-voluntary? Will people be obliged to give an iris print, a blood sample or a fingerprint? How would that be consistent with traditional civil liberties in the UK? Are we going to be given the opportunity to say that we do not want this? No, we are not, because eventually we shall need the card to make a hospital visit, to collect benefits and pensions, and to do everything else. Identity cards are a very bad idea. I am sure that we shall all be accused of being soft on crime if we press ahead and oppose them, but we are going to oppose them, because we are not convinced that they will go any way towards doing what is claimed.

We have heard about the Bill to set up a British FBI, as it is already colloquially called. There might be some merit behind that proposal, provided that proper care is taken with Scots law. Again, however, we need to know more details. Much has been made of the railways Bill, which we will probably support, as something definitely needs to be done to tackle the state of the railways. But, as always, the devil is in the detail. We are told that responsibility for the railways will be devolved to the Scottish Parliament, and possibly the Welsh Assembly. However, we have not been told what funding from the old Strategic Rail Authority and its schemes would go with that devolution of responsibility, but that would be important.

We are also not sure about the status of some of the main cross-border lines. That has been a matter of contention with the SRA, which considered that the line as far north as Edinburgh was a strategic line, but that nothing north of there was strategic, and that although much of the system was proposed to be devolved, that line was not, because of its strategic nature. These measures must be set out in much greater detail before we can decide whether to support them, provided, of course, that they even reach the Floor of the House before the general election, which we are reliably informed—or not so reliably, depending on one's point of view—will almost certainly be in May. It is no coincidence that, although identity cards have been talked about for years, it is only in the dying days of this Parliament that they are being brought before us for

[Mr. Michael Weir]

debate. The cynics among us might suspect that that is because the Government know perfectly well that the proposals will get a rough ride here and there is no chance of their getting on to the statute book before the election, but that they will provide some wonderful ammunition in the election campaign.

We have heard about the proposed disability discrimination Bill. I have a personal interest in that subject, and I await with interest the detail of the provisions. It has been suggested, in the press at least, that the Bill will attach certain duties to local authorities. Again, if more such duties are to be introduced, we shall want to know whether any funds will be made available to follow them. Government after Government have placed more and more duties on local authorities, but the funding does not necessarily follow. This makes it more and more difficult for the authorities to carry out those duties and puts an even greater burden on the council tax payer. That is true in England, as it is in Scotland.

Mention has also been made of the consumer credit Bill. In principle, I would be keen to support that, as the terms of some consumer credit agreements are scandalous. Massive interest rates can be charged on those agreements, not only by so-called loan sharks but by supposedly respectable high street banks and stores, whose interest rates can be very high. In the Meadows case, for example, relatively small amounts ended up over the years as a massive debt. Such cases should not be allowed to continue. Perhaps we should go further, however, and consider capping interest charges.

The Queen's Speech is missing certain measures that should be included. The hon. Member for Sevenoaks (Mr. Fallon) referred to the Child Support Agency, and the chaos in which it finds itself following the resignation of its director. Many of my constituents, both parents with care and parents without care, are at their wit's end in their dealings with the CSA. Many of those cases have been dragging on for years without end. Many women are owed huge arrears, which are not being chased up, and they are being fobbed off with excuse after excuse. I have taken up many cases on their behalf—we have been successful in some, whereas in others, we are still banging our head against a brick wall with the agency.

In an increasing number of cases, the agency is paying out for its maladministration, because it is simply unable to do the job that it is supposed to do. Problems with the computer system lie at the bottom of that. The Government introduced a new system of calculation, which has experienced problems, again because the computer system has not worked. Because people have not been moved on to the new system, two people working side by side, with exactly the same circumstances, can pay two vastly different rates, which is leading to a great deal of anger and concern about the agency.

What is missing from the Queen's Speech as regards the agency is some idea as to how to tackle the inherent problems, how to get the system working, and how to make sure that money is paid over quickly. Prior to being elected to this House, I was a practising solicitor, and dealt with many family law cases. A simple system operated of going to the courts to get an interim payment quickly and efficiently, until the rest was dealt with. When the agency was set up, we were told that the courts were inefficient, but it was possible to get an interim payment through the courts in weeks, rather than the months taken by the agency. I respectfully suggest to the Government that they consider seriously at least reintroducing an interim payment that can be obtained through the courts, to speed the matter up.

The Queen's Speech contains nothing relating to the state pension. Other Members have talked about the tax credit system and its complexity. A great deal of anger is boiling up among our pensioners about that system. The Scottish National party proposes a citizen's pension as a way to tackle that, and I appeal again to the Government to consider seriously those issues. We cannot go on as we are doing, with more and more pensioners having to apply for means-tested benefit, and with the Government's estimate that some 75 per cent. of pensioners may be eligible for some form of pension credit in the near future. That is scandalous—we should aim for a citizen's pension of a reasonable amount, which will take pensioners out of poverty. Interestingly, when the Prime Minister spoke about pensioners earlier, he made a distinction between poverty among children and hardship among pensioners. There is poverty among pensioners too, and it is getting worse because of the tax credit system and rising fuel prices that will hit many this winter. Nothing in the Queen's Speech deals with those issues.

On energy, we would have looked for the Government finally to tackle the Office of Gas and Electricity Markets on the question of transmission charges relating to renewable resources in north Scotland, which are likely to strangle many of those projects at birth unless action is taken. That issue is being allowed to drift on with no end in sight. If the Government do not take firm action to make sure that Ofgem introduces a suitable and fair system of transmission charges, there is no chance of reaching any of the renewable targets set by the Government or any other renewable targets. The issue of transmission charges and the sunset clauses will ensure that many projects never proceed in the first place.

We heard mention in the Queen's Speech of a referendum on the EU, with reference to a Bill being introduced to give effect to the constitutional treaty for the EU, subject to a referendum. We heard much about that in this debate. A shiver ran up my spine when the hon. Member for Wolverhampton, North-East (Mr. Purchase) spoke about the counter-balancing force of the European Union against the United States. Such talk will increase yet further the vote against the European constitution. My party is generally pro-European, but we do not want to see a federal Europe, to which reference has been made, and we will not support the constitution in its current form. In my area of Scotland, we have seen the effect of the common fisheries policy on fishing communities. Indeed, it has devastated many traditional communities in the north and east of Scotland. The constitution as currently drafted will make that situation worse. Very many people in Scotland will take the same view, and if a referendum were held today, the constitution would be booted well and truly out of the park. If the Government are serious about putting the issue to a referendum, they need to tackle the inequities of the common fisheries policy in particular.

Mention was also made—obliquely perhaps—of the situation in Iraq and the need to help the Iraqi Government establish democracy through elections in January. That is all fair and well, but the Government must also consider how the situation in Iraq will be stabilised. I urge the Government to consider again securing greater UN involvement and replacing American and British troops, who, rightly or wrongly, are seen as the troops who fought the war and, as a result, are considered by many Iraqis in a different way from troops sent specifically as peacemakers. We should consider replacing many of the troops currently there with troops under a UN command, preferably drawn from Muslim nations, who would have a greater connection with many Iraqis.

The Black Watch is currently deployed in Iraq, but the Queen's Speech tells us nothing about the Government's intentions towards regiments in Scotland and parts of England. At the same time as the Black Watch is fighting in Iraq, the Government intend to amalgamate the regiment and get rid of the Black Watch tradition back home in Scotland. That is totally unacceptable to my party and to the vast majority of the people of Scotland. The Government must come clean—if they expect our troops to take part in such deployments in Iraq, they must keep faith with the troops. There is nothing worse than for troops to be sent overseas to take part in a war, whether or not one agrees with that war, and to seek at the same time the end of their regiment back home. The regiments mean a great deal to the troops who belong to them. As civilians, we often fail to recognise the family feeling within regiments. I have become aware of the family feeling within the Scottish regiments and the determination within Scotland that those regiments should not be amalgamated into one super-regiment or even into a fantasy brigade, an idea which was floated the other week.

Those issues should have been covered in the Queen's Speech, but they were not even mentioned. However, none of us expects many parts of the Queen's Speech to get anywhere near the statute book, so perhaps the loss is not great, and we can return to those issues during the coming election campaign.

8 pm

Mr. Desmond Swayne (New Forest, West) (Con): I think that I am right in saying that my constituency has one of the highest age profiles among parliamentary divisions, with a high proportion of retired people. Those people react with a number of emotions to the failure of the Government's policy on crime and disorder. That has been the case after previous Queen's Speeches, and I fear that it will also be the case as a result of the measures foreshadowed in this Queen's Speech.

My constituents' emotions are typically anger, outrage and, principally, bewilderment. By and large, those people have worked hard, not only in their professional lives, but in what they have contributed to civic society. They are disproportionately the people who collect for the Royal British Legion or the Red Cross. They are involved in all sorts of civic groups; they keep voluntary organisations going; and, typically, they are on the parochial church council. One tends to see the same faces in all those voluntary groups, whether it be the carer group, the stroke group or whatever. Those people put so much in. When they were younger, they afforded proper respect to their elders. Now, when they come to my surgeries, they are outraged and, as I have said, principally bewildered that younger people do not show them the respect that they properly think they deserve and, more importantly, which they gave as a matter of course to their elders when they were younger.

The low-level disorder that now affects many parts of constituency—I am sure that it is not untypical—stretches credulity to its limits. Some 10 days ago in the village of Hordle in the New Forest, the parish council found itself barricaded in the village hall and unable to get out as a consequence of the activities of a baying mob of youths outside, and the police had to be called to release them. The problems in Hordle are not entirely new, but they are shocking.

Communities used to police themselves. Antisocial behaviour is nothing new, and rowdy children and problem families have always existed. However, if parents were unable or unprepared to deal with such a problem in the past, it would have been dealt with by relatives, neighbours or informally by the local policeman. If any of those people were to take effective measures now, they would quickly find that it is they who would be up in front of the beak, so we increasingly rely on the police.

There are far too few police, who also lack proper power to deal with the problem. All sorts of new measures have been introduced, some of which have their place and are effective in some ways. However, the principal measure that has been introduced to deal with antisocial behaviour, the ASBO, is, in my view, far too long in coming. The evidence that must be collected and taken to court some weeks later leaves the problem festering for far too long.

It is in the nature of antisocial behaviour and low-level disorder that it must be dealt with quickly—even instantly—because people's lives are made a misery for months. I want to see all sorts of measures of a much shorter order that can be introduced more quickly. The Government have dipped their toe in the water with the introduction of on-the-spot fines, on which I am inclined to go further.

The Government indicated that they would take action, which, I believe, would have been effective. The Prime Minister told us that the Government would use housing benefit as a means of enforcing proper social control, which I would have welcomed. It is unfortunately the case that a disproportionate number of those whose antisocial behaviour presents problems are in receipt of one benefit or another. Indeed, an increasing proportion of our population is in receipt of benefits, and we therefore have a proper and potentially very useful means of social control. To receive benefits should be part of a contract that involves behaving according to certain standards. I ask Ministers to listen to what the right hon. Member for Birkenhead (Mr. Field) has to say in that respect, because the Queen's Speech should have had rather more to say, and I am disappointed that it did not.

Given the nature of the disorder that we now face—admittedly it is low level, but it disrupts and makes many people's lives a misery—and the need to deal with it quickly and effectively, I suggest that the police need the summary powers that parents used to exercise.

[Mr. Desmond Swayne]

Unfortunately, that is no longer the case. A curfew order—an order to remove yourself from the streets, go home and stay at home—is a power that the police should instantly enjoy to quell problems on the streets, rather than having to seek that power months or weeks later in the courts.

Let the boot be on the other foot. Let those people who think that they have been aggrieved or unfairly treated go to the magistrates and argue the case that an order has been improperly placed upon them. Let them make their cases in front of the common sense of the justices, rather than the community having to wait, collect evidence and go to the justices to get such situations remedied. Put the boot on the other foot.

I was glad that my hon. Friend the Member for Sevenoaks (Mr. Fallon) dealt so effectively with the problem of Travellers. I was going to say a good deal about Travellers, but he has saved me that trouble, and if hon. Members did not hear his speech, I urge them to read the *Official Report*. It is undoubtedly the case that the creative power available to judges as a consequence of the Human Rights Act 1998 has allowed them to remove from our constituents the proper protection of statute law and planning rules. That protection was never enough, but now it has been removed. A serious remedy is required, and it should have been in this Queen's Speech.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): Is my hon. Friend aware that not only does a remedy not exist to that problem in the Queen's Speech, but that the Government do not recognise that the problem exists? Indeed, Ministers in the Office of the Deputy Prime Minister have said on the record that the 1998 Act plays no part in the problems with Travellers that are currently being experienced up and down the country.

Mr. Swayne: My hon. Friend is right that the 1998 Act plays a significant role. Even before the 1998 Act, a significant problem existed that needed to be addressed. The fact that the Government are not addressing it is lamentable, particularly when the Prime Minister, at Prime Minister's questions only a few days ago, indicated that the Government were reviewing possible remedies. Here was the opportunity to provide that remedy—in the Queen's Speech. Where is it?

The hon. Member for Barnsley, West and Penistone (Mr. Clapham) expressed concern that the measures in the Queen's Speech, particularly those relating to identity cards, are a threat to liberty, and he expressed fundamental reservations about his Government's policy in this respect. In fact, I share his prejudice. I do not like the idea that the subject be accountable to the state—the state is our servant, not our master. Of course, we are told that terrorists are determined to destroy our liberty and everything that we stand for, but I caution the Government against destroying those liberties first, before the terrorists can even get to them, through the remedies that we propose.

I acknowledge that if I were to go down the principal community thoroughfare in my constituency—Station road in New Milton—I would probably discover that a significant majority of my constituents are in favour of an identity card system. They might not feel entirely comfortable with the possibility of a policeman demanding to see their papers, or of their having to account for themselves, but fundamentally, if it comes to a trade-off they would be prepared to trade their liberty for greater order. I respect that position, but my concern is that when the Bill in question comes before us, the Government will persuade us that it will indeed deliver greater order and address the problems that it allegedly addresses.

Of the problems for which ID cards are described as the panacea, let us consider immigration and asylum. The difficulties and chaos that attend our immigration and asylum system arise from a number of failures of Government policy, each of which could be addressed individually. I am deeply sceptical that those problems can be addressed by ID cards, but my mind remains open and I will listen to that argument. I will not say that I am opposed in principle to ID cards, although I do have deep reservations about them. If I can be persuaded that they will deliver what they are alleged to deliver, I will of course be prepared to consider that equation.

In seconding the motion before us—

"That an humble Address be presented to Her Majesty"—

the hon. Member for Sheffield, Heeley (Ms Munn) graciously referred to the fact that it was my service in Iraq that prevented me from attending the previous Queen's Speech. With that in mind, I want to draw to Treasury Ministers' attention what I regard as a failure in the vital regard of prosecuting the war against terrorism. About this time last year, we had three principal enemies in Iraq: organised criminal gangs who regarded a stable Iraq as a threat to their operations; former regime loyalists, of whom there were actually very few, although they were well funded and well armed; and foreign fighters. In essence, that was it.

My fear is that in the intervening year we have acquired a fourth and very much more dangerous enemy in Iraq: a huge number of disaffected Iraqis. I regard that as a failure of policy on our part. By September last year, we had conducted democratic elections in the four provinces under British control in southern Iraq, and provided a local government structure. The United Nations told us that there was no electoral register, but every household had a ration card, so we were able to conduct elections on the basis of a household franchise. That worked very effectively. Those elections were conducted by a number of political parties, all of which were enthusiastic about trying out democracy and gaining power.

Once that local government structure was created, the problem was that the regime in Baghdad—the coalition provisional authority—would not allow sufficient genuine power and responsibility to be handed to those locally accountable and elected authorities. An enormous amount of frustration built up, and as a result people moved to support the hotheads and militants for whom there had been no support before.

Another factor leading to this fundamental growth in the number of disaffected Iraqis is the way in which operations have been conducted. There is an etiquette that British troops exercise when, for example, searching an Iraqi property. The man of the household

is brought outside and briefed on what is to happen. He is then allowed to go back inside and brief his women-folk. One may call it an illusion. Nevertheless, the etiquette is maintained whereby the man remains in charge and is not humiliated in front of his women-folk. The operation is discharged on that basis. I do not believe that our American allies operate in that way and according to that etiquette. As a result, there is huge and growing discontent, and irritation with those who are increasingly regarded as "the occupiers".

We have the expertise in these matters: we have 30 years' experience in conducting such peace support operations. Our failure of policy was in failing to bring the benefits of that expertise and experience to our principal ally. If one behaves like a poodle, one gets treated like a poodle. I do not believe that we ever had in Baghdad someone of sufficient authority—with the Prime Minister's ear—to call the shots and make clear our feelings to our American allies. Perhaps Peter Mandelson might properly have done that job, particularly given his experience in Northern Ireland. That was a policy failure on our part.

A principal failing of the Queen's Speech is the determination to proceed with reducing the number of Army battalions by two. Such a reduction begs an important question: why does a medium-sized operation of low intensity require the mobilisation of so many reservists? I have no resentment at having been mobilised, but how does supposedly being able to do with fewer regular infantry square with the need to call up reservists more often? I do not believe that the public will understand that at all.

The Ministry of Defence has been entirely infected with the most strange contagion. When one talks to MOD people about the problem of Army, Air Force and Navy numbers, they are full of jargon. They employ a kind of "newspeak". They refer to "network-enabled capability" and "effects-based warfare". The basic theory is that through technology, we have abolished attritional warfare. Our weapons systems will be so "smart" that they will knock out our enemies' capability before they even realise that the conflict has started. As a consequence, we will need fewer platforms. Of course, there is a fault in that logic. What if they hit us first and get the few platforms that we possess?

Let us assume that the MOD is right in its fundamental assumption. Let us assume that the investment that the Government are undertaking, allegedly, in high-tech warfare is of such a calibre that they have abolished attritional warfare and we will hit the enemy so hard first that we knock out his capability. The flaw in the logic is this: how often do we go to war in that way? How many conflicts that we participate in require that sort of capability? It is nice to have—indeed, it is vital to have—but in reality 90 per cent. of what the British Army does is what we are now doing in Iraq: low-intensity peacekeeping operations, which require huge numbers of men on the ground. The principal difficulty that we have faced in prosecuting the war in Iraq is that we have far too few troops on the ground, as have the Americans. That in itself points to an enormous failure of planning for the whole Iraqi operation. There was a plan to fight a high-intensity war and very little planning for the post-war reconstruction.

Mr. Mark Francois (Rayleigh) (Con): With all his experience of matters in Iraq, does my hon. Friend agree that it makes no sense to reduce the number of infantry battalions in the Regular Army when even the United States army—the most powerful army in the world—calls for a British infantry battalion to go and help it when it is in trouble?

Mr. Swayne: My hon. Friend is right. The reality is that we need more troops, not fewer. That is the problem, but the Queen's Speech did not address it, which was remiss of it.

8.21 pm

Mr. Mark Francois (Rayleigh) (Con): It is a pleasure to contribute to the debate on the Queen's Speech. We heard two very fine opening speeches. The first was from the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth), who amused the House with his easy manner and some funny anecdotes from his time as a Member of Parliament. That speech was followed by an equally fine one from the hon. Member for Sheffield, Heeley (Ms Munn), who told us about some wonderful experiences that she had had as, among other things, a parliamentary tap dancer. She described how some odd things had happened to her once when she dashed out of the shower for a Division. She also paid tribute to my hon. Friend the Member for New Forest, West (Mr. Swayne) and his military service in Iraq. I would like to amplify everything that she said and to pay tribute to the time that he spent in the service of his country. I shall seek to follow some of the apposite remarks that he made about our armed forces, and in particular the future of our infantry battalions.

I am concerned about the effect of the Queen's Speech on my constituents and the fact that, in many regards, it does not address a number of the problems that they experience in their day-to-day lives. Many problems that we face in my constituency relate in one way or another to the pressures of over-development. My constituency has four secondary schools, all of which are good, but all of which are now full. As more and more houses are constructed in the constituency, it is difficult to see where the children of secondary school age will be able to go to school.

Also on the subject of over-development, it is very difficult to register with an NHS doctor in Rayleigh, and practically impossible to register with an NHS dentist. Essex now faces the prospect of 131,000 houses being imposed on the county by 2021. There is no realistic way in which we can satisfactorily accommodate house building on that scale. The Government's policy of national housing targets, which the Queen's Speech gave no indication of revoking, is leading to that incessant pressure. That is further amplified by the figures being endorsed by regional bodies—in this case, the East of England regional assembly.

There has been a debate about the legitimacy of regional government. After the recent referendum in the north-east of England, in which—even in that area, which traditionally is supposed to have been in favour of the concept—the proposition was debated and defeated by 78 per cent. to 22 per cent., I contend that regional government is stone dead. It has no moral or political legitimacy whatever in the other areas of

[Mr. Mark Francois]

England. People who sit in regional chambers can make any declarations they wish, but there is no real connection with the electorate, whom they claim to represent, to give any authority to those decisions. I, for one, will now campaign vigorously against any attempts by an unelected quango in the form of the East of England regional assembly to impose 131,000 houses on the county of Essex, including on my constituents.

Flooding is an emotive issue for us in Essex, given how we suffered in the so-called great flood of 1953. Some 300 people died in Britain that night, about 100 of them in Essex, principally when the sea defences burst on Canvey Island. The sea came in and many people lost their lives in tragic circumstances. For historical reasons, we take the issue of flooding particularly seriously in my part of the world.

That being the case, we were very disappointed when the Government decided to abolish the Essex local flood defence committee and to merge it with a regional flood defence committee which, it is proposed, will include both Norfolk and Suffolk. Our view in Essex is that we had a perfectly good flood defence committee, which was not broke, so we did not require anybody to come and fix it. Unfortunately, because of the fixation with regionalism and regional bodies, the Government still appear determined to press on with that decision, which may be popular with them but is very unpopular in Essex, and especially southern Essex.

Recently at Question Time I have pressed Ministers from the Department for Environment, Food and Rural Affairs to reverse that decision, and I hoped that there might be some suggestion in the Queen's Speech that the Government had reflected and decided to change their view—but having heard the Gracious Speech today, I regret to say that there appears to have been no such reflection. We in Essex will continue to campaign and try to persuade the Government to change their mind on this important matter before the changes happen next April.

I now want to touch briefly on the subject of policing, and to pay tribute to Chief Superintendent John Mauger, the divisional commander in Rayleigh. We have heard much about antisocial behaviour in the past few months, and Rayleigh division has recently established an antisocial behaviour squad of hard-nosed officers, led by an ex-Royal Marine. Its specific mission is to take on gangs of youths who have been causing antisocial disruption across the division, to target the ringleaders of gangs and to take them out of circulation, not least as a deterrent to others who might be tempted to fall foul of the law in future. I wholeheartedly welcome that initiative, and I praise the division for taking it on. I hope that it will be a success. Initial indications are encouraging, and I hope that the squad will continue to do good service on behalf of my constituents and bring antisocial youths to book.

I said that I would follow on from some of the points made by my hon. Friend the Member for New Forest, West, and I want to amplify what he said about defence, not least as I understand that such matters are still the subject of some discussion within Government circles.

The Government made a lot of security in the Queen's Speech, but it seems to me that emphasising the importance of security, while seeking to reduce the number of regular infantry battalions in the British Army makes no sense whatever. As I pointed out earlier to my hon. Friend the Member for New Forest, West, there is little logic in seeking increasingly to intervene in trouble spots around the world, while at the same time reducing the number of troops who are best trained and prepared to undertake such interventions.

I very much hope that the Government will reconsider that matter and decide that there is no need to abolish the battalions that are first to be called for by other countries around the world when peacekeeping troops are required. I repeat the point that if the Americans called for a British infantry battalion when they have the most powerful Army in the world, it is a lesson that should not be lost on Defence Ministers.

I conclude with a particular plea for the Scottish regiments, and I do so as an English Member of Parliament. Some of the Scottish regiments have tremendous traditions, which are not just a matter of history but stand as a record of the good service that they have given to date and that they will—we hope—give to the country in the future. It would be a travesty if the Black Watch, after its brave service in Iraq in what I believe remains a good cause, were to be recalled to the UK at the end of its tour of duty only to be told to prepare for a disbandment parade. That would be necessary if they were amalgamated, and their cap badge would be lost. I believe that the Black Watch has given very good service and that the House should take proper notice of it. I would like to hear a definitive announcement that the Black Watch, and indeed the other Scottish regiments, are to be saved. That would benefit all Members, all parties and all the people of this country who owe those regiments such a tremendous debt.

Debate adjourned.—*[Ms Bridget Prentice.]*

Debate to be resumed tomorrow.

Learning-disabled Athletes

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

8.31 pm

Mr. Martin Caton (Gower) (Lab): This feels to me like an Adjournment debate in more senses than one. It feels as though I have reconvened a meeting that we held in these very premises in March last year, when I secured a debate with a very similar title to tonight's—"Government Support for Learning-disabled Athletes". My right hon. Friend the Minister will remember that, at that time, my stimulus for raising the issue was a letter that I had received from my constituent, David Vaughan, and his mum, Daphne.

David was, and is, a learning-disabled young man with an enthusiasm and a capacity for swimming. He was then 17 and he could not understand why the International Paralympic Committee had banned all learning-disabled athletes from the Athens Paralympics. He wanted to get that position changed before the games went ahead. I shall not repeat the arguments that I made in that debate, except quickly to remind the House how the exclusion of learning-disabled athletes came about and what was done at that time to try to rectify the problem.

The Paralympic Committee's decision came about after it was discovered that 10 male Spanish basketball players in the Sydney Paralympics of 2000 had cheated because they did not have the learning disability that they claimed to have. That led first to the suspension of the International Sports Federation for Persons with Intellectual Disability, called INAS-FID for short, and to a ban on learning-disabled athletes from all Paralympic competition. The IPC then called on INAS-FID to take a number of other actions, which it agreed to do. Probably the most important was helping to establish an eligibility and verification scheme that everyone could sign up to.

That was, and remains, the key issue of contention. Between 2001 and early 2003, real progress was made in some areas, but in February the IPC management committee ruled that not enough had been done and that learning-disabled athletes would not go to Athens to participate in the Paralympics. That was, of course, a terrible kick in the teeth to the 15 British athletes with learning disability on the world-class performance programme who had been training as hard as they could with Athens as their goal. It was also a blow to learning-disabled athletes such as David Vaughan, back in the Mumbles in the Gower, who was then 17 and not yet at a stage to be able to go to Athens, but who wanted to know that learning-disabled athletes were still respected members of the Paralympic family.

In the Minister's reply to me last year—and, indeed, in his replies to questions that I have put to him in the past few weeks—he explained that the decision on eligibility must remain the sole responsibility of the International Paralympic Committee. However, he made clear his and the Government's hope and expectation that those problems would be overcome and that an acceptable eligibility verification and protest system would be put in place to ensure that athletes with learning disability returned to compete in the international sporting arena.

If this were an adjourned meeting recalled to discuss progress after more than a year and a half, there would be precious little to report. The Athens Paralympics went ahead, and was a wonderful event. I congratulate all the British athletes with physical disability who did so well, but I still feel that it is a great shame that no learning-disabled athletes were able to take part.

Matters have moved on since last March. Sadly, they seem to have moved in the wrong direction, and there is now a danger that they will accelerate over a cliff. I have received another letter from David and his mum, alerting me to the possibility that, at its meeting in Cairo on Thursday—the day after tomorrow—the IPC will decide to exclude learning-disabled athletes permanently.

As I understand it, the decision stems from a motion passed by the IPC general assembly. Basically, the motion said that the ban would be lifted if INAS-FID could develop a

"watertight, reliable, valid and proven"

system for the inclusion of learning-disabled athletes in IPC competition. However, if INAS-FID could not provide that system, a proposal to exclude learning-disabled athletes from all IPC events should be presented.

In preparation for Thursday's meeting, the IPC has circulated a lot of information about what INAS-FID has done and various expert assessments of that work. According to the IPC, the bottom line is that the eligibility verification system proposed by INAS-FID has not been tested rigorously enough. It does not include a satisfactory scientific method of showing how learning disability affects different sports differently, which has prevented the proper testing of a protest procedure. The IPC has therefore found that INAS-FID has failed to demonstrate the development of a

"watertight, reliable, valid and proven"

system for athletes with learning disability.

At about the same time as I got the letter from David and Daphne, I was contacted by the charity Mencap, which is campaigning to get the ban lifted on behalf of learning-disabled athletes throughout our country. It is doing a good job, as a full-page article in the *Daily Mirror* last week showed. I want to put on record my thanks to Mencap for the help that it gave me on this issue, especially in providing me with copies of all the documents circulated by the IPC for Thursday's meeting. Frankly, a lot of it is technical and requires more knowledge than I have about particular sports. However, virtually all the papers that I read on eligibility verification for learning-disabled athletes said that we are not there yet, but we are getting there.

There seemed to be a general recognition that the sports information and consequences questionnaire developed as the foundation for the new eligibility verification regime could be the way to assess learning-disabled athletes. In any case, the feeling seemed to be that genuine athletes with learning disabilities should be in the Paralympics, that it must be possible to develop mutually acceptable eligibility criteria, and that everyone should renew their efforts to achieve that goal.

In those circumstances, talk of a permanent or even indefinite ban is premature and counterproductive, to put it mildly. However, that recognition of the place of

[Mr. Martin Caton]

especially talented learning-disabled athletes in the Paralympics—which is, I am sure, the majority opinion in the world of disabled athletics—is still not universally held. Sadly, some argue that a learning disability is not a disability that should make someone eligible to compete in disability sport. They argue that because sport is all about physical performance, only physically disabled people should be eligible. That view may be understandable, but it is wrong.

High-quality athletic performance in any sport requires a combination of physical fitness, natural talent and the mental abilities of concentration and planning, as well as an ability to implement strategy and tactics and to cope with stress. Another ingredient is, of course, fast reaction times. That is why learning-disabled athletes cannot compete successfully in mainstream sports at the highest level, and why they belong in the Paralympics. It is also why the IPC needs to become a bit more hands on in achieving the robust verification procedure which everyone agrees is needed. After all, one of its stated objectives is

"to support and encourage education, cultural, research and scientific activities that contribute to the development and promotion of the Paralympic movement."

Permanently banning one group of people from participation in the highest level of competition specifically for disabled people would be an astonishing measure. At a time when, across the world, people have been pressing for a more inclusive agenda and for improved rights for disabled people, a body set up to promote disability sport is on the brink of excluding this important group of disabled people from the most important events. If that goes ahead, it is not only learning-disabled athletes who will be the losers; it will be the reputation of the International Paralympic Committee and perhaps the Paralympics themselves. Surely, nobody can want that.

My first request to the Minister is that, while recognising the independence of the International Paralympic Committee, he does everything that he and the Government can to help move things in the right direction and get learning-disabled athletes back into the Paralympics as soon as possible, and certainly before the Beijing games in 2008. The British Paralympic Association is keen to see learning-disabled athletes back in the Paralympics.

Secondly, will my right hon. Friend consider the consequences of excluding learning-disabled athletes from the Paralympics on funding for organisations and institutions involved with delivering sport for learning-disabled people and for individual athletes? Historically, about £50,000 was awarded to the UK Sports Association for People with Learning Disability for the furtherance of Government elite sport objectives. Funding of that nature is based on medal results at Paralympic level. If learning disability is banned from the Paralympics, funding will cease at the end of this financial year.

Sport England gives funds to the English Federation of Disability Sport for the enhancement of grass-roots sports for all impairment groups. However, there is no statutory requirement for any of that funding to be distributed to learning-disability sport. No resources have been provided to the English Sports Association since 2000, and the chief executive has had to stand down for two months as a result of funding difficulties.

For many individual learning-disabled athletes, the situation has been even worse. Pre-Sydney, a small number of learning-disabled athletes were on the world-class performance programme for athletics and swimming, funded by UK Sport. After Sydney, all learning-disabled athletes were dropped from that programme, and swimmers were moved from the programme aimed at Athens to the world-class potential programme targeted at Beijing. If Thursday's vote goes against learning-disabled athletes, those swimmers will also be dropped from eligibility for that support.

Of course, the elite schemes are being rolled out to athletes below potential gifted and talented standard, sometimes in secondary schools through ideas such as the talented athletes scholarship scheme. It looks at the moment as if learning-disabled athletes will not be recognised by those schemes if they are not part of the Paralympic movement. We need some political leadership at this difficult time to ensure that until we get learning-disabled athletes back into the Paralympics, funding will be available from the lottery or the public purse to keep them and their organisations going.

I am pleased to report that my constituent, David Vaughan, was selected to compete at the global games in Sweden during the summer. Those games were set up for learning-disabled athletes when they were excluded from the Athens Paralympics. He achieved his own personal time and is now in the top 30 world ranking for butterfly. He had a great time, and he and his family are understandably proud.

Will my right hon. Friend consider whether, until we get the Paralympic verification system that lets learning-disabled athletes back where they belong, medal success at the global games might attract appropriate financial support? I am mindful of the precedent set by UK Deaf Sport, which is not connected to the Paralympic movement but has a separate international competition, the deaf Olympics. That is recognised by UK Sport, which means that funding is awarded on the basis of medal success there. In 2004, that amounted to £75,000. If the IPC decision goes against learning disability on Thursday, it should surely be possible for UK Sport to regard the global games as the pinnacle of learning-disability sport and provide funding accordingly.

Even if we get the wrong decision on Thursday, that should not be the end of the campaign. The correct place for the best learning-disabled athletes to compete is at the Paralympics. That is what they want, and that is what is right. It is also what the Paralympic movement is all about. Another of its key objectives is to promote Paralympic sports without discrimination for political, economic, disability, gender or race reasons. I hope that every voting member of the International Paralympic Committee has those words in mind when they come to make their decision the day after tomorrow.

8.44 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I thank my hon. Friend the Member for Gower (Mr. Caton) for securing the debate this evening on the important issue of the Government's funding for learning-disabled athletes. He acknowledges that the

Government are fully committed to providing opportunities for everyone to participate in sport. We believe that everyone should enjoy the benefits of sport. One of my Department's strategic priorities is to focus on communities so that we push forward an agenda that will increase and broaden the impact of sport across society now and for the future.

We have a public service agreement targeted specifically at increasing the take-up of sporting opportunities among priority groups by 2008. We therefore recognise the need to improve opportunities for people from under-represented groups, including those with learning disabilities, to participate and compete at all levels. The Government wholeheartedly support disability sport. Sport England—the Government-funded body that distributes lottery funding—promotes community sport and is responsible for developing and maintaining the infrastructure of sport in England. It provides substantial funding for the English Federation of Disability Sport to lead a unified, co-ordinated and comprehensive approach to sports development in England for disabled people. It gives more than £1 million a year to the EFDS and a further £1 million in lottery funding goes to the federation's inclusive fitness initiative, which is very successful.

The partnership between Sport England and the EFDS is vital in ensuring that the federation can be an effective lead for disability sport, as well as acting as an umbrella group for the seven disability sport organisations recognised by Sport England. In addition, the national strategy for physical education, school sport and club links is aimed at all children, whatever their ability or circumstances, and provision is made for young disabled people in the gifted and talented programme, which is part of the Government's wider strategy to improve gifted and talented education.

Young people with learning difficulties have been taking on leadership and volunteering roles as part of our very successful "step into sport". Of course, participation in sport by disabled people is not confined to community level. If we are to take sport seriously as a means of enriching individuals' lives, and of allowing them to take control of their futures and to exercise their birthright of being equal alongside able-bodied people, it is our moral duty to do everything that we can to foster an environment in which disabled people can flourish and excel in the elite arena of sport.

I am aware that during the 2000 Paralympic games in Sydney, several athletes—none of them British, I am pleased to say—who were subsequently found not to have met the eligibility criteria, competed and won medals in events for athletes with learning disabilities. That is what my hon. Friend spoke about. As a result, the International Paralympic Committee decided to suspend athletes with learning disabilities from the Paralympics. The International Sports Federation for Persons with Intellectual Disability had its membership of the International Paralympic Committee suspended, and athletes with learning disabilities did not compete in Athens. The IPC has charged the international community of learning disability sporting organisations with coming up with a system of classification that will satisfy the IPC and see athletes with learning disabilities return to compete in the international sporting arena.

Until the issue is resolved and a classification system agreed, UK Sport has taken the view that it cannot continue to fund elite athletes with learning disabilities. UK Sport's action on this is in line with policy regarding the use of lottery funding to support success at the Olympic and Paralympic games and would apply to any athlete on the world-class performance programme.

I can, however, answer the question that my hon. Friend asked. UK Sport has provided the UKSAPLD with £50,000 for this financial year. This has traditionally been provided because of the organisation's work in registering athletes with learning difficulties for the Paralympics. However, although learning-disabled athletes are at present no longer part of the Paralympics, in recognition of the organisation's wider role for people with learning difficulties, financial support has been continued and UK Sport is reviewing the funding of UKSAPLD, along with its other funding decisions for Paralympic sports and organisations, to determine the level of support that will be provided for 2005–06.

UKSAPLD has been advised that UK Sport may no longer fund it if it cannot resolve its current financial problems, to which my hon. Friend referred. The association is likely to receive some funding next year but a decision has not yet been taken about how much, and it is being supported solely by UK Sport's £50,000 Exchequer commitment.

I should like to reassure my hon. Friend about the talented athlete scholarship scheme. The eligibility criteria for the scheme were established following full consultation across sport and education, which included the British Paralympic Association and the national governing bodies of sport. In considering the criteria, those organisations have been mindful of the present situation regarding the exclusion of learning-disabled athletes from the Paralympics. Currently, athletes with a learning disability are not eligible for TASS; however, should the IPC decide at its meeting on Thursday or in the future to include learning-disabled athletes in the Paralympics, the eligibility criteria for support through TASS will be revisited.

The Government are aware of the complex issues of classification in disability sport, and recognise the problems associated with the current national and international classification system. The complex issue of classification in disability sport must be resolved between the international community of learning disability sporting organisations and the elected members of the IPC. Although the INAS-FID has been reinstated as a member of the IPC, athletes with learning disabilities remain suspended from the Paralympics until the IPC is satisfied with the system of classification.

My Department is in regular contact with the EFDS about that, and I am very confident that the EFDS will continue to do everything it can to help our elite athletes with learning disabilities and to improve sporting opportunities at the grass roots for people with those disabilities. I sincerely hope that a system of classification, such as my hon. Friend described, will be

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found and that it will secure a future for learning disability sport within the Paralympics. I hope, too, that the outcome of the IPC meeting on 25 November, which will consider the future involvement of athletes with learning disabilities at the Paralympics, will not prevent our elite athletes with those disabilities from having a future in the Olympic movement.

As Minister for Sport, I will continue to promote an agenda that will allow everyone involved in disability sport, irrespective of their sporting level, the chance to succeed. That is Government policy now, as it will be in the future.

Question put and agreed to.

Adjourned accordingly at seven minutes to Nine o'clock.

House of Commons

Wednesday 24 November 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

REPORT OF THE SPOLIATION ADVISORY PANEL

Resolved.

That an humble Address be presented to Her Majesty, That she will be graciously pleased to give directions that there will be laid before this House a Return of the Report of the Spoliation Advisory Panel in respect of a painting now in possession of Glasgow City Council by the right hon. Sir David Hirst.—*[Mr. Caborn.]*

BILLS PRESENTED

MENTAL CAPACITY

Mr. David Lammy, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Mr. Secretary Reid, Ms Rosie Winterton and Mr. Christopher Leslie presented a Bill to make new provision relating to persons who lack capacity; to establish a superior court of record called the Court of Protection in place of the office of the Supreme Court called by that name; to make provision in connection with the Convention on the International Protection of Adults signed at the Hague on 13th January 2000; and for connected purposes: And the same was read the First and Second time without Question put; and ordered to considered tomorrow, pursuant to Standing Order No. 80A (Carry-over of Bills) and Order [11 October]; and to be printed. Explanatory notes to be printed. [Bill 1].

GAMBLING

Secretary Tessa Jowell, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Mr. Secretary Darling, Mr. Secretary Reid, Mr. Secretary Murphy, Ms Secretary Hewitt, Mr. Peter Hain, Margaret Hodge and Mr. Richard Caborn presented a Bill to make provision about gambling: And the same was read the First and Second time without Question put; and stood committed to a Standing Committee in respect of Clauses Nos. 33 to 337 and Schedules Nos. 6 to 15, pursuant to Standing Order No. 80A (Carry-over of Bills) and Order [1 November]; and to be printed. Explanatory notes to be printed. [Bill 2].

SERIOUS ORGANISED CRIME AND POLICE

Mr. Secretary Blunkett, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Straw, Ms Secretary Hewitt and Caroline Flint presented a Bill to provide for the establishment and functions of the Serious Organised Crime Agency; to make provision about investigations, prosecutions, offenders and witnesses in criminal proceedings and the protection of persons involved in investigations or proceedings; to provide for the implementation of certain international obligations relating to criminal matters; to amend the Proceeds of Crime Act 2002; to make further provision for combating crime and disorder, including new provision about powers of arrest and search warrants; to make further provision about the police and policing and persons supporting the police; to make provision about criminal records; to provide for the Private Security Industry Act 2001 to extend to Scotland; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed. [Bill 5].

COMMISSIONERS FOR REVENUE AND CUSTOMS

Mr. Chancellor of the Exchequer, supported by Mr. Secretary Blunkett, Mr. Paul Boateng, Dawn Primarolo, The Solicitor-General, John Healey and Mr. Stephen Timms presented a Bill to make provision for the appointment of Commissioners to exercise functions presently vested in the Commissioners of Inland Revenue and the Commissioners of Customs and Excise; for the establishment of a Revenue and Customs Prosecutions Office; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed. [Bill 3].

SCHOOL TRANSPORT

Mr. Secretary Clarke, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Darling, Mr. Secretary Johnson, Mr. Richard Caborn, Mr. Stephen Twigg and Dr. Stephen Ladyman presented a Bill to make provision for school travel schemes; and for connected purposes: And the same was read the First and Second time without Question put; and ordered to be considered tomorrow, pursuant to Standing Order No. 80A (Carry-over of Bills) and Order [28 October]; and to be printed. Explanatory notes to be printed. [Bill 4].

Orders of the Day

Debate on the Address

[SECOND DAY]

Order read for resuming adjourned debate on Question [23 November].

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign.

We, your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom and Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament.—*[Mr. George Howarth.]*

Foreign Affairs and Defence

11.36 am

The Secretary of State for Defence (Mr. Geoffrey Hoon): Mr. Speaker, may I begin, on behalf of the Foreign Secretary, by extending his apologies to the House for his absence today? He is in the middle east undertaking visits in relation to Iraq and the middle east peace process.

In the past year, the Government have set out their forward thinking on foreign affairs and defence. My right hon. Friend the Foreign Secretary has published the Foreign and Commonwealth Office strategy, "UK International Priorities", and I have published two White Papers, "Delivering Security in a Changing World" and, most recently, the "Future Capabilities" paper. Each of these papers analyses the rapidly changing security environment, setting out how the United Kingdom should face the challenges that confront the world at the start of this new century.

Threats to our security—and to the security of our allies and partners—that have emerged since the end of the cold war are now more disparate and more diverse, but they remain just as real, just as immediate and just as dangerous. The sheer scale of the ruthless, fanatical violence of international terrorist groups across the world is without precedent. Since the attacks in New York and Washington on 11 September 2001, there have been appalling atrocities in places as far apart as Saudi Arabia, Indonesia, Morocco, Spain and Russia. Their common thread is their appalling barbarity: the deliberate and indiscriminate targeting of innocent people to cause the maximum loss of life and suffering.Nor must we forget the individual victims of terror. We are saddened and appalled by the murder of Margaret Hassan, who had devoted her life to helping the people of Iraq.

In addition, we must deal with the proliferation of weapons of mass destruction, and the technology associated with their means of delivery. The ambitions of some states to acquire such weaponry is profoundly disturbing; the ambition of terrorist groups to do so is simply terrifying. We believe that these are the greatest threats to our security, and confronting them is the perhaps the single most important challenge that the civilised world faces today.

Jeremy Corbyn (Islington, North) (Lab): I agree with the Secretary of State wholeheartedly about the proliferation of nuclear weapons and weapons of mass destruction. Will he have an opportunity during his speech to set out the Government's position on the non-proliferation treaty conference next year, and on the possibility of Britain developing a new generation of nuclear weapons when Trident submarines have come to the end of their life?

Mr. Hoon: I am sure that my hon. Friend the Minister for Trade and Investment, who will wind up this debate on behalf of the Foreign Office, will deal with the first part of my hon. Friend's question. That is the traditional role of those who wind up in these debates, as right hon. and hon. Members will be aware. On the second matter, my hon. Friend has asked me this question on a number of occasions, and I am delighted to give him the same answer: this is not a matter for this Parliament, but it obviously will be a matter for a future Parliament to debate.

There are further challenges posed by weak and failing states, where all too often political mismanagement, ethnic and religious tensions or economic collapse can lead to humanitarian crises. Climate change is beginning to threaten the long-term supply of food and water, forcing migration and dislocation. All too often, the misery and injustice of poverty, hunger and disease are exacerbated by weak and corrupt government and the breakdown of law and order.

Terrorists feed on such lawlessness. Failing states, with territory that cannot be governed, provide the ideal haven from which terrorist groups can plan, train and operate. There are, of course, no purely military solutions to those challenges. There is a vital role for the armed forces, but that must be seen in a wider context—the diplomatic, political, economic, developmental and, indeed, cultural solutions that are also required.

The United Kingdom must not fail in the responsibility we share with our partners in the international community to ensure that we address the causes, not just the consequences, of failing states.

Angus Robertson (Moray) (SNP): I am certain that the Secretary of State and many Members of the House will be deeply concerned about the ongoing events in Ukraine. In the light of the Government's support of democracy and human rights, will they join the European Union and the United States Administration in calling on the Ukrainian authorities not to certify the election result until fraud allegations have been fully investigated?

Mr. Hoon: I agree with the hon. Gentleman. A passage of my speech will set out the Government's response to the situation in Ukraine.

We have to resolve conflict, build security and tackle the causes of poverty, creating the foundations for democracy around the world. In that context, we cannot have a debate on foreign policy without addressing the recent elections in Ukraine. The Government are deeply concerned that the international observer mission—the Organisation for Security and Co-operation in Europe—has reported serious irregularities in the voting on 21 November and that the election did not meet Council of Europe standards.

Given the questions that hang over the elections in Ukraine, we have urged the Ukrainian authorities to co-operate with the OSCE to ensure that all proper procedures, including legal challenges to the results, are followed before a final result is declared. The Ukrainian authorities should investigate all allegations of fraud to ensure that the result reflects the democratic will of the people of Ukraine. With large numbers of people on the streets protesting about the election, we have also called on the Ukrainian authorities to show restraint, and urge all sides to avoid violence.

To succeed in our wider objectives, we must work in partnership with our allies in the G8, in Europe, in NATO and, indeed, at the United Nations. In 2005, the United Kingdom will be in a unique position to shape the debate in the European Union, the G8 and the United Nations on the international response to the challenges that threaten our security. Poverty reduction will be at the heart of that debate.

Rev. Martin Smyth (Belfast, South) (UUP): The right hon. Gentleman speaks of security and co-operation. Are we right to let off the hook members of the Security Council that, at times, are not helping to deal with international security? I am thinking of the recent decision of France and Germany, and of ourselves, to take at face value the promises of Iran. Are we acting wisely?

Mr. Hoon: I believe that we are. Clearly, it is important for the Security Council to live up to its responsibilities on behalf of the wider international community. It is equally important when important members of that Security Council take a diplomatic initiative that they should be given the opportunity to do so. I am confident that the efforts of, in particular, my right hon. Friend the Foreign Secretary in this respect are leading to a positive engagement with Iran, which I hope and believe will lead to a positive conclusion from that country.

In September 2005, the United Nations will hold a summit to review progress in reaching the millennium development goals—to halve absolute poverty, ensure that all children receive primary education, and reduce maternal and infant mortality by 2015—but Africa is not on track for even the 2005 goals, let alone the 2015 targets. That is why Africa is at the top of our list of priorities for our chairmanship of the G8 and the European Union next year. It is also why the Prime Minister has asked the Commission for Africa to take a fresh look at what is holding back Africa's progress and put forward a strategy for Africa's development.

The United Kingdom's aid to Africa will reach £1 billion in 2005. We are on track to reach the United Nations 0.7 per cent. target for our total overseas development assistance in less than a decade.

Mr. Peter Pike (Burnley) (Lab): This Government's record is tremendous in terms of what we are doing to wipe out debt and help with the millennium objectives, especially in Africa, but is that not offset by the particular problems in Zimbabwe and Sudan? Everything that has been done to assist those countries is offset by their Governments and regimes.

Mr. Hoon: There are obviously concerns in both places, which is why it is important that the Government continue their determined diplomatic effort to improve the situation there. In addition, on Sudan, we have offered practical military advice to the African Union. We consider that a sensible way forward in dealing with the crisis in Sudan.

We have led the fight for debt relief, writing off bilateral debt owed to the United Kingdom. We have provided $70 billion of debt relief for the world's poorest countries. We are now taking the lead on multilateral debt. We have made it clear that we will fund our share of multilateral debt relief; and we will now press others to take up the challenge.

Within the G8, we will also take forward work on counter-terrorism, counter-proliferation and support for change and development throughout the broad middle east region.

Climate change will also be at the top of our agenda. We will aim to get agreement on the basic science of climate change and the need to accelerate the development of new technology to meet the threat it poses.

When we hold the EU presidency, we will focus on economic reform and the further liberalisation of trade within Europe. We will take forward the agreement reached between World Trade Organisation members to begin reducing agricultural subsidies—a key goal of the Doha development agenda.

At the UN millennium review summit, we will seek a stronger consensus on the relationship between threats and development, and work to strengthen the power of the United Nations partners to deliver peace and security.

As I have indicated, my hon. Friend the Minister for Trade and Investment will deal in more detail with a number of issues, including the middle east peace process, when he winds up the debate. I will now deal with our specific policies in relation to Iraq, Afghanistan and the Balkans.

Lembit Öpik (Montgomeryshire) (LD): On the assumption that the Secretary of State will focus on those three points, may I ask him about a domestic issue relating to defence? He will know that for some time I have been calling for a full independent inquiry into the deaths at Deepcut barracks, because I feel that there are unanswered questions, which the parents rightly have a reason to carry on asking. What steps should I take to try to get the closure that those parents want, because the more I see, as proceedings continue regarding the Deepcut barracks, the more concerned I am that we have not got to the heart of what caused those deaths?

Mr. Hoon: The hon. Gentleman has raised this issue with me on a number of occasions, and I congratulate him on his determination. May I make the point, of which I am sure he is aware, that a further coroner's inquest is still to be held, and it is important that that should have the opportunity of reaching whatever conclusions it does thereafter? If I may invite him to raise the issue with me again in the future, obviously I will give it proper consideration.

Mr. Michael Connarty (Falkirk, East) (Lab): In passing, the Secretary of State said that the winding-up

[Mr. Michael Connarty]

speech would deal with the middle east peace process. Will it reflect some evidence-based policy making, which considers the fact that we have supported a process over the past decade that has entrapped the Palestinian people in a situation in which their supposed homeland is criss-crossed by roads used only by the occupying forces of Israel, settlements have encroached more and more on their territories, and the wall is now going to ghettoise them?

Mr. Hoon: I would not be as pessimistic as my hon. Friend. I have visited that area of the world on several occasions, both in my present position and in my previous position in the Foreign Office, as he has. What is important about our current opportunity is that whatever conclusions are reached, they must be agreed by a democratically elected Administration who represent the Palestinian people. That is the first stage in this process, which we are now strongly supporting. My right hon. Friend the Foreign Secretary is currently in the middle east having discussions with both sides to facilitate a resumption of the process. I accept that there has been difficulty in recent times. This is an opportunity to overcome those difficulties and make the kind of progress that I am sure my hon. Friend, and certainly the Government, would want to see.

David Winnick (Walsall, North) (Lab): Before my right hon. Friend leaves the issue of the middle east, while recognising that there are innocent casualties on both sides, has he seen a report in today's newspaper that an Israeli army officer repeatedly shot a 13-year-old Palestinian female? He is being charged, but not with murder. Is there not the gravest concern about such incidents and tragedies occurring in the occupied territories and the feeling that the Israeli army is simply out of control?

Mr. Hoon: I have seen the report, and it is obviously important that a full investigation and thorough judicial process should proceed where appropriate. Since I understand that the Israeli authorities are pursuing the matter, it is best left to them for the moment.

If I may make progress in relation to Iraq, it is important that we assist the Iraqi people to build a better, democratic future for themselves. Clearly, there is much still to be done. We made a commitment to the Iraqi people, and we will see that through. As the Prime Minister has made clear, this is not a time to "cut and run".

Bob Spink (Castle Point) (Con): Following the question from the hon. Member for Walsall, North (David Winnick), will the Secretary of State again pay tribute to our armed forces, wherever they are operating, for their courage and professionalism and for the compassion they have shown to civilians and prisoners in particular, when that is appropriate? Will he also tell us whether he can commit himself to retaining the Black Watch?

Mr. Hoon: I think that it is always appropriate for the armed forces to show compassion, and I am sure that they do.

Bob Spink *rose—*

Mr. Hoon: I will let the hon. Gentleman intervene again in due course, when I reach the relevant part of my speech.

I recognise that opinions on Iraq in the House and our country are divided. Nevertheless, the House and the country are united in the pride that they take in the courage and professionalism of all the men and women of our armed forces, the diplomats and civilians who have served in Iraq and all who continue to serve bravely and with distinction. The focus of our armed forces is now on helping and supporting the developing Iraqi security forces. There are more than 220,000 trained Iraqi security personnel. They are becoming more capable, but they need to develop command and leadership qualities as well as basic weapon-handling skills. That is particularly important as the 30 January elections draw nearer.

Richard Ottaway (Croydon, South) (Con): As the Secretary of State is well aware, those elections are being fought under a proportional representation system. How did he reach the conclusion that that was the best method, and does he think it will promote cohesion, rather than a lack of cohesion, in the future assembly?

Mr. Hoon: I did not reach that conclusion. The election process was a matter for agreement by the Iraqi Government, and they agreed that PR was the most representative form of election for their country.

Mrs. Alice Mahon (Halifax) (Lab): Reports from Falluja claim that United States marines have killed and injured many innocent civilians. Dr. Ali Abbas, whose comments have been quoted, worked at a clinic where five people were killed when it was bombed. He later went from house to house with surviving workers, and found many more wounded people. Some died because the materials with which to treat them were not available. Other doctors at another hospital claim that when they wanted to evacuate seriously injured patients, the US would not let them.

When will we have a report on exactly what happened in Falluja? We are part of the coalition, and as an occupying force we must take responsibility for civilians. People wonder why we do not know exactly what has been going on.

Mr. Hoon: Each day as I have received reports from Falluja and the wider theatre in Iraq, I have asked precisely the questions raised by my hon. Friend about the impact on civilians. Immediately before coming here, I was given a briefing that covered the position in Falluja. I must tell my hon. Friend that the briefings I have received consistently for many days suggest that there have been no significant civilian casualties there, not least because there is not a significant number of civilians there. All the evidence suggests that the overwhelming majority—bar a handful of individuals—left the city well before military action began. The large amount of aid that is available for the civilian population has not yet been distributed simply because there is currently no one in Falluja to give it to. Obviously it is important to establish where people are, and efforts are being made to do that. It appears that

many people have stayed with relatives or friends in the outlying towns and villages away from Falluja, but there does not appear to have been a significant threat to the civilian population of that city.

Richard Ottaway: Will the Secretary of State give way?

Mr. Hoon: I have already given way to the hon. Gentleman.

Sarah Teather (Brent, East) (LD): What provision has been made to ensure that the refugees who fled Falluja are registered to vote in January, given that it is unlikely that they will be able to return to their homes yet?

Mr. Hoon: Actually, there is every prospect of their being able to return to their homes. By and large, the situation in Falluja has been resolved. There are some pockets of resistance still, but I expect people to start returning in due course. We know that across Iraq there is a basis for an electoral register in the form of names identified by the regime for receipt of UN food assistance. That is being used as the core for an electoral register, and it is obviously important that it be added to where there is a deficiency. That will apply to Falluja just as it applies elsewhere.

Mr. David Kidney (Stafford) (Lab): As my right hon. Friend said before several interventions interrupted him, the elections will be held on 30 January. *[Interruption.]* I was referring to the number of interventions, not their substance. A member of the US military has announced that a greater US military presence is needed to secure peaceful elections. Is it part of the thinking of this country's military that an increase in the British military presence is needed in the run-up to the elections, and has my right hon. Friend had discussions with other countries about their contribution to keeping the peace during that important period?

Mr. Hoon: I am grateful to my hon. Friend—I should of course have realised that his intervention would be not an interruption, but a helpful contribution to the debate. He is right: it is important that we ensure the right level of security for those elections to take place, and as I have told the House before, we keep troop numbers under constant review, as do our partners in the multinational force. But I should emphasise that the key issue is training Iraqi security forces, so that they are capable of taking on these responsibilities for themselves. The situation is improving—indeed, each week more people are available to take on such responsibilities. I hope that my hon. Friend will take that into account when he considers the security situation in Iraq.

Mr. Andrew Tyrie (Chichester) (Con): Does the Secretary of State think that first depopulating a city and then flattening it is likely to be the best way to bring democracy to it?

Mr. Hoon: That is a rather extravagant description of what has taken place. Had the civilian population—who are no friends of the terrorists and fanatics who are using Falluja as a base for terrorist operations—not departed, the hon. Gentleman would doubtless have raised the question of the threat to the civilian population. It is important that the civilians be able to return to Falluja—it is increasingly likely that an Iraqi civilian administration will be responsible for the future governance of the city—and it is equally important that they are not then intimidated by such fanatics. I would have expected the hon. Gentleman to welcome the progress that has been made in Falluja, not least because it prevents terrorists from using it as a haven and as a base for their appalling operations.

Richard Ottaway *rose—*

Mr. Hoon: The year 2005 will mark a critical point for the Iraqi people, and the elections will represent a key step forward in the political process. The Iraqi people want elections, as has been demonstrated in every Iraqi opinion poll. Up to 87 per cent. of Iraqis questioned in a recent poll said that they would vote in the forthcoming elections.

We welcome the United Nations' role in helping Iraq to prepare for the elections. The United Kingdom will continue to support the independent electoral commission of Iraq and the UN itself. The Department for International Development is providing £10 million through the UN trust fund to assist the electoral commission, and a further £5 million for the political participation fund, which is used to assist in increasing awareness of the electoral process. We are also assisting with the provision of security.

The United Nations team in Baghdad is confident that preparations for the elections in January remain on schedule. Voter registration started at the beginning of this month and will run until 15 December. The registration of political parties also began on 1 November.

As I said, my right hon. Friend the Foreign Secretary attended the international conference on Iraq at Sharm el-Sheikh, looking to strengthen international support for the Iraqi Interim Government and their efforts to hold elections in January, and to increase regional co-operation in tackling the insurgency. I am pleased to say that the conference recognised the importance of keeping to the January election date, and it agreed that all political parties in Iraq must renounce violence as Iraq makes progress towards those elections.

As I have mentioned, security for the elections is vital. Terrorists and insurgents have been stepping up their attacks, but Prime Minister Allawi is determined that as many Iraqis as possible be able to cast their vote. That is why Iraq's security forces and the coalition cleared insurgents from Falluja. Prime Minister Allawi also wants the political and electoral process to be as inclusive as possible, and to make a huge effort to encourage Sunni and Shi'a leaders to participate.

Two weeks ago, when I visited British troops serving in Afghanistan, there was a real sense of optimism about the progress that had been made. The recent presidential elections were a huge achievement. We expected 6 million people to register to vote, but 11 million actually took part in an 80 per cent. turn-out. The foundations are now in place for the country to become peaceful, stable, democratic and free from terrorism.

[Mr. Hoon]

Great credit is due to the Afghan authorities, the United Nations and, of course, to the Afghan people themselves.

Miss Anne McIntosh (Vale of York) (Con): Would the right hon. Gentleman comment on what role the economy played in the Afghan elections, particularly in view of the country's utter dependence on the production of the poppy? It provides the largest source of opium in this country.

Mr. Hoon: The hon. Lady is right to discuss the drugs industry. The UK is in the lead in tackling the problem. When I was in Afghanistan, I had significant discussions with the interior Minister and others who are developing proposals to deal with the threat of destabilisation that the industry could cause. It is important to put the problem in context, however, and not to talk down the remarkable success achieved in Afghanistan. Elections were held across the country and we all saw television pictures of people queuing for hours in order to vote. Once that new Administration are in post, Cabinet and other Ministers will be appointed and we can then look to deal specifically with the opium industry.

David Cairns (Greenock and Inverclyde) (Lab): My right hon. Friend is generous in giving way. On the issue of eradication of that harvest, what progress has been made in persuading our NATO allies that such eradication should be a central part of core NATO activity, as reaffirmed to the House by my right hon. Friend the Prime Minister following the Istanbul summit in June?

Mr. Hoon: Discussions are taking place about the way in which forces committed under NATO should exercise that responsibility. We have to resolve the issue as we take forward determined plans to deal with drugs. I would stress to my hon. Friend, however, that it is not simply a question of eradication; there is also the matter of providing alternative livelihoods. There would be little purpose in eradicating this year's crop if farmers simply went back to growing opium in the following year. We need a sustained and comprehensive programme for dealing with the opium industry.

Mr. David Chidgey (Eastleigh) (LD): The Secretary of State will know from his visits that there is great concern about security beyond Kabul and about the shortage of resources for NATO and others to extend that security. It is all very well to point to the success of the presidential elections, but there is a general election to come and until such time as we have the resources in place to ensure the safety and security of the population, the overall security aims will remain in jeopardy. What discussions has the right hon. Gentleman had with our American counterparts about recovering for Afghanistan some of the resources that have been diverted to Iraq?

Mr. Hoon: I am sorry that the hon. Gentleman takes such a negative and pessimistic view. I heard similar comments about the prospect of holding the presidential elections, yet they were an outstanding success. He should be a little more optimistic as he is supposed to represent an optimistic party. *[Interruption.]* Unfortunately, he is talking down the real achievements not only of the international community, but of the Afghan people.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): Does my right hon. Friend agree that the way to deal with poppy cultivation in the long term is to build a viable economy and new institutions and to provide farmers with an opportunity to earn income from alternative sources? Does he disagree with those who are now suggesting aerial spraying as a means of poppy eradication, which is likely to undermine much of what has been achieved in Afghanistan, particularly as we are now talking about rolling out the provincial reconstruction teams?

Mr. Hoon: I certainly agree with the first part of my hon. Friend's observation. It is important, as I said in reply to an earlier question, that any efforts at eradication are put in the context of an overall process. All the evidence from other countries where tackling the opium industry has been relatively successful suggests that it is not sensible to concentrate on any one aspect of the problem. It requires a comprehensive approach.

Mike Gapes (Ilford, South) (Lab): On the question of security, the Secretary-General of NATO, Mr. Jaap de Hoop Scheffer, has been calling firmly for increases in contributions and extensions to the provincial reconstruction teams. Can my right hon. Friend give us an assurance that NATO partners will take up those issues, which were pressed very strongly in the NATO parliamentary assembly last week, and that there will be support for making Afghanistan a priority in the next few weeks?

Mr. Hoon: My hon. Friend tempts me to speak on behalf of a considerable number of other defence Ministers. Sometimes it is difficult enough to speak as the UK's Defence Minister. I shall not commit my colleagues in quite the way that my hon. Friend suggests, but I can assure him that the UK will use its influence in NATO to ensure that the very clear plans for the development of NATO's involvement in Afghanistan, and for a comprehensive approach to that country's problems, will be resolved.

Mr. Connarty: Will my right hon. Friend give way?

Mr. Hoon: I apologise to my hon. Friend but I really need to make progress. I did give way to him earlier.

President Karzai has gained a clear mandate to press on with the political and economic reform needed to deliver a stable Afghanistan. It is vital that the international community remains engaged in that country's development. Important lessons learned from the presidential elections need to be implemented for the parliamentary elections scheduled for spring 2005. The UK will be working closely with the Afghan Government and the UN to make these further elections a success.

Security during the presidential elections, provided by the Afghan authorities, by the NATO-led international security assistance force and by coalition forces, was a

major factor in ensuring the success of the election process—and it was a blow to the efforts of terrorists that they failed to prevent them from taking place.

The UK has some 860 personnel deployed in Afghanistan. Most serve with the international security assistance force, either in Kabul or with our two provincial reconstruction teams in the north of the country. Others serve with the RAF Harrier detachment in Kandahar, under coalition command. I had the privilege of meeting each of those units in the course of my visit.

ISAF has long been instrumental in ensuring stability in Kabul. Our PRTs, together with those of our allies throughout the rest of Afghanistan, have helped the Afghan transitional authority progressively to extend its influence across the country. They are a remarkable success story. The UK is working with NATO to make ISAF operations as effective as possible, and to make its expansion a reality. ISAF now has some 9,200 troops deployed from 37 NATO and non-NATO countries.

We are playing a leading role in building up Afghan capability in law and order. The effective enforcement of the rule of law is vital for Afghanistan's reconstruction and long-term stability, as it is for tackling the hugely complex issue of the opium industry.

However, I should not finish my remarks on Afghanistan without expressing our delight that Annetta Flanigan and her two fellow hostages were released yesterday. I am grateful to the Afghan Government and our international partners for all their work to resolve this crisis over the past couple of weeks. I would like to pay my personal tribute to all the individuals involved, many of whom I met on my recent visit to Afghanistan.

I turn now to the Balkans. In recent years, the countries of the Balkans have made huge strides forward in their aspirations to join the Euro-Atlantic community, not least thanks to the deployment of our armed forces as part of international peace support efforts.

NATO has played a vital role in moving the region towards this more stable condition. Its success can be seen from the reduction in troop levels in the Balkans. In Bosnia, the original level of 60,000 troops has been reduced to 7,000, and in Kosovo NATO troop levels have been reduced from 55,000 in 1999 to the current 17,500.

NATO has taken the decision to end its stabilisation force mission in Bosnia. That is the right decision for Bosnia, which is ready to take its next steps towards self-sustaining peace and stability. The EU will support Bosnia in taking those next steps. The EU mission, which takes over on 2 December, will include a robust military element, involving numbers initially similar to those provided by SFOR.

The EU mission will take on the main peace stabilisation role in Bosnia, working in support of Lord Ashdown's mission implementation plan. The residual NATO headquarters will concentrate on defence reform and partnership for peace, and will also, together with the EU, carry out certain operational tasks, such as support for the International Criminal Tribunal for the Former Yugoslavia.

The UK will lead the first military element of the EU mission, and provide the force commander, Major-General David Leakey. This NATO-EU partnership will be good for Bosnia, and will help that country further along the road towards membership of the EU and NATO.

This will be by far the largest military mission under EU leadership. It will also be the most extensive test of the Berlin-plus arrangements, which provide for the EU to draw on NATO assets and capabilities in support of an operation. The UK believes that the mission will be an important milestone in proving the capability of an EU defence and security policy that complements, rather than competes with, NATO. However, despite progress, the Balkans region remains volatile, as the violence in Kosovo during March demonstrated. We cannot afford to be complacent. NATO remains determined to ensure peace and stability in Kosovo.

Mrs. Mahon: Nearly 200,000 people were ethnically cleansed from Kosovo, including the minority Serb Roma and other members of the population, and those who are left live in enclaves and are subject to daily racial harassment. Sometimes, children cannot even get to school. What is the Government's strategy for getting the refugees back into Kosovo and making it a safe and democratic state where everybody can live?

Mr. Hoon: My hon. Friend is right to raise the reason why we intervened militarily in Kosovo: it was to prevent ethnic cleansing and ensure that the country was multi-ethnic. My hon. Friend rightly points out that the current challenge for multi-ethnicity in Kosovo is to protect Serbs. When I have been to visit British troops there, they have mostly been protecting Serbs in their villages around Pristina and in other parts of the country. To preserve that multi-ethnicity, we have to establish robust security arrangements for Kosovo and, crucially—I made this point earlier and I hope that my hon. Friend agrees—we need to take forward a political process to ensure confidence among what is now the Serb minority that they can live safely in their historic and traditional homes.

Mr. Crispin Blunt (Reigate) (Con): Will the Secretary of State give way?

Mr. Hoon: I need to make a little more progress.

A strong Euro-Atlantic relationship, founded on NATO, remains the basis of the United Kingdom's security policy. The continued strength of the alliance depends on delivering when and where it matters. NATO must maintain its ability to react flexibly beyond its borders, to deter and disrupt threats before they reach us. It must keep up the pace of its transformation, to ensure that it can provide modern structures and forces that are ready to deliver the right military responses. It also means improved mechanisms for generating such forces, with a strengthened commitment from our allies to providing them.

Against that background, we are working with our EU partners to improve European military capabilities. As the new constitutional treaty makes explicit for the first time, NATO remains the foundation of our collective defence. Our aim is to develop European

[Mr. Hoon]

military forces that enhance NATO as well as the European Union. The EU Battlegroups initiative, for which Defence Ministers committed forces at Monday's European Council meeting, will allow the EU rapidly to deploy troops, trained and evaluated to agreed standards. Open and transparent liaison will ensure that these battlegroups are fully compatible with the NATO response force. And in driving the development of the right capabilities by our EU allies, the battlegroups concept will be central to our efforts to manage overstretch.

Dr. Andrew Murrison (Westbury) (Con): The Secretary of State will be aware that in Iraq at the moment soldiers from Commonwealth countries are serving with the Black Watch. However, the EU constitution will make it difficult for us to recruit from Commonwealth countries and would not allow us to give preferential treatment to those nationals.

Mr. Hoon: The hon. Gentleman is simply and absolutely wrong. He raises yet again a scare story about the European Union that has no foundation in fact. I am sorry if Central Office has given him that line to take, but he should go back to the researcher who provided it and tell him that he has got it completely, absolutely and hopelessly wrong.

European defence complements NATO. The EU can bring together a range of crisis management responses—diplomatic, military, civilian, judicial, as well as economic. Its new civilian-military cell is an example of that potential. Such capabilities will fill crucial gaps in the mechanisms now available for handling the current complex security environment.

Our success in driving the agenda is a vindication of this Labour Government's approach to Europe. We are leading the debate and winning the argument, not sitting sulking on the sidelines, neglecting our national interest. If the hon. Member for Mid-Sussex (Mr. Soames) has anything serious to say about military capabilities, he needs to explain to the House and the country how his half-baked ideas on Europe would in any way increase the number of military forces available. That is what this Government have achieved through European defence, and he needs to face up to that.

At the start of this speech I set out our recognition that the strategic environment has changed, and now we need to ask what that means for the armed forces. The international community must confront the threats from international terrorism and the proliferation of weapons of mass destruction. But there is also an imperative to intervene for humanitarian or peacekeeping reasons in places such as Kosovo, Macedonia, East Timor and Sierra Leone. Even if the territory of the United Kingdom is not directly threatened, our interests and ambitions are increasingly interrelated with those of others: seldom will conflict in one area not spread to contaminate another. As a result, our armed forces are facing a wider range, frequency and duration of tasks than ever before. We need armed forces that are structured and equipped to deploy rapidly on multiple, concurrent small and medium-scale operations; armed forces that optimise platforms and units so that they have increased effectiveness across the full range of military effects—from war deterrence, to war fighting, to peace support.

The changed nature of the security environment demands that the shape and structure of the armed forces, and their equipment and doctrine, will have to adapt accordingly. To propose that we should do otherwise—in effect, to leave our armed forces structured and equipped to match an enemy and a threat that is no longer apparent—would be a grave misjudgment. The Conservatives risk turning our armed forces into a museum piece—an excellent display, but never taken out of their case for operational use. That would be a complete failure of our duty to the people of the United Kingdom, to our international allies and partners and to the men and women in our armed forces, of whom we ask so much. Not to engage in the modernisation of our armed forces would weaken our nation's defence, at precisely the time when it needs to be strong.

We have, therefore, embraced change. The armed forces themselves, under the leadership of the service chiefs, recognise the need for change; and that is why we have embarked on the process of modernisation set out in the future capabilities paper, published in July—modernisation backed by extra investment from a Labour Government committed to strong defence. The next three years will see the defence budget rising by £3.7 billion—an average annual increase of 1.4 per cent. in real terms and a continuation of the longest sustained period of increased spending on defence for 20 years.

The Government are investing in defence, and Labour's commitment to defence stands in stark contrast to the Conservatives' proposals. The shadow Chancellor has said that he will freeze defence spending—in effect, cutting defence spending by £2.6 billion, which is the equivalent of 70,000 armed forces personnel, or cancelling our two new aircraft carriers. To fill the gaps in their spending plans, the Conservatives claim that they could find £1.6 billion in efficiency savings on top of the £2.8 billion that the Government have already earmarked.

Tory proposals would mean drastic cuts in our logistics and procurement budgets. Are they seriously suggesting that £4.4 billion can be taken out of defence spending without some implications for the front line? Without logistics there would be no front line. Cuts in procurement spending would mean that our troops would not be getting the right equipment—never mind the implications for British industry and British jobs. Instead, we have drawn on our experience of operational commitments since the 1998 strategic defence review to identify those parts of the armed forces that are in the highest demand, and those that are less well used. As a result, we have developed new plans to ensure that our armed forces can remain effective. With modern communications and the fusion of intelligence, target acquisition and precision weaponry, the capability of our armed forces is improving exponentially.

The Royal Navy of the future will be a highly versatile, expeditionary force, with the emphasis on the delivery of military effect on to land at a time and place of our choosing. Two new aircraft carriers deploying the joint strike fighter, and new ships to support amphibious operations, will provide a step change in our ability to

launch and support forces ashore. Let me highlight the fact that those aircraft carriers will be built in the United Kingdom, employing British workers, despite the best efforts of the Liberal Democrats who want us to buy them abroad. Taken together with the additional investment in new submarines and the Type 45 destroyers, those developments will ensure that the fleet remains a formidable fighting force for many years to come.

The Royal Air Force will be equipped with modern, highly capable, multi-role, fast jet aircraft, such as the Typhoon, which are able to deliver the offensive and defensive capabilities currently delivered by single-role aircraft. It will increasingly be able to exploit networked capabilities and will be equipped with a range of modern stand-off weapons.

The rebalancing of the Army will be vital as we optimise our force structures to respond to the challenge posed by today's strategic environment. The intention is to provide the Army with a better balanced mix of capabilities—from tanks and artillery at the heavy end, through enhanced medium and light-weight capabilities to increase the deployability of our land forces.

Sir Menzies Campbell (North-East Fife) (LD): What is the Government's intention towards the third tranche of the Typhoon? Does he intend to place an order?

Mr. Hoon: Since we have yet to sign the contract for the second tranche, which we have been negotiating over the past few weeks, it is important that we take our fences as they arise. I hope to be able to set out the position to the House in due course, but until we have solved the problem with the second tranche, both the financial and other implications, it is right that I should not speculate about the third tranche. I will give way again to the right hon. and learned Gentleman if he would like to give an absolute commitment that the Liberal Democrats would sign a contract for the tranche, with all the costs involved, but he does not want to do so.

Mr. Blunt: The Secretary of State knows perfectly well that the Royal Air Force will not have the pilots, even if he does buy the third tranche—which is a bit of a give away.

Mr. Hoon: Since the third tranche is not due to come into service for many years, I can assure the hon. Gentleman that we can adjust the number of pilots who will be required to fly those highly capable aircraft.

At the heart of those changes is the restructuring of the infantry, made possible by progress towards a lasting peace in Northern Ireland. The requirement for infantry in the Province has reduced by four battalions. The manpower freed up will be redistributed across the Army, not only to develop more robust and resilient unit establishments in the remaining infantry, but to bolster the most heavily committed specialists, such as logisticians, engineers and intelligence personnel. The argument is straightforward: some parts of the Army are still harder pressed than the infantry. So if we retained the four infantry battalions, how would we explain such an approach to hard-pressed logisticians, engineers and intelligence personnel, without whom the infantry simply cannot deploy?

David Burnside (South Antrim) (UUP): We all hope that the normalisation of security in Northern Ireland will allow the Regular Army to be used with the other armed forces in the international fight against terrorism, thus relieving the pressure on the manpower of the Army. That manpower relief will be helped if the Secretary of State will give a commitment to retain our three home battalions of the Royal Irish Regiment for home defence in Northern Ireland, backing up the civil powers.

Mr. Hoon: I had, by chance, a meeting this morning with a number of the hon. Gentleman's colleagues who represent constituencies in Northern Ireland. We had a very good discussion about the way forward, but I hope that they will accept that we agreed that any decisions in anticipation of normalisation and what we hope will be a long-term political settlement in the north of Ireland would then lead to further discussions about how we best deal with the situation there.

The arms plot has tied up seven or eight infantry battalions at any one time with moving, re-roling and retraining. By removing arms plotting, most if not all the eventual 36 battalions of infantry will be available to deploy—a significant increase in deployable battalions. The changes that we are introducing will ensure that we have more forces available for operations, while reducing the burden of operational commitments for both our people and their families. Those changes will produce a new structure for the infantry. We want to retain the best of the regimental system—continuity, regional identity, esprit de corps and tradition—while losing the worst: instability, inflexibility and undermanning. We believe that we can do that and create a more efficient and flexible Army.

The world is going through a period of major strategic change. The challenges posed by international terrorism, the proliferation of weapons of mass destruction and failed states are global challenges that will require an international response. In dealing with them, we must work in partnership with our allies in Europe, NATO and the United Nations to resolve conflict, build peace and democracy and tackle the causes of poverty and instability. Where necessary, the international community must be prepared to intervene and take action.

The men and women of our armed forces, diplomats and civil servants are already playing their part. They are supporting the Iraqi and Afghan people as they build a new, democratic future, and they are doing so in difficult and dangerous circumstances. They are at the very sharp end of our desire to be a force of good in the world. I pay tribute to them.

12.23 pm

Mr. Nicholas Soames (Mid-Sussex) (Con): Although we understand the need for the Foreign Secretary to attend the Iraq conference at Sharm el-Sheikh and his consequent absence from the debate, we regret, contrary to the original discussions between my right hon. and learned Friend the shadow Foreign Secretary and the

[Mr. Nicholas Soames]

Foreign Secretary, the deliberate downgrading of the foreign affairs aspect of the debate by the leaving of the Government's contribution on foreign policy to the very end.

The House has enjoyed several full debates on defence recently but has had little or no chance to debate foreign affairs and the international situation. It is time that the Foreign Secretary addressed the House on what is becoming an increasingly difficult and turbulent world. We therefore demand a full debate in Government time, led by the Foreign Secretary, before Christmas. Failure to provide time for such a debate, particularly in the light of the Foreign Secretary's absence from the debate, can only be regarded as an admission that the Government have no comprehensive foreign policy in which they have sufficient confidence to face the House of Commons.

Mr. Hoon: It is well known that the order, nature and days on which these debates take place are matters for the Opposition. If the hon. Gentleman were so keen to have the debate on foreign affairs and defence in the presence of my right hon. Friend the Foreign Secretary, he could have chosen a different date. He knows that. Why is he misleading the House?

Mr. Soames *rose—*

Mr. Speaker: Order. No one is misleading the House. Perhaps that remark will be withdrawn.

Mr. Hoon: I apologise, Mr. Speaker. I should have said inadvertently misleading the House.

Mr. Speaker: It would be best if the Secretary of State withdrew the remark.

Mr. Hoon: I will certainly do that, Mr. Speaker.

Mr. Soames: Another magnificent intervention by Mogadon Geoff. The whole House will be glad to see that he has woken up after a distressingly tiresome—[HON. MEMBERS: "Get on with it."] We would like to get on with it.

The House will be aware of events in Ukraine. Yesterday, 100,000 people gathered in central Kiev in support of Viktor Yushchenko. I know that I speak for the whole House when I say that the message from this place is one of support for the people of Ukraine. The electoral process has been condemned for its irregularities and its serious flaws and I know that, were he here, the right hon. Member for Walsall, South (Mr. George)—an observer to the elections—would provide a vivid account of how an election should not have been run. The international community must put pressure on the outgoing Government to exit peacefully.

In recent months, we have been reminded of the dedication, skill and determination of our armed forces as they are deployed around the world. Our country has made an outstanding contribution to the war on terror. Following the liberation of Iraq, more than 8,000 troops remain in the southern part of the country where they have maintained peace and security with great success and skill. They have performed a critical role in laying the foundations for democracy in the Shi'a-dominated south, making the sector a role model for much of the country. The recent redeployment of the Black Watch to Babil province is a reflection of the great esteem in which the British Army is held. It has done a remarkable and highly effective job. Away from the war on terror, in a week's time, our armed forces will provide the lead nation in securing continuing stability in Bosnia and Herzegovina.

The Government also have the most serious responsibilities. They have to ensure that our troops are trained, equipped and thoroughly well prepared for the tasks that we ask of them. The Secretary of State is obliged to pay the closest attention to the overall well-being of our armed forces and their families. With that in mind, the Government must continually reassess the needs of the armed forces and their families both now and for the long term.

However, official reports published in the last year show that the Secretary of State has failed seriously to honour these grave responsibilities. He and his Department have been severely, rightly and frequently criticised by the all-party Select Committee on Defence, the Public Accounts Committee and the National Audit Office for fundamental and unacceptable shortcomings in the Ministry of Defence's dismal ability to learn and act upon the hard lessons of previous operations. The Ministry is criticised for equipment shortages for the front line, leading to our troops being exposed to increased and serious risk. The criticisms refer to an inexcusable failure to supply body armour and the inability to locate it; the failure to supply nuclear, biological and chemical equipment for men and vehicles; the shameful failure to provide even the right clothing for the tasks that we ask of them; and the lack of confidence in the ability of the logistics system to meet units' needs in theatre and on operations.

Furthermore, the Public Accounts Committee has found that, despite investing more than £550 million since the first Gulf war in new computerised systems that include an asset management capability, the Ministry of Defence still inexplicably, disgracefully and inexcusably lacks a credible consignment-tracking system. Although the National Audit Office report on research and technology warns that

"defence capability critically dependent on the effective exploitation of advances in technology, as emphasised in the recent Defence White Paper, has also stalled",

funding has been reduced by 30 per cent. since the mid 1990s. All of that has happened while the cost overruns and schedule slippages recorded in the major projects report mean that the services will not receive the equipment that they need in the time that they need it. Thus the costs of the Ministry of Defence's 20 biggest equipment projects have increased by £1.7 billion and the projects have been delayed by an average of three months each.

The Government have made a dangerous assumption that it is safe to dispense with today's capabilities before new ones come into service. Thus the Royal Navy is losing the long-range air defence cover provided by the Sea Harriers three years before the new Type 45 destroyers, with their air defence capability, come into service; they are now delayed by 18 months. The Royal Air Force is to lose its battle-proven and recently

upgraded Jaguar strike aircraft long before the ground attack variant of the Eurofighter Typhoon enters service. The in-service date for the future rapid effects system has already slipped and there is not yet even a concept of operations for the system. How is the Army to cope with that serious credibility gap? What of the recently published winter supplementary estimates? What effect will the recent decision to make a £1 billion reduction from the front line have on our armed forces' capabilities?

What does that lengthy charge sheet say about the Secretary of State, and the Ministry of Defence, as he fails to fulfil his responsibilities towards our armed forces? Let us consider his response to the House of Commons Defence Committee's report on the White Paper. Paragraph 72 of the Committee's report says:

"We are not convinced that mass 'effect' alone will be enough in meeting the challenges faced by UK, since in many situations we will still require the capacity for mass 'presence' as well."

The Government's response states:

"We agree that sometimes the presence of substantial forces is necessary to achieve the desired effect, for example, deterrence or stabilisation".

Yet, for reasons that remain beyond mortal comprehension, except to the baleful influence of the Chancellor, whose deep and abiding lack of enthusiasm for the armed forces is well known, the Secretary of State seems determined to cut the battalions that are necessary to achieve deterrence or stabilisation.

Let the House be under no illusion; the cutting of four infantry battalions is a political decision. It is driven entirely by the Chancellor and accepted in a bovine and supine manner by the Secretary of State. He will pay a hard price for it, as could the country and the Army. It is a disgraceful and rotten decision. Yes, there is a need to make the Army more useable, and we broadly support the ending of the arms plot. However, we truly believe that the size and nature of the cuts to the infantry make absolutely no sense. When we come to power, we will reinstate the battalions in the interests of our country's security and our ability to prosecute our interests where required. The same applies to the Royal Navy. The Government's decision today to do away with six frigates or destroyers is a dangerous folly. We will restore the three Type 23 frigates Grafton, Marlborough and Norfolk.

How will the infantry sustain its current level of operations with four fewer battalions, let alone take on as yet unforeseen commitments? Even our thoroughly complacent Secretary of State must agree that our forces have never been so busy. Deployments come thick and fast, yet the overall size of the armed forces and, indeed, the quality of some of their capabilities is in worrying decline. The Secretary of State's announcement earlier this year in pursuit of

"radical change in the future force structure"

will result in the reduction of the Army trained establishment from the current level of 108,500 to a target of 102,000 by 2008.

Mr. Hoon: The hon. Gentleman knows full well that the current size of the Army is not 108,000, but in the order of 102,000. The figures that we propose for the future will remain in that sort of area. Will he tell the House the size of the Army when he left his post as Minister of State for the Armed Forces in 1997?

Mr. Soames: Unfortunately, I was in office so long ago I cannot remember. However, the current trained establishment is set at 108,500 and the target is just over 102,000 by 2008. The strategic defence review, presented to Parliament in July 1998, said:

"we shall be adding some 3300 additional Regular personnel to the Army orbat."

What exactly has happened since then to convince the Secretary of State not only to reverse that plan but to introduce further cuts, even in the light of a heightened threat and increased operational tempo?

Mr. Hoon: Will the hon. Gentleman give way?

Mr. Soames: No, I have had enough of the right hon. Gentleman. He has had nothing sensible to say so far. Indeed, he is on indefensible ground.

Has the security situation changed for the better since the strategic defence review? Have Afghanistan, Iraq and Sierra Leone never happened? Are our armed forces today experiencing a smaller and less frequent range of operational demands than they did in the early 1990s? Has the average interval of 24 months between tours been achieved, or is it not the case that the actual intervals have been as low as three and five months in some cases?

At this time of considerable danger from terrorism at home and abroad and of major military deployments overseas, with no sign of any let-up, the cuts by amalgamation or disbandment of any battalion are wholly and utterly unjustified. The way in which the cuts have been handled shows the complete shambles to which the Government have been reduced. In the space of the last month, the position has changed on a daily basis.

First, the Defence Secretary said that the only option was the disbanding of the Scottish regiments and their merger into one or two super-regiments. Then the Prime Minister said that no decision had been made. The Secretary of State for Scotland told my hon. Friend the Member for Galloway and Upper Nithsdale (Mr. Duncan) that it was important to take account of public opinion. Scotland's First Minister said that he supported the retention of the regiments.

Downing street then told the Scottish press that four of our regiments would be saved in their current form, which lasted just long enough for the Prime Minister to have an interview without coffee with the Chief of the General Staff, who will have, I assume, put the Prime Minister firmly back in his place. That lasted all of 12 hours until the Prime Minister said once again that no final decision had been made. So who is making policy? Is it Downing street or the Ministry of Defence? The answer would be welcome, particularly by the regiments.

We welcome the acknowledgement of the absolute need to continue robust and collective military training at all levels. That is one of the issues that the Select Committee report "Lessons of Iraq" raised, saying:

"The high number of operations which UK service personnel have been involved in has had an adverse impact on their training."

Mr. Henry Bellingham (North-West Norfolk) (Con): Does it concern my hon. Friend that a number of Norfolk farmers have said that they will withdraw permission for the MOD to train on their land as a protest against the Hunting Act 2004? Does he think that it would be much better if the Secretary of State had joined the Prime Minister and his Minister of State in the Lobby to vote for the licensing proposal?

Mr. Soames: I am always grateful to my hon. Friend for his helpful interventions. Some farmers and landowners have decided that they will no longer accord facilities to the armed forces for military training. Strongly though I and they feel, I hope very much that they will reconsider that, purely and solely because it is important that our armed forces have the best possible training facilities available to them; the general sense of what my hon. Friend says is, of course, correct.

Reductions in training have a progressively damaging effect on fighting power. At the highest level—joint, combined-arms collective training at formation level and above—it may take years to recover fully the standards and capabilities that have been degraded and in some cases even lost. As I explained earlier this year, although our armed forces continue to give a remarkable account of themselves, it is by general consent a profound worry that we are beginning to take risks which, if not dealt with, will lead to a disaster sooner or later.

I turn to the latest initiative of the European Union's involvement in defence matters, an involvement that will create complications and at the end of the day will be of little added value. In Brussels on Monday, there was further agreement on the battlegroups concept. I wish to make it clear, as I always have at the Opposition Dispatch Box, that we always will welcome initiatives that genuinely produce additional military capabilities from our European allies. However, what is proposed is something entirely different. The reality is that the European allies have not been able to meet the over-ambitious, grandiose targets for the so-called European rapid reaction force, which was supposed to generate a headline deployable capability of 60,000 troops by December 2003. You will not be surprised to hear, Mr. Speaker, that this did not materialise. It did not happen and it could not happen. I cannot say that any of us are remotely surprised. Indeed, it never could have happened because the capabilities of our European allies have, very regrettably, continued to decline.

Lembit Öpik (Montgomeryshire) (LD): Without taking specific issue with what the hon. Gentleman is saying, which I shall leave to others, will he accept that there is a degree of benefit, especially to some of the smaller countries—such as, for example, Estonia, one of those countries which I know best—from joint working, if only to secure the border between ourselves and other countries that may become aggressive in future?

Mr. Soames: I unreservedly agree with the hon. Gentleman, but all that is perfectly possible and has been taking place for many years through NATO, through the partnership for peace operations and through those of its successor. These have been extremely successful operations. To go outside that will cause real confusion, and I propose to come on to that.

The European countries are merely putting on the table military forces—in some instances, entirely inadequate military forces—that already exist and are already, in theory, highly committed to other tasks. Britain, for example, already has a range of stand-by forces, including the Spearhead battalion. There is a limit to the number of different labels that can be put on the same forces that are already earmarked for a range of NATO and national tasks. I think that the Secretary of State should be more honest and straightforward in explaining this.

Nothing new is being created. Not one extra man, weapon, capability or other item of military use is being created, except the involvement of the European Union. This is a political gesture of the most dangerous sort and its consequences for NATO could well be serious and far-reaching. It will bring confusion and potentially dangerous complications. If the EU wants to command a military operation, it now has to establish complex arrangements within the NATO structures, which would be entirely unnecessary if NATO were to remain in control.

Operation Althea is due to start in Bosnia and Herzegovina on 2 December. The EU will take over from NATO. As a result, alongside the new EUFOR mission, NATO will remain with a small headquarters in Sarajevo. In the meantime, there are truly serious overlaps and real frictions between the two. Are the two missions meant to have a parallel or hierarchical relationship? Are they clearly separated? Will the new NATO mission hold a superior mission in relation to EUFOR? What are their respective responsibilities? Some would say that the motives of the EU have less to do with the real security situation in that country rather than with the EU's eagerness to bolster its credibility as a military player.

Donald Anderson (Swansea, East) (Lab): The hon. Gentleman raises a number of interesting issues about when EUFOR takes over from KFOR on 2 December. All these matters would be resolved for him if he had a word with General Leakey, who will be taking over on 2 December. All these matters are being resolved with the US commander of KFOR. Why is the hon. Gentleman raising issues that are in the course of being resolved?

Mr. Soames: I have the highest regard for General Leakey and I am sure he will do his very best to resolve these matters, but I can assure the right hon. Gentleman that in all military operations the single most important thing in command is clarity. The worry about these EU operations is the lack of clarity in the chain of command. General Leakey will, I am sure, do his best to resolve them, but there are great frictions and real difficulties; 2005 could see the conjunction of several potentially destabilising events in the Balkans. To test European defence ambitions as if Bosnia were some kind of laboratory is not a good idea.

To return to the subject of the battlegroups, I understand that the Dutch Defence Minister confirmed to the European Parliament two days ago that the battlegroups create no new troops, will use the same forces as are in service now—they are already declared for use on a variety of tasks by the sovereign nations and by NATO—and are already assigned many tasks. As

has been the case throughout the whole of this dubious EU defence project, we are talking merely about a change in political command, without the will to carry it through in a serious and coherent manner.

Mr. Hoon: Will the hon. Gentleman give way?

Mr. Soames: No, I will not.

The project is a typical new Labour one. The British public would be forgiven for thinking that our continental allies were positively overflowing with highly trained, well equipped, deployable troops. They are not. The Secretary of State knows that. While our very professional British forces are so dangerously overstretched, many of our European partners continue to cut their defence budgets—

Mr. Hoon *rose—*

Mr. Soames: —and look increasingly unserious about their commitment to hard military issues. What effect will that have on the transatlantic relationship?

The transatlantic relationship is going through an important period of trying to create a new framework in which to tackle challenges of a profoundly different nature from those with which it has previously been occupied. The Secretary of State correctly referred to transformation. It is right that that should be pushed ahead with all possible vigour.

There are issues that bring us closer, but there are others that divide us. The harsh realities of today are an important reminder of why we ought to be working together, and I hope that all hon. Members realise what a chilly and frightening place the world would be without an internationally active America. Terrorism is a global problem. The worldwide reach of terrorist networks implies that global terrorism cannot be fought effectively solely by military means, or only on one's home soil or by one country alone.

I hope that the right hon. Gentleman will take the opportunity to dissociate himself from the pathetic and deeply offensive suggestion from the Leader of the House, in one of his increasingly extravagant and eccentric outbursts, that the country can be safe from terrorism only with a Labour Government in power. Terrorism is a long-term challenge. We look forward to hearing the hon. baby—the Minister for Trade and Investment (Mr. Alexander)—renounce the words of the Leader of the House.

Terrorism is a long-term challenge. There are no quick or easy solutions, but one thing is certain: close international co-operation, including across the Atlantic, remains crucial to our task. Living away from regions of instability does not guarantee our security. In a globalised, interlinked world, people and ideas flow freely around the globe. A Government have no higher duty than to provide security for their people, both at home and abroad. Foreign policy is central to that; yet, regrettably, the Government's policies are often unplanned, ill considered and at the mercy and drift of the whims and tides of events, whereas a clear and coherent approach linking analysis of problems to the proposed solutions and the resources to carry them out is vital.

The Government disastrously failed to prepare for the post-conflict period in Iraq. There was no plan for post-Saddam Iraq. Worse still, the Government ignored the well tried and proven norms that our people have learned over many years of experience on peacekeeping missions; to send the army back to barracks to await further orders, to keep the police policing, to leave the civil service in post until otherwise directed, to control the borders to hinder insurgency and to have a real plan in place for job creation and economic reconstruction.

Amid political instability and violence, Iraq's economic problems have been viewed as secondary and unrelated. They are not. United States and Iraqi institutions have systematically lost, and the insurgency gained momentum, as living conditions failed to improve, and the Government have failed adequately to act upon the link between economics and security. I hope that the Secretary of State will reassure the House that they are better prepared for the January elections, which are central and vital to establishing the democratic legitimacy of the new Iraqi Government. With much territory beyond the Interim Government's control and sectarian and ethnic forces threatening to pull the country apart, there is a profoundly difficult task ahead. The period between now and the elections will be hard going and will require the greatest of skill.

In Afghanistan we are in charge of controlling opium production. The UN's annual opium survey reveals that poppy cultivation increased by two thirds this year. Last year, Afghanistan exported 87 per cent. of the world's supply. Once again, the Government have failed to plan adequately. The UN report for 2003 found that one in 10 Afghans, many of them unemployed returned refugees, is involved in the drugs trade, which last year employed 2.3 million people and made up 60 per cent. of the gross national product. Is that what the Prime Minister meant when in 2001 he pledged to eradicate the scourge of opium along with the Taliban? In his own words,

> "90 per cent. of the heroin on British streets originates in Afghanistan . . . the arms the Taliban are buying today are paid for with the lives of people buying their drugs on British streets. That is another part of their regime we should seek to destroy."

The most fundamental challenge inherent in international terrorism that we are fighting today is ideology. Military pressure is but one way of defeating al-Qaeda and its franchises, which could in the future become more widespread, extreme, international and autonomous. But just as important are sound intelligence, political dialogue and diplomatic, political and economic engagement, to remove from the terrorists the havens where they would seek shelter or a passive support that they might enjoy. Looking back on the cold war, we should take confidence from the fact that the enduring values of freedom and democracy, just as much as economic power and military muscle, triumphed. We must have a dialogue with those who do not support terrorism; with those who are free from its influence and find its teachings abhorrent. That means political dialogue, economic help, educational and aid programmes, encouraging democracy reform and education.

Poverty combined with unemployment creates a social climate in which extremists and various populist and religious sects flourish; these in turn provide some of the recruits for violent groups in internal conflicts.

[Mr. Soames]

According to some projections, the number of young unemployed in the Arab world and north Africa could reach 50 million in two decades. Such a situation will not be conducive to political stability. We must do all that we can to address these issues that have become a breeding ground for terrorists. We must try to help to solve those concerns that some in the Arab world might use to justify supporting and financing violent extremists. We must engage in a planned participation in the resolution of those combustible conflicts where we have a particular knowledge, experience or input that will be valuable.

No conflict lends itself more to that than the Palestinian-Israeli dispute; a conflict that has for too long acted as a poisonous backdrop to regional tensions. Any durable settlement between Israel and the Palestinians cannot be imposed, let alone arrived at under duress. It must result from freely given consent on both sides if it is to take root in the communities who must live with the consequences.

The way ahead is already clear. There can only be a two-state solution; two states west of the Jordan living co-operatively at peace with each other, an Israel secure within guaranteed and acceptable borders and a viable and independent Palestinian state. Like so many other such comprehensive and final status solutions, it is easy to envisage but the devil to deliver. It cannot be imposed and can be achieved only in a lasting way through dialogue, hard work and agreement.

What proposals did the Prime Minister make when he last met the President of the United States? Is there an initiative to appoint a special envoy for the middle east to push the process forward with the vigour that it needs? Is there not a strong case for international peacekeeping monitors within the occupied territories and Gaza to promote security and to help to suppress the roots of terrorist violence? The Government are strong on "save the world" rhetoric but weak on action, as in so many other areas.

David Burnside: Does the hon. Gentleman agree that, post-Arafat, an international commission or special envoy should put as a priority the proper use of international funds in Palestine, funds which up to now have been totally misused, corruptly, by the former head of that region? Does he agree that, for the good of the people of Palestine, it is important that all the international backing and finances necessary to establish an independent state in Palestine are administered honestly and correctly and without the corruption that has taken place in the past?

Mr. Soames: My hon. Friend is right. There is a real need, above all, to bring to the Palestinian people, for their own good, benefit and future success in the world, good governance and good order; clearly, that is important. But more than any particular criticism of anyone—legions of legitimate criticisms can be made of both sides—there needs to be a dialogue, and it needs to be pushed ahead. It will be hard pounding and hard work. Our country has a major role to play but, so far, we have seen very little of it.

The Prime Minister speaks of saving Africa—except, apparently, Zimbabwe. We all agree with the Prime Minister on the need to make progress on Africa. But how is Zimbabwe advancing, except into a quagmire of dictatorship and xenophobia, as instanced by the latest frenzied assault on all foreign assistance agencies? Or has the killing stopped in Darfur? Here, the Government have taken a firm line, but with what results? On 8 October 2004, while in Addis Ababa, the Prime Minister announced a military force

"to deal with African genocides",

the day after his Defence Secretary decreed the reduction in infantry numbers. A hollow laugh could be heard all over the land from the armed forces.

The threats posed by rogue and failed states and international terrorism when combined with a backdrop of proliferation of weapons of mass destruction could have truly terrifying consequences. The proliferation of WMD poses the most serious danger to the peace of the world. Chemical, biological and nuclear weapons in the hands of terrorists or outlaw regimes could bring catastrophic harm. There is an urgent need to improve and modernise non-proliferation laws to address new and changing threats; to restrict the sale and transport of nuclear technologies and equipment; to close a loophole in the nuclear non-proliferation regimes that allow states to pursue weapons of mass destruction under the false cloak of legitimacy; and to expand efforts to secure and destroy nuclear weapons and matériel. Finally, given the importance of intelligence in fighting the war on terror, we hope that the Minister will assure the House when he winds up tonight that the important recommendations made by the Butler inquiry regarding the co-ordination between the intelligence services will be and have been implemented.

The Government have inflicted upon this country a foreign policy without shape and without agenda. It is little wonder that it is so regularly, so often and so badly derailed. But worse still, it is no wonder that our stock has fallen in the rest of the world, and the contents of the Queen's Speech do nothing to remedy that.

12.58 pm

Donald Anderson (Swansea, East) (Lab): It was a bold assertion of the hon. Member for Mid-Sussex (Mr. Soames) that the British Government and the British Government alone appear responsible for the lack of post-war planning in Iraq and for the growth in poppy production in Afghanistan. I was interested in what he had to say about Bosnia. Clearly, that can be paraded by the Opposition with their anti-EU credentials but, over the past few weeks, I have had the privilege of discussing that very problem with both General Leakey, who will take up his position on 2 December, and his American opposite number, the commander of KFOR, and I can assure the hon. Gentleman that neither of them sees the problems that he mentioned.

I should also like to make the interesting observation that the hon. Gentleman criticised my right hon. Friend the Foreign Secretary for not leading this debate, but that that was entirely in the hands of the Opposition in terms of the day that they chose for it. Yes, his points were interesting and fortissimo, but wholly irrelevant to the issues facing our country.

I found the Gracious Speech very challenging. It set out a programme that would probably take at least 18 months to implement. Perhaps on this occasion, the pregnant phrase,

"Other measures will be laid before you."—[Official Report, 23 November 2004; Voluntary 428, c. 6.],

has special significance, in that, if there is a settlement in Northern Ireland—as we desperately hope that there will be; we give today's talks on that matter every good wish—at least six more Bills will be brought before the House. There would then be even more on the table than there is now. Perhaps we should regard the Queen's Speech as a shop window of aspirations rather than as having the serious expectation that all, or at least part, of it will become law by Maundy Thursday, when the House may adjourn and we shall face elections.

Turning to foreign policy, we have a crowded agenda before us—perhaps more crowded than any that I can recall in all my years in Parliament. The starting point is that the old distinctions between foreign and domestic policy are less clear than they were in the past. I join the hon. Member for Mid-Sussex in his views on the problems of Afghanistan today and the drug problems that we face on our streets. As he rightly said, the United Nations report published on 18 November states that Afghanistan now supplies 87 per cent. of the world's opium. In 2003, the trade was worth $2.8 billion—more than 60 per cent. of the country's gross domestic product—and one in 10 Afghans are estimated to be involved in the business. A farmer can earn more than 10 times as much by growing poppies as he can by cultivating wheat, so when we talk airily about alternatives to poppies, such as onions or wheat, we must remember that nothing can give the ordinary farmer nearly the same returns as poppies, particularly if the gangs are holding a gun to his head to make him produce them. Opium cultivation has increased by 64 per cent. compared with 2003.

Linked to that is what I see in my local newspaper, the *South Wales Evening Post*, which on 13 November carried photographs of 20 local people who had been imprisoned for a total of about 60 years. They are ordinary folk who were involved in the business of selling hard drugs on the streets of my city and devastating the lives of so many young people there. The trail that begins in the poppy fields of Afghanistan leads inexorably to those people who are now, quite properly, in prison for destroying my constituent's lives.

Mr. Jon Owen Jones (Cardiff, Central) (Lab): Does my right hon. Friend agree that other elements in the Queen's Speech that might address the demand side of the drugs trade are likely to be far more effective than trying to address the supply side in Afghanistan or elsewhere?

Donald Anderson: We have to attack the problem at each link of the chain, from production in Afghanistan—where 95 per cent. of the heroin on our streets comes from—through each country on the trail from Afghanistan to the UK, to the criminal penalties, education and the range of other measures relevant to our country that are within the direct responsibility of our Government and civil society here. My point is to highlight the clear nexus between foreign and domestic policy, which is illustrated particularly dramatically by the drugs problem. One could also identify that nexus in regard to terrorism.

Clearly we need not only the range of measures to which my hon. Friend the Member for Cardiff, Central (Mr. Jones) alluded, but a most serious effort by the international community. The United Kingdom has a particular role to play in that, because of our leadership in the Afghan national drugs control strategy. For those colleagues who might be interested, that is detailed in paragraphs 193 to 204 of the Foreign Affairs Committee report on the war on terrorism, which we published last July. Links are identified in the Queen's Speech between drugs, crime and security that involve international problems that cut across our borders and that require international co-operation to tackle them.

The war against terrorism is also partly international and partly domestic. It might seem remote at one level, but we saw the newspaper headlines over the weekend suggesting that a number of those people released from Guantanamo Bay were still involved in terrorism and had reoffended. Yesterday's headline in *The Independent* said that the Government were seeking to create the politics of fear. On the same day, in an interesting juxtaposition, the *Daily Mail* reported a story about Canary wharf. In the mid-1990s, we let into this country several hundred Algerian refugees, who were members of the FIS, after the election there. Many of them have gone to ground. However, it is from Pakistan that the greatest terrorist threat arises, and I pay tribute to President Musharraf for the courageous way in which he is dealing with that issue at home.

Mr. David Heath (Somerton and Frome) (LD): I am sure that the Government are sincere in saying that they are not trying to create a climate of fear, but does the right hon. Gentleman believe that it was entirely coincidental that that two-year-old story should emerge only a couple of days before the Queen's Speech?

Donald Anderson: I do not know whether it was a coincidence. All I know is that, if the Government had not shown themselves ready to tackle that issue, they would quite properly have been accused of complacency by many hon. Members. From the briefings that I have received, I have no problem in acknowledging the enormous threat to this country and the security of our people that international terrorism presents, especially those involved in international terrorism who are seeking to gain weapons of mass destruction. At the moment, there is no evidence that they have done so, but the threat is appalling, and the Government would be failing our own people if they did not seek to alert the public to it. I am sure that the hon. Gentleman would agree that moral and political problems arise over the conflict between the civil liberties that we value and the threat from international terrorism.

David Winnick: Whatever differences there might be over identity cards—my views on that are known to some hon. Members—is it not a fact that those who want to inflict the gravest damage on western democracies have not changed their minds in any way

[David Winnick]

whatever? If terrorists could inflict an atrocity on Britain, they would certainly do so without the slightest hesitation.

Donald Anderson: I wholly agree with my hon. Friend, but the kind of issues that I am thinking of include Uzbekistan, for example, and how we should respond to evidence that has been obtained by torture or to countries whose support we need in other areas. How should we deal with the Russian Federation over Chechnya, for example? How should we deal with Belmarsh? These important issues challenge us as democrats as we seek to face the problems of international terrorism. In terms of dealing with the Arab world, this involves a major task of public diplomacy, as the Foreign Office seeks to bring the various elements together. The United States has the so-called greater middle east initiative. I am somewhat sceptical about that, first because it is so comprehensive and, secondly, because it seeks to take a top-down position and has not taken the countries involved fully into the discussion. However, it is most important that we encourage good governance in the Arab countries and seek to build every possible bridge of understanding there.

What are the prospects, broadly, of those areas covered in the Gracious Speech in terms of foreign affairs? On transatlantic relations, we have to accept that the election is over and that President Bush is there for another four years. Perhaps some in the United States Administration are confident that the election confirmed popular support for their international relations policies.

We will have to work with the Administration for the next four years. The new Secretary of State, Condoleezza Rice, is, happily, well known to this country and has a very close working relationship with Sir David Manning, our ambassador. Indeed, the change from Mr. Colin Powell could be positive in that it is clear that he was somewhat marginalised over his latter years in office and that Ms Rice is clearly an insider and has more clout in the White House, where it matters.

We face strains between a number of our key European allies and the United States, particularly over Iraq, although it is significant that, in yesterday's talks at Sharm el-Sheikh, the French leader, Michel Barnier, the Minister of Foreign Affairs, and other French officials were apparently far more conciliatory and started off far more co-operatively over Iraq. That emphasises the role of the United Kingdom, for which we are often criticised, of seeking to build a bridge between the United States and Europe. There will be key areas where we take a very different view from our US allies, such as Kyoto, the World Trade Organisation and Iran, but is important that we have this special relationship while trying to ensure that the US learns multilateralism and that the sheriff, reluctant or not, needs allies and accepts that he cannot manage on his own.

Another such example is the western Balkans, which was mentioned by the hon. Member for Mid-Sussex. That relatively small part of Europe is manageable and it should be managed by the European Union, so it is wholly proper that the US, which two years or so ago was highly sceptical of an EU military presence following the initiative taken by Britain and France, is now totally supportive of a Berlin-plus initiative with the European Union force—EUFOR—taking over in the western Balkans on 2 December. That is important in showing not only the transformation in US policies, but what we as Europeans must do in an area that so much affects our own interests and security. Equally, with our US partners, we have to get over those stereotypes of Mars and Venus—hard power and soft power, with the US doing the cooking and the Europeans doing the washing up.

I turn to what the hon. Member for Mid-Sussex said—he said it rather well, I thought—about the middle east peace process. The role of the US is vital if there is to be progress. I recall the point made by President Bush in Belfast when he undertook to give the same commitment to the middle east peace process as the Prime Minister had given to Northern Ireland. We have seen that commitment from the Prime Minister—indeed, it may be one of the great achievements of this Administration, although I conceded that it is built on many foundations that John Major laid earlier—but we have not seen that same commitment from the US. We may have seen at least the start of it with Monday's visit by Colin Powell, but the key aspect is that such a visit by the US Secretary of State had not taken place for 18 months, which hardly shows the promised commitment and engagement.

It is clearly very important that the US should appoint a senior envoy—which, I say in passing, was recommended by the Foreign Affairs Committee and has been so recommended on a number of occasions—analogous to the James Baker initiative during the early '90s. The points of movement have been set out already—ensuring that the Israeli withdrawal from Gaza goes ahead and seeking to assure the Israelis on the security issue, because it is absolutely clear that the Palestinians could do more on the security side to prevent suicide attacks on Israel—but we can only hope that there is now a moment of opportunity because of the Palestinian elections and because the US has a President who does not face re-election due to the assurance of a second four-year term. Also, we have the elections in Iraq on 30 January, so the new leadership gives an opportunity that should not be missed.

Turning to Iran and Iraq, we were unaware of the extent of Iran's development of a nuclear capability. By contrast, there was a massive exaggeration of the weapons of mass destruction available to Iraq, whereas we were unaware of the extent of Libya's development arising from the A.Q. Khan network. Libya, however, has proved a model case in co-operation and non-proliferation since last October. On Iran, we know of the EU 3 agreement in October last year, that the International Atomic Energy Agency will discuss Iran tomorrow and that there have been last-minute hitches in terms of the nature of the suspension and the monitoring of Iran's compliance with its undertakings to the EU 3.

Who is right: the US to be very sceptical or Europe to be perhaps a little too naive about the development? History will tell.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): Is my right hon. Friend concerned about the sometimes nefarious activities of the National Council of Resistance of Iran? Does not that have unhealthy echoes of propaganda of the kind that was exercised before the Iraq war by the expatriate Iraqi opposition parties? Is he not concerned that such people have a ready audience in some quarters among the neo-conservatives in Washington?

Donald Anderson: It is clear that the Mujaheddin and the National Council of Resistance of Iran are on our terrorist list. It is also clear that they have excellent sources in Iran. Had it not been for the clear intelligence that they gave us, we would have been unaware of that history of concealment on the part of the Iranian Government. Even latterly, there has been useful evidence given in that respect, so it is absolutely right that we in the EU work closely with the Iranians, but, given that history of concealment, we must do so with some scepticism while also rejecting the US policy of going immediately to the Security Council.

One thing is absolutely clear: there is no mileage in going to the UN Security Council. If we did so, such a resolution in relation to sanctions would be vetoed by Russia and China. There is no useful development in that respect.

Mr. Jon Owen Jones: Is it not true—this is the case in almost every example I can think of—that when a country wishes to avail itself of nuclear power its motivation, whether justified or not, is almost always that another country in the same theatre has nuclear power and that it is trying to protect itself from that? Is not that line of argument one that should be developed in relation to Iran's desire to have nuclear power?

Donald Anderson: That is a very plausible reason. Indeed, it might be argued that we could not have invaded Iraq if that country had developed its nuclear capability, which it clearly intended to do. We could therefore reach a conclusion either way as to whether, as it was aiming to do that, a pre-emptive strike was justified. However, I shall not follow my hon. Friend down that road. The only way that we can therefore respond to Iran's concern is by giving guarantees to Iran, and by providing sufficient incentives in commercial links and through civil nuclear know-how from Europe. That, I believe, is part of the package.

Jeremy Corbyn *rose—*

Mr. Kilfoyle *rose—*

Mr. Jon Owen Jones *rose—*

Donald Anderson: The only colleague whom I have not given way to is my hon. Friend the Member for Islington, North (Jeremy Corbyn).

Jeremy Corbyn: Before my right hon. Friend leaves the subject of Iran and the dangers of nuclear weapons there, would he care to comment on the presence of known nuclear missiles in Israel and the build-up to the nuclear non-proliferation treaty conference next year, when it is essential that we get some sort of worldwide agreement? That will not be helped if Britain and the United States are busy developing a new generation of nuclear missiles at the same time.

Donald Anderson: I have heard what my right hon. Friend the Defence Secretary said today in relation to the next generation of nuclear missiles. Certainly, I hope that we will play a positive role in the coming NPT conference. That is an interesting debate, but it is one to come.

Mr. Kilfoyle: Will my hon. Friend give way?

Donald Anderson: I have already given way to my hon. Friend, and it would be unfair to other colleagues if I did not make progress.

As far as Iraq is concerned, it is most important that the elections set for 30 January proceed. They will be the first democratic elections in Iraq for more than 50 years, and it is vital that the Government there are given legitimacy in their country and region. If the Shi'a community gain the majority, we urge them to try to be as inclusive as possible in their country. It would be wholly inconceivable for us to allow Iraq to degenerate into chaos—it would have implications for the entire region were it to become a failed state. Certainly, the indications from the Sharm el-Sheikh conference have so far been quite positive.

I have mentioned a few points in relation to proliferation. I have mentioned the linkage with terrorist groups, and we have no evidence thus far that terrorist groups, although they have tried hard, have such a capacity. However, the International Atomic Energy Agency, led by Dr. el-Baradei, recently warned about a "race against time" to stop a nuclear terrorist outrage. Clearly, we need to engage with North Korea and Iran. Either regime could pass fissile material to terrorists or provide the tipping point for its region. As I said earlier, we must offer incentives and security assurances.

Our great worry is the former Soviet nuclear stock, which was highlighted by the Foreign Affairs Committee report of July 2004. Russia's record since 1991 has raised major concerns in relation to non-proliferation efforts associated with the war against terrorism. For example, the nuclear sector still produces large quantities of weapons-grade plutonium and no comprehensive inventories of fissile stockpiles exist. Clearly, many in Russia, as the Committee's report showed, benefit greatly from the trade in weapons of mass destruction. The Committee concluded that the Co-operative Threat Reduction Initiative, with massive funds at its disposal to deal with the proliferation of the Soviet Union's weapons of mass destruction legacy, is essential. Within that, the Nunn-Lugar initiative deals not only with centralising and guarding stockpiles, which in the past were the responsibility of the KGB, but decommissioning nuclear submarines in Murmansk and elsewhere. That is vital.

I only mention in passing the crowded agenda in terms of Africa, where there at least seems to be some progress in Darfur and in the north-south peace initiatives, which I have charted since 1965 and before.

[Donald Anderson]

Some Members will no doubt raise climate change and UN reform, but I will turn finally to the European Union.

Over the period covered by the Queen's Speech, key developments are likely in preparing for the referendum on the constitution. In deciding next month on the candidate status of Turkey, we must recognise how far Turkey has come in changing its internal policies and consider the importance of implementation. We must also recognise that the internal dynamics of the European Union are changing with enlargement. No longer can France and Germany be the key motor of the European Union. It will be a far more diffuse, disparate power structure, in which we can make an important contribution.

All the factors that I have mentioned, such as terrorism and drugs, are linked by the fact that we in the United Kingdom and our Government can make a difference to them. We make a difference through our series of alliances and membership of international organisations, derived from our proud history as a permanent member of the UN Security Council and as members of the European Union, NATO, the Commonwealth and the G8. We can also make that contribution because of the unique personal relationship that the Prime Minister has with President Bush, as the United States is the only remaining superpower. Finally and more immediately, over the next year, we shall head the G8, and will to some extent be able to set its agenda, and in the second half of next year, we shall have the presidency of the European Union, at a time when key decisions will be made. It is an exciting time to contribute to a debate on foreign affairs.

Years ago, a former Foreign Secretary, Michael Stewart, told me that for him—he looked extremely tired in saying this—the matter of concern was that at any one moment of the day, two thirds of the world were awake and capable of causing mischief. That was never more so than today.

1.27 pm

Sir Menzies Campbell (North-East Fife) (LD): I have no doubt whatever that foreign affairs will form a major part of this Government's agenda between now and the general election, which is generally accepted as being likely to take place on the first Thursday in May next year.

Darfur, the middle east, Iran, United Nations reform, Ukraine, Russia, Europe, Zimbabwe and the transatlantic relationship—all are issues that will be on the foreign policy agenda. Over all of those hangs the long, dark shadow of Iraq. The Defence Secretary, in opening the debate, acknowledged that that issue was divisive in the House and in the country. Nothing that has occurred has caused me to alter my view that the military action that was taken in March 2003 was illegal, and taken on a flawed prospectus. That military action has imposed on us all, whether supporters or opponents, a moral obligation to the people of Iraq, which is painful, expensive and dangerous to fulfil.

The background of that obligation is that we now know that there were no weapons of mass destruction; there was no serious and current threat; there was no real and present danger; and at least 12 months before the war, there was an overt acceptance, between the White House and No. 10 Downing street, that regime change was in contemplation and, on the United Kingdom's side, an explicit understanding that regime change would be illegal.

Like everyone else, I welcome the announcement that elections for a transitional national assembly will take place in January, but we should not underestimate the difficulty of keeping that commitment, and the costs that may be incurred. The United States-led strategy of using overwhelming force in Falluja seems to me to be highly questionable and likely to prove counter-productive. A devastating military victory may have been won, but I question how many hearts and minds have been won at the same time.

I have no doubt that much more must be done, urgently, to train, equip and motivate Iraqi military and police forces. The continued presence of multinational forces in such large numbers would not have been required if concerted efforts had been made much earlier to establish effective Iraqi security forces, and the wholesale disbandment of the Iraqi army can now be seen as a grievous error. On that I wholeheartedly agree with the hon. Member for Mid-Sussex (Mr. Soames).

The difficulty is that without greater security, the humanitarian situation cannot be improved. In fact, as the security situation has deteriorated, an increasing number of aid agencies have left the country, not wishing to subject even their most dedicated workers to the risks of kidnap or worse. It is essential for the humanitarian consequences of their withdrawal to be met. Not the least important task is to deal with the tens of thousands of people who were displaced by recent fighting, and to ensure that they have access to food, water, shelter, electricity and medicines.

As I have said, my colleagues and I still believe that the military action was both illegal and unnecessary. We believe that questions of political accountability remain unanswered. That is why we tabled to the Gracious Speech an amendment that regrets the absence of any legislative measure

"to clarify the responsibility of the Prime Minister to Parliament, particularly in relation to the prerogative powers and the role of Parliament in matters of war and peace; and calls for a special Select Committee of the House to consider these matters."

The Hutton inquiry was established to investigate the death of David Kelly. The remit of our own Intelligence and Security Committee and Butler inquiries was to examine the adequacy, assessment and use of intelligence. None of those inquiries, however, has examined or assessed the full political, legal and strategic advice given to the Prime Minister before the war; nor, indeed, has the Prime Minister's competence and judgment in the light of that advice been the subject of review. I hold it to be fundamental that the British Parliament has every right to hold the Prime Minister to account on Iraq, and fundamental for constitutional matters of war and peace to be addressed in full.

Mr. Kilfoyle: I am sure the right hon. and learned Gentleman agrees that if we are ever to arrive at the truth of what happened in the build-up to the war, we must dispose of some of the myths. Will he comment on the statement by the Chairman of the Foreign Affairs

Committee not long ago that Iraq was still in pursuit of a nuclear weapon? Does he accept that that was disposed of by the inspectors and monitors and, indeed, by the Iraq survey group itself?

Sir Menzies Campbell: My recollection is that at the famous meeting of the Security Council, which Mr. Colin Powell has had considerable reason to regret, Dr. el-Baradei gave it as his considered opinion that there was no programme to acquire nuclear capability. That was an interesting meeting, as history has demonstrated, because it now appears that the intelligence on which Mr. Powell gave the strongest assurances of the risk that Iraq presented was of little or no substance.

Donald Anderson: I hope that my memory of the work of the Iraq survey group is correct. I seem to recall it being said that the recipe was still there and that, as with cookery, a recipe could not be unlearnt. Two scientists who were present were encouraged to continue their researches. It was said that there was every indication that the infrastructure was intact and that, had that not been contained, the Saddam Hussein Government would have taken substantial action. The intention was there.

Sir Menzies Campbell: The right hon. Gentleman might take that up with the hon. Member for Liverpool, Walton (Mr. Kilfoyle), but I am bound to say that the argument, or assertion, that yellowcake was being obtained from Niger—

Donald Anderson: That is a detail.

Sir Menzies Campbell: It seems to me to be a bit more than a detail, as it involves the very material whereby capability could be achieved. Moreover, it could not be verified that the aluminium tubes that were seen as being so important were of sufficient quality to provide the necessary equipment for—I think—the operation of a centrifuge. There may have been an intention, but we do not go to war on the basis of intentions. If we did, we would go to war on a remarkable number of occasions. Even the Defence Secretary might be forced to concede that the British armed forces were subject to overstretch in such circumstances.

Mr. Paul Tyler (North Cornwall) (LD): May I return my right hon. and learned Friend to the issue of legal justification for the invasion? Both he and I have pressed the Government to present to the House the full judgment and advice of the Attorney-General. The Government have responded that that would be unprecedented. Does my right hon. and learned Friend agree that as the House was asked in an unprecedented fashion to take a view on the matter, and was given an unprecedented amount of what we now know to have been dodgy intelligence, it would be right for us to see the full advice given to the Prime Minister by the Attorney-General?

Sir Menzies Campbell: My hon. Friend makes two very sound points. We shall see the legal advice eventually—it will eventually reach the public domain. I am in no doubt about that. Had the Defence Secretary been present, I would have been willing to make a modest wager with him—in the sum of, let us say, £100, to be paid to a service charity—that the legal advice will contain reference to issues of last resort and proportionality. Such issues did not feature in the legal advice as published by the Government. It is perfectly clear now to those who have looked at the matter in the round that the Attorney-General's approach was, shall we say, on a rather more qualified basis than has been asserted on his behalf.

I have no doubt that Parliament has every right to hold the Prime Minister to account. That is why legislation of the kind envisaged in our amendment would, in my judgment, be in the public interest.

It is inevitable on occasions such as this, because of the wide range of subjects covered, that there will be a certain amount of selection; but I do not think that a debate on foreign affairs at this time could do other than give some consideration to the possibility of progress in the middle east. The change in leadership of the Palestinians—along with, it could be argued, President Bush's second and final term—seems to offer unprecedented opportunities for progress, but that will require strong and even-handed re-engagement with the conflict. President Bush recently reaffirmed his commitment to a democratic, independent and viable Palestinian state. We in the House of Commons are entitled to request and require the Prime Minister to hold him to his word.

The bombings must stop, but so must the building of the wall and the building of settlements on Palestinian land. All are forbidden under international law, and international law is most often respected when it is applied without discrimination. I have no doubt—here I echo what was said by the hon. Member for Mid-Sussex—that enduring peace will be built only on dialogue. A settlement that is unilaterally imposed by Israel, of which disengagement from Gaza is only one component, will not resemble the road map, will not bring stability to the region and will further radicalise Palestinian opinion. Lasting solutions cannot be imposed; they can only be agreed.

I take issue with the Government on Darfur. Last week, to the disappointment of many, the Security Council once again failed to take decisive action. The situation has deteriorated over the past few weeks: violence has increased again, and more than 150,000 people are short of food, water and medicines. Yet the United Nations Security Council can only agree to "monitor compliance" with previous resolutions. We should be arguing with far greater vigour for action to force all the warring parties in Darfur to adhere to their ceasefire commitments. When will this country take that crisis seriously? Some 100,000 lives may already have been lost.

We should not allow ourselves to get hung up on the question of whether this is or is not genocide. I understand that certain legal obligations might spring from a determination that what has taken place is indeed genocide, but let us leave that to one side for the moment. Let us look at the nature of the tragedy. Rape, disengagement, expulsion and ethnic cleansing have taken place under the nose of the international community, yet what the Security Council can best do is to "monitor compliance" with previous resolutions. It is shameful, and our Government should be robust in

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persuading the international community and those responsible for such matters to be far more engaged than hitherto. Robust and targeted sanctions are urgently required. There should be an arms embargo, an assets freeze and a travel ban on the leaders of the Sudanese Government. The no-fly zone should be strictly enforced, the peacekeeping forces offered by the African Union should be strengthened, and deadlines for progress should be imposed.

Let me turn to Iran. The proliferation of weapons of mass destruction, particularly nuclear weapons, has to be dealt with through a variety of strategies, including counter-proliferation, containment and, yes, hard-edged engagement as well. That is why I welcome the progress made by the so-called EU 3, and in this regard the Secretary of State for Foreign Affairs and his French and German colleagues deserve congratulation on their efforts. There are some questions about the agreement to suspend uranium enrichment; none the less, it is a step in the right direction. When these long-term negotiations begin next month, the EU 3 should press hard for a permanent end to enrichment and reprocessing activities, and for much closer monitoring by the International Atomic Energy Agency.

As I said, there must be hard-edged engagement, but it must be accompanied by economic and political incentives. I welcome the Foreign Secretary's saying that any military strike against Iran is inconceivable. He is perfectly correct, of course, because any such strike would provoke fierce retaliation and could generate dangerous instability in the middle east and, indeed, in Iraq. However, I cannot rid myself of some apprehension at the suggestion percolating down from Washington that Israel might be seen as a surrogate for military action on behalf of the United States.

Jeremy Corbyn: The right hon. and learned Gentleman is absolutely right about the dangers that exist. What action does he think should be taken in respect of Israel's holding of nuclear weapons and its failure to comply with, or endorse, the non-proliferation treaty? Does he see any way forward in next year's conference?

Sir Menzies Campbell: Israel has of course refused to become a signatory. There is a very strong argument in favour of a WMD-free zone in the middle east, but that can be achieved only if the two-state solution is achieved. I hold no brief for Mr. Sharon's Government, but at the moment I would be unlikely to advise them to rid themselves unilaterally of their nuclear weapons in the absence of a comprehensive settlement. Issues such as those referred to by the hon. Gentleman are germane, of that there is no doubt. But they can form only part of a comprehensive settlement that deals with all the issues, and which is based on—as the hon. Member for Mid-Sussex rightly said—an acceptance of Israel within secure, recognised and guaranteed borders, and on a viable homeland and justice for the Palestinians.

Given that this debate also embraces defence, let me make some observations on it. I do note, however, that, as has been pointed out, there have been a number of recent whole-day debates on the armed services and on procurement. It is conventional to mention with gratitude and pride our servicemen and women, but on an occasion such as this, when we know that so many of them are actively engaged in dangerous operations, we have a duty to recognise yet again their courage and distinction, and to acknowledge that soldiers have given their lives in Iraq or suffered severe injuries. We should pay tribute to their bravery and their continuing service on behalf of our country.

As the Defence Committee has been at pains to point out, there are strains on defence. The Government have to take this issue more seriously, because it is hard to see that our commitments will reduce. More United Kingdom troops may well be required in Afghanistan, and we may have to take on more responsibility in the Balkans as NATO hands over to the European Union. Indeed, further commitments may arise as a result of the new EU rapid reaction force.

It is right for the Government to argue that we should move to network-enabled capabilities and effects-based warfare, although I wish that we could find a vocabulary that conveys more lucidly exactly what those terms mean. In essence, the Government are saying that our forces need to be modernised and to have the capacity to fight high-intensity wars. Of course that is true, but we must also retain a capacity for conventional warfare, and for conflict prevention and peacekeeping duties.

There can be no question of the Army's standing still, but I argue the case for reform, not reduction. A few weeks ago in Westminster Hall, the Defence Secretary made a powerful case for reform of the Army. Anyone who heard it could not but be impressed and persuaded by it, but what he did not make was a case for reducing the number of infantry battalions from 40 to 36. I do not believe that the necessary reform, which we would all in general accept, can be achieved only through the subordination of existing Scottish regiments and their combining into one super-regiment. I cannot believe that it is impossible to effect necessary reform without breaking the traditions, geographical connections and community relations that have been enormously important to those regiments.

Perhaps it is an improper thing to do, but I have a special case to make on behalf of the Black Watch, which recruits within my constituency. It is being asked to do a difficult and dangerous task, yet in the process of carrying it out, its very future as an independent regiment is under scrutiny. It says a great deal for the morale and professionalism of the Black Watch that it went to do its duty, and that it did so with the distinction and commitment that it has demonstrated in the circumstances. The Government should not abuse that morale or take advantage of that professionalism and commitment. There surely is a solution that would allow the reforms that the Chief of the General Staff thinks essential, and which most of us accept are necessary, without destroying a regimental system in Scotland—I make no apology for this partial, special plea—that has been of enormous importance not only to the Army itself, but to the communities with whom these regiments are associated.

Mr. Soames: I wholly agree with the right hon. and learned Gentleman, but does he agree with me that what applies to the Scottish regiments definitely applies to the

English ones, and that there are ways of doing what the Chief of the General Staff rightly wants to do without resorting to the super-regiment concept?

Sir Menzies Campbell: I am most grateful to the hon. Gentleman for pulling me up and he is right to do so. I did admit that I was making a special case, and he will understand that.

Mr. Soames *indicated assent.*

Sir Menzies Campbell: The hon. Gentleman is absolutely right: what is good for Scotland should be good for the whole of the United Kingdom.

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD): My right hon. and learned Friend has made a powerful case for the Black Watch; will he endorse the case for the regiments in the south of Scotland? A particularly insensitive and nonsensical suggestion has been made that the King's Own Scottish Borderers and the Royal Scots should be merged into one of the new battalions within that super-regiment.

Sir Menzies Campbell: My hon. Friend makes a powerful point, which is consistent with my general case that we should maintain these connections because of the tremendous contribution that they have made in the past. This is not an argument about nostalgia or an argument for the old comrades. It is an argument for ensuring that what we retain is effective and continues to make the contribution to the Army in the future that it has made in the past.

I would like to say a few words about reform of the United Nations. The Secretary-General's high-level panel is due to report on 1 December. The UN's institutional framework inevitably reflects the political and strategic thinking of the time of its formation—now more than 50 years ago. No one could argue against the proposition that the UN needs to be modernised and made more effective and representative. The Security Council has to be expanded in a way that reflects the new political realities, but there must also be clear rules about the use of force.

In a speech in Chicago in 1999—it is, in my view, not sufficiently well regarded or referred to—the Prime Minister made a powerful case for the right of intervention where there was systematic abuse of human rights. It was consistent with his approach to Kosovo—an approach that I and my colleagues wholly supported. The Secretary-General of the UN himself said in a telling phrase that we should somehow be less concerned with the sovereignty of nations and more concerned with the sovereignty of individuals.

The argument for a right of intervention will undoubtedly run and be embraced: references will be made to it in the high-level panel's report. The criteria that need to be taken into account are the seriousness of what is taking place; the absence of alternatives; whether intervention is truly a last resort; the primary purpose; the proportionality of the means; the likely outcome; and the authority required. I offer those criteria in the clear understanding that they were not taken into account when the decision was made to take military action against Iraq.

Two relationships will dominate foreign affairs for the foreseeable future: our relationship with Europe and our relationship with the United States. I want to reaffirm that we should understand and appreciate that the European Union has promoted and reinforced peace and prosperity, stability and democracy throughout Europe. We too often forget that in recent history, eight of the EU's new members were Soviet satellites, and three of its older members—Spain, Portugal and Greece—were ruled by dictatorships. I have no doubt whatever that our prosperity is underpinned by membership of what is now the largest internal market in the world, with some 450 million people and 20 per cent. of the world's gross domestic product.

The constitution—or, more correctly, the treaty—that the Prime Minister signed a few weeks ago in Rome is an important step to facilitate the operation of an enlarged European Union. We should also acknowledge that the most recent wave of enlargement is an extraordinary achievement. Through the rigorous application of the Copenhagen criteria on social, economic and political concerns, the Union has helped national Governments extend to many millions more people the benefits of democracy, free trade, good governance, human rights and civil liberties. We will support the Bill that the Government intend to introduce to give effect to their obligations under that treaty. However, as my right hon. Friend the Member for Ross, Skye and Inverness, West (Mr. Kennedy) said yesterday, we are disappointed that there is no clear timetable for a referendum. We have heard the Foreign Secretary opining that a referendum might be held in 2006, but nothing firm has been stated.

Having introduced the Bill, the Government should then argue the case. It is certainly true that the case for a negative vote has already begun, but the case for an affirmative vote will begin to be effective only when the Government put their shoulders to the wheel and encourage, perhaps even instruct, all Ministers at all levels to show an enthusiasm for Europe, which has not been notable, shall we say, in recent weeks and months.

I wonder how it is, when Europe and America have so much in common both culturally and politically, that transatlantic relations have become so fragile. The explanation probably lies in the fact that as the US has grown in military and economic power, Europe has struggled to keep up. For America, NATO and other alliances are a matter of choice, but for Europe and the UK, multilateralism remains a necessity.

On this side of the Atlantic, we have failed to acknowledge the profound shift in American psychology that has taken place since 9/11. A hard-edged crusading America has recently been endorsed by its citizens. President Bush is not an aberration: the attitude and outlook of America have been transformed. But that does not deflect me from the overwhelming belief that Europe must maintain a strong alliance with the US. For the UK, too, it is not a simple choice between one or the other.

We must fully acknowledge the fundamental importance of Europe to our modern-day prosperity, stability and security. Equally, we should be under no illusion as to the force of American pragmatism and the determined pursuit of its own national interest. I believe that, unless we are fully engaged with Europe, our

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influence in America will inevitably be diminished. A Europe that presents a united front will be far more influential than an "old friend"—even one to whom the award of the congressional medal has been made—trying to call in favours.

I am in no doubt that it is in the strategic and economic interest of Britain to build a Europe that is constructively Atlanticist. We must have a genuine US-European partnership of influence and we must try to persuade America to re-engage with the international community. We must try to convince the White House that American security will be not enhanced, but undermined, by unilateralism, the exercise of crusading power and the doctrine of preventive war.

We should call on the US to reinvigorate its support for the framework of international law and human rights that it was so instrumental in creating. The war against Iraq, Guantanamo Bay and Abu Ghraib have all undermined America's international standing. We expect America to adhere to the principles on which it was founded: liberty, justice and the rule of law. We should miss no opportunity, working within a frank and candid relationship, to say that as often as we can.

I want to conclude by making a brief reference to remarks reported as having been made by the Leader of the House about the country being "safer under Labour" and, by implication, not safe under any other political party. To put it most charitably, I would have to say that those remarks were ill judged and should be withdrawn at the first available opportunity. I believe that they are offensive and provide a hostage to fortune. If, God forbid, some terrorist action takes place with loss of life, an assertion that Britain can be safe only under one political party may come to haunt anyone who has made it.

I also want to say, with some sensitivity, that it is not that long ago that some Labour Members of Parliament refused to support—either through abstention or by voting against them—the renewal of prevention against terrorism provisions for Northern Ireland. They thought that they had good reasons for doing so. I, for one, and many others, never accused them of being soft on terrorism. Those of us who regard it as our duty to challenge any legislation that may have the effect of detracting from the civil rights and individual liberties of any citizen of the UK do not view it as acceptable to be traduced in this way.

We will examine every Government proposal on its own merits. We will exercise our judgment and scrutinise the Government. That, after all, is why our constituents send us here. It is what they invite us to carry out in their name. Any legislative proposals to deal with the problem of terrorism will be examined in that spirit, as will any proposals relating to foreign affairs and defence.

1.59 pm

David Winnick (Walsall, North) (Lab): We must all be concerned about the threat of international terrorism and about the defence of our civil liberties. I do not believe that there is a contradiction between those two things.

Before I deal with some aspects of foreign affairs, I want to preface my remarks by saying that it is unfortunate that the ceremonial state opening of Parliament has not changed for such a long time. Certain other changes have taken place recently, as Mr. Speaker reminded the House yesterday. For example, we no longer have the Sessional Orders, which were pretty meaningless anyway. It was about time that they went, and the statement made by Mr. Speaker was far more appropriate. I remember that when I first came here, the Commons was interrupted from time to time because hon. Members had to go to the House of Lords for Royal Assent to be given. That was done away with quite a long time ago, and parliamentary democracy was not undermined as a result.

When I watch some of the proceedings involved in the state opening, it seems to me that although we are always lecturing the country with familiar words about modernisation and ending restrictive practices on both sides of industry, our own ceremonies and procedures are no longer necessary in this modern age—and certainly not in the 21st century. Needless to say, that is no reflection on the monarch, and should not be taken as such.

Gregory Barker (Bexhill and Battle) (Con): The hon. Gentleman is an extraordinary killjoy and his anti-cultural view would enrage my constituents. No one who comes to this wonderfully historic building fails to express great sympathy for its traditions and rich cultural history. I do not know why the hon. Gentleman is so uncomfortable with his history, but I can tell him that my constituents—young or old, schoolchildren or old-age pensioners—all take great pride in the institutions that we have here. As long as tradition does not undermine our work, I believe that it serves as a quaint reminder of all that has gone before.

David Winnick: The hon. Gentleman expresses his point of view, which is quite likely to be held by a number of his colleagues. That is fair enough, but if that approach had always been adopted in the past, we would never have changed anything. We should not be ashamed to say that one of this country's greatest blessings is Parliament, and everything that flows from the House of Commons and our parliamentary democracy. That is what I am concerned about. When I show people around, I take as much pride as anyone else would in emphasising what I have just said about the great benefit to the country that this House provides, but that does not mean that every form of tradition and ceremony should be retained for ever, as the hon. Gentleman clearly believes.

Jeremy Corbyn: Before my hon. Friend leaves this point, he should be aware that what he has described is not a pageant of history, but a demonstration of the shortage of democracy in our society. Ours is an elected Chamber, but hon. Members are commanded to go to an unelected House to listen to an address. That does not seem very democratic to me.

David Winnick: Again, that is a point of view. There may be a case for using the word "request" rather than "command", but I did not intend to be particularly

controversial in this preface to my remarks, although some of my colleagues know that I am not very keen on too much dressing up and all the rest of it.

I come now to foreign affairs. I make no apology for having supported the overthrow of Saddam's tyranny, but it was never my view that the foreign occupation—and especially western foreign occupation—should be indefinite. That is why I hope that it will be possible to hold elections on 30 January. Whatever one may say about the Government who have been appointed in Iraq, one thing is certain: they have no electoral legitimacy at all. As was noted earlier, the controversy between those who were in favour of the war and those who were not will last for a very long time, but those who opposed the war must face up to the fact that Saddam would have remained in power indefinitely—

Sir Menzies Campbell *indicated assent.*

David Winnick: I see that the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) agrees with that, as he is nodding in approval. It is also certain, and should be borne in mind, that when Saddam finally went, he would have been succeeded by one of his murderous sons.

However, the longer the occupation lasts, the more it becomes part of the problem and not the solution. The vast majority of Iraqis are not involved in terrorist violence. I am sure that most of them oppose what is being done, allegedly in their name, but the events of the past few months have meant that we are losing the hearts and minds of those non-violent people. I think that most Iraqis were very pleased that Saddam was overthrown, but they are very unhappy about what has happened in the past four to six months.

Of course, the situation is difficult. Many American soldiers have lost their lives, as have some of our troops. The fact remains, however, that the sooner we find a way to end the occupation—particularly the western occupation—the better. Iraq has a proud tradition, and Iraqis are a proud people. They no more want to be occupied indefinitely than would UK or US citizens. I am sure that that is the view of the British Government.

I want to pay particular attention to the middle east and the Palestinian-Israeli conflict. It is very good news that the outgoing US Secretary of State is visiting the region and meeting both Israelis and Palestinians. My right hon. Friend the Foreign Secretary is also there, which is why, as we have been told, he is not in the House today.

The planned evacuation from Gaza is welcome, of course, but the unilateral manner of its inception was not. Moreover, it has been stated that the Gaza evacuation was going to be the end of the matter. Instead of being the beginning of the evacuation of Israeli forces from the post-1967 territories, it was assumed that the Gaza evacuation over the next 12 to 18 months would be the end of the story. Unfortunately, that assumption was endorsed by President Bush.

The House should bear it in mind that the population of the Gaza strip totals about 7,500, whereas the population of the illegal settlements—and the right hon. and learned Member for North-East Fife reminded the House that the settlements were indeed illegal—totals about 400,000 settlers. The strong impression is that they will remain.

Dov Weisglass, the Israeli Government's senior adviser, has stated:

"When you freeze (the peace) process, you prevent the establishment of a Palestinian state, and you prevent a discussion on the (Palestinian) refugees".

He went on to say that all that had been done

"with a (US) presidential blessing and the ratification of both houses of Congress."

Inevitably, the suspicion is that it is the aim of the present Israeli Government to go no further than the evacuation of Gaza.

David Cairns: My hon. Friend referred to the statement by Dov Wiesglass, who I believe is Mr. Sharon's personal lawyer and was not speaking in any official capacity. Even if his statement reflects the views of Ariel Sharon—and I do not believe that they do—does my hon. Friend agree that it is a very short-term view? The momentum of withdrawal from Gaza will create a degree of expectation among the majority of Israeli citizens, who also want there to be a withdrawal from the west bank. Irrespective of Mr. Wiesglass' view, once the genie is out of the bottle, it will be very hard to contain.

David Winnick: Well, that would be more persuasive if the Israeli Prime Minister had dissociated himself from the remarks made by his senior adviser. The expectation among the Israelis may be as my hon. Friend suggests, but what is the expectation among the Palestinians? They expect that the Gaza strip will be evacuated, but that the rest will not be. No one could condemn terrorism more than I do. The suicide bombings are a blot on humanity, as I have said time and again, but what should those Palestinian representatives who are opposed to violence say to Hamas and Islamic Jihad? Should they say, "Stop your violence and we will use political means"? Those Palestinian representatives who are against violence and who want a dialogue with the Israelis—who want to find a way out of the impasse and to negotiate a Palestinian state—are undermined time and again by Sharon's Government. Of course, Sharon has an appalling record. We cannot forget what happened in the refugee camps in 1982. We should not forget that General Sharon, as he was then, was condemned by an Israeli commission of inquiry for what happened, although of course the actual atrocities were not carried out by Israelis.

I have not changed the view that I had in 1948, when I was some 15 years old, that, given what had happened to the Jews—not only during the second world war, when 6 million lives were lost simply because of race and for no other reason, but over 2,000 years in which Jews were demonised and persecuted—it was just and right for the international community to bring Israel into existence. I say that without being a Zionist. I have not changed my mind in the past 56 years.

Jeremy Corbyn: Does my hon. Friend agree that the peace process and the possibility of a settlement in the new year between Israel and Palestine would be greatly enhanced if Israel released Marwan Barghouti from prison, so that he could play the valuable and

[Jeremy Corbyn]

constructive role that he has always played in Palestinian politics and try to bring about a peaceful future?

David Winnick: I do not know whether that person would wish to do that, but if my hon. Friend is asking whether he should be released and allowed to leave the country—

Jeremy Corbyn: I am not talking about Vanunu: I am talking about Marwan Barghouti, the Fatah leader who was imprisoned by Israel last year.

David Winnick: I apologise to my hon. Friend. I agree that it would be useful if that person, who is clearly held in high esteem by Palestinians, were released and could play his part in the peace process.

The price for Israel's creation has been paid by the Palestinians, and it has been heavy indeed. They were not responsible for what happened to the Jews and one can therefore understand the plight of people who have been dispossessed over half a century. They live in refugee camps and their existence is abysmal. Day by day, they recognise that life for them and their children will not get any better. We understand why Israel came into existence. Should we no less try to understand the position of the Palestinians and the heavy price that they have paid? Justice cries out for a sovereign Palestinian state in the occupied territories. That means that Israel must content itself within the pre-1967 borders. Within those borders, of course, it should have as much right as any other sovereign state to defend itself.

The settlements in the west bank must go, like those in Gaza. We must move away from the feeling in negotiations that the Palestinians can be given a piece of land here and there and should feel grateful. When we talk about a viable sovereign Palestinian state, we mean precisely that. The Palestinians cannot be expected to be grateful for anything less. They argue that even if they were given the occupied territories, Israel would still have 78 per cent. of the original Palestine, leaving 22 per cent. for a sovereign state.

Much is made of the fact that the Palestinians should accept the right of Israel to exist. Of course that is true, and the PLO has done so. However, Israel also has a responsibility—and we hope that this will emerge from future negotiations—not necessarily to encourage Jews to go to Israel. Common sense dictates that if Jews were actively encouraged to go to Israel, there would be even greater pressure on land, although I do not know how many Jews living in the free world in democracies would want to go and live in Israel, even if there was a peaceful outcome. A balance must be struck. If we have justice for Jews in the form of the state of Israel, it is essential that we have justice for the Palestinians.

If there is one country above all that can apply effective pressure on Israel it is the United States. That is why so many of us were disappointed recently by some of President Bush's remarks. If, in his second term, there is a change of mind in the White House, it will need a genuine wish to work with other countries to achieve a settlement—as we saw when his father was president and also under President Clinton—and to bring about a viable sovereign Palestinian state alongside Israel. That would be for the benefit not only of the Palestinians, but of the world order itself.

2.17 pm

Mr. Kenneth Clarke (Rushcliffe) (Con): This was one of the most cynical Queen's Speeches that I have heard presented to Parliament since I have been here, and that is in a competitive field. It was plainly intended to be a pre-election Queen's Speech and is loaded with huge numbers of Bills on crime and security, to add to the vast amount of legislation that we have passed on that subject in this Parliament. Indeed, many of the titles of those promised Bills seem to repeat the content of previous legislation. It is clearly a chosen political strategy to play on the fears of crime and security in this country and to present a huge programme of legislation in response.

That strategy was expressed most disreputably by the Leader of the House when he tried to suggest that if anybody had reservations about key parts of the Queen's Speech, they were being soft on terrorism and, therefore, people could feel safer with a Labour Government. That is a half-baked imitation of the successful presidential campaign by George W. Bush in the United States, but it is only the Government's latest attempt to try to change the subject matter of the debate in the run up to the election.

The Government are trying to change the subject matter from Iraq and the associated international problems. It is not the first time that they have tried to do so. They tried to change the subject for most of the summer. Over that period, we were treated to a series of initiatives to reform public services, which was supposed to be the agenda that would make the British look to home and away from the problems of abroad in the run up to the election. Sadly for the Government, that theme has played very badly with the Labour party, so it vanished as a subject from the Labour party conference and also as a subject for the Queen's Speech for this winter. Now the British public are expected to be afraid of terrorism and look to the Labour party to tackle that domestic problem. The Government hope that the British people will thus look away from the problems in Iraq and elsewhere, although many of us feel that those problems might be feeding the terrorism that we face.

I think that the Government may get it wrong—and they are not the only politicians who hope that the next election will not be about Iraq. The next election could still be quite dominated by Iraq, because we do not know what fresh, horrific events could emerge from the middle east, affecting our troops and drawing our attention, between now and next May. Iraq keeps forcing itself back on to the agenda because it is such a huge and horrendous problem.

We are all assuming that the election will be on 5 May—indeed, the date has practically been announced and put on the Order Paper—so we know that a large number of the Bills in the Queen's Speech have not the slightest prospect of becoming law before we go into the election; they are mere decoration, designed to occupy the Chamber between now and the campaign next May. The horrific events that may occur—I hope not—between now and next May, and the continued damage

to the Prime Minister's reputation and to the British public's trust in the Prime Minister, could still force him away from his chosen date of 5 May, and he may be driven into a further year in the hope that he can get the agenda back where he wishes.

I want to discuss Iraq, however, as I think that it will dominate our affairs—

Mr. Jon Owen Jones *rose—*

Mr. Clarke: But first I shall give way to the hon. Gentleman.

Mr. Jones: I thank the right hon. and learned Gentleman for giving way, but I cannot agree that the Government will be extremely vulnerable on Iraq in the lead-up to an election. My Government certainly would have been vulnerable if he had been elected leader of his party. In those circumstances, we would have been extremely vulnerable, but as that is not the case—perhaps it should have been—we are not vulnerable at all.

Mr. Clarke: The issue does not depend on particular personalities. Plenty of Members, from all three parties, are strongly opposed to Iraq and they have struck a chord with the majority of the public; every time a fresh step occurs in Iraq, it reminds them of the circumstances in which the invasion was launched.

Like everybody else, I shall not go back over my reasons for having been so bitterly opposed to the war. I remain as strongly opposed to that decision as I was; it is one of the worst mistakes that any British Government have made in such a field since the Suez adventure, and its consequences could be far more damaging than the damage that flowed to British interests from the mistaken attempt to invade the Suez canal zone. However, we must all now accept that the argument has moved on from whether it was justified to invade Iraq and that, when a general election comes, we shall all have difficulty in addressing precisely what should happen to produce a satisfactory, or the least damaging, outcome to the problem that we have created.

By May next year, we shall still be deep in a political quagmire in Iraq and the middle east. Whoever wins the next election will have to deal with a situation that could last for several years, in which British troops and British interests are committed to a continuing attempt to resolve the problem in Iraq and to avoid the worst possible outcome—a deep fissure between the Muslim world and the west, where the British would be cast as one of the villains of the piece for having got into that situation. It is extremely difficult for anyone to set out with even the slightest clarity what is likely to happen to lead us to that successful outcome.

As one of the most bitter opponents of the invasion, I do not think that the British can simply concentrate on getting our troops out. We cannot set a deadline. Indeed, it would not be reputable, having got ourselves into this chaos, to say that because we do not know what to do next, we shall simply contrive an opportunity to bring the troops home. We all realise that it is in our interests, and the interests of all our allies, that we continue to provide—as best we can—security in Iraq until some stable and satisfactory outcome is reached, but that could take us a very long time.

From listening to the Government, I have not received the slightest impression that they have really thought through how they are going to reach that outcome. I do not criticise the brevity of the reference to Iraq in the Queen's Speech, because it is largely a ritual document; it merely talks about our need to maintain security and to help to ensure that the elections are held in January. I listened to the Secretary of State for Defence read his speech. It might have contained something; he gave the impression that he read it with perfect clarity, but I do not think that he had read it before he regaled the House with it. It contained nothing whatever about precisely where we were going in Iraq and what the Government thought would happen when we get to the elections.

In the United States and in the United Kingdom, we are continually offered the promise of false dawn—an end to the difficulties that are going on. First, the arrest of Saddam Hussein was to launch the denouement and the move towards success. Then the appointment of the Interim Government of Mr. Allawi was a watershed, after which the whole situation was to improve. The danger is that all we are being told by the British Government, and, as far as I can see, by the American Government, too, is that on 30 January there will be an election and that a new Iraqi Government will emerge. Thereafter, presumably, a more satisfactory denouement will begin.

I hope that is true. I hope that the third thing proves correct, but I have absolutely no confidence that anything of that kind will occur. I hope that the election is held in reasonable and satisfactory circumstances, but that must still be very, very doubtful. I have no idea—nor does anybody else—what kind of Government are supposed to emerge from the election in January, and I have no confident expectation that a peaceful debate about a new constitution for the independent Iraq will be satisfactorily progressed by a new Iraqi Government once they are in power, if indeed they succeed in taking power after the election.

When I ask myself where we are going and what we should be doing to reach a satisfactory outcome, I am extremely cautious about my own forecasts. If anybody knows how to move from where we are now to a stable, reasonably democratic and liberal Iraq, which might live in peace with its neighbours, that man or woman is the best qualified person to take the Nobel peace prize with bar. The problem is almost impenetrable, but what I am sure of is that our policy so far cannot continue, because it is making little progress.

I agree with everything that my hon. Friend the Member for Mid-Sussex (Mr. Soames), the shadow Secretary of State for Defence, said about the woeful lack of planning and the appalling errors that we made when we first took over. I also agree with all the criticisms that have been made, and which should certainly be made again, about where we have got so far. We are preparing for that election with a series of battles to achieve control of key cities, in the belief, as we heard from the Secretary of State in one of his few unscripted moments, that the grateful civilians will stream back to Falluja to take part in the election at the end of January. No doubt other cities will be conquered in the same way.

[Mr. Clarke]

The methods being used are heavy-handed and not calculated to win the automatic adherence of the population to supporting acceptable people.

Let us recall the real policy when the invasion was launched; it is now reasonably clear. I said at the time that it had nothing whatever to do with weapons of mass destruction. That claim was bogus and anyone fortunate enough to have had contact with neo-conservative Americans knew that weapons of mass destruction and UN resolutions had absolutely nothing to do with it. The purpose of the invasion was to change the regime in the belief that, democratically, an election would result that would produce a pro-American and pro-Israeli Government, preferably led by Mr. Ahmad Chalabi, or someone very like him, who had been in exile in the United States. I do not think that an election will produce that, and I hope that we are braced for it.

I hope that there is a new flexibility in our political policy that will enable us to respond to whatever happens when the election comes, when the Government will certainly have more legitimacy, because it will be elected, than the present Interim Government, which still contains far too many people who were living in exile before the invasion took place and does not contain any significant member who was opposed to the invasion or represents more hostile elements. We must have a policy that prepares for the election producing a much wider spread of opinion. It will produce people who are probably not regarded as terribly sympathetic to western interests, and there will be a strong clerical element in some parts of the elected representatives.

Far more than hitherto, we must be prepared to embrace, in our contemplation of the kind of Iraq that we will accept and protect until it is truly independent, a collection of people who are not the kind of people whom we would have voted for. For the first time, our politics will have to embrace serious dialogue and seriously take on board the views of those who are anti-American, probably more than they were, and anti-western, those who are clerical and have links with the world around Iraq, and those who will be slightly troublesome. I hope that we are prepared to take on board the fact that we must consider those people in our politics, and we must accept an outcome in Iraq that will probably be second best in the opinion of most hon. Members and would certainly be regarded as unacceptable by American neo-conservatives if they had known that that would happen when they embarked on their course.

The solution must come from the Iraqis—we all agree that now—and I look forward to the debates where the Kurds, the Sunni and the Shi'a talk about a constitution that is mutually acceptable to them all. Any attempt to impose a solution by the Americans—or the alliance, if we prefer to call it that—would be extremely counter-productive. We must accept that we must try to eliminate violence and maintain security in what is a confused and worrying situation, as the different Iraqi elements try to produce what they have to achieve if they are to keep the country in one piece at all.

This parliamentary Session will certainly go beyond the key date of 30 January. I trust that, between now and 30 January, the Government will give more thought to what they are doing than the Secretary of State betrayed in what he said today. Before we get to our election in May, we will see the newly elected Iraqi Parliament in action, and we will see what the behaviour of the Americans, ourselves and our allies is around them. That will call for far more flexibility and far less intent to support certain elements in the Iraqi community than we have shown so far. As for our military activity, I will repeat what I have said on previous occasions: we will require a far more politically intelligent approach to the use of the military in support of whatever happens that is positive and against whatever happens that is negative, while that constitutional debate goes on.

We still seem locked in a belief, certainly on the other side of the Atlantic, that by military power alone we can impose a democracy of the kind that seems desirable and that, if there are setbacks, we need to have a battle in which we are the victors. It is beyond doubt that the coalition forces in Iraq could be the victors in any battle against any organised military force that could be mustered by anyone in the entire middle east. So far, we have emerged from most of those battle honours with political defeat, and we will continue to do so unless we improve our approach. As I have said before, that is one British contribution that we could make. The British have a longer history of dealing with the politics and sensitivities of terrorism that arises out of support from a hostile population, and our approach to things should be given altogether much greater weight in what the alliance does than has been the case so far.

David Winnick: The differences about Iraq will last a long time, as I said, but does the right hon. and learned Gentleman not accept that what was done in Kosovo and Afghanistan was justified and that, with all its setbacks, military action nevertheless did away with ethnic cleansing in Kosovo and dealt a blow in overthrowing a gangster regime in Afghanistan that all hon. Members surely wanted to be destroyed?

Mr. Clarke: I have been a supporter of every military action engaged in by every British Government of any kind since I have been a Member, until we reached the invasion of Iraq. I was a supporter of what we did in Bosnia and Herzegovina, although I had some doubts about it at the time. I was certainly a supporter of what we did in Kosovo, although the legality of such action should be improved, as was said by the right hon. and learned Member for North-East Fife (Sir Menzies Campbell). I was a supporter of the invasion of Afghanistan because we were attacking the place where the people who had organised the 9/11disaster were located. However, we are not out of the woods in any of those cases. If we think that just the military action produces an answer, let us remember that it has not done so in any of those cases.

We are all talking about our continued involvement in Bosnia, which is no nearer being a completely viable independent state than when we arrived. The state of affairs in Kosovo is fairly dire, and people are only being saved from murder by the fact that we continue to have troops there, partly because we went into Kosovo in alliance with the Kosovo Liberation Army, who we knew were rather dodgy people to be allied with before we went in, but we were reluctant to commit troops on the ground and they had troops who were willing to go.

We went into Afghanistan in alliance with the Northern Alliance, which was well known to have some connections with the drugs trade. We are now presiding over a democratically elected regime, but the democratically elected people still have a hint of warlordism about them. There is no proper control in parts of the country, and we have made the country a haven for the production of opium, which is in part flowing through Bosnia, no doubt, to this country.

We have a record of intervening; we do not have a record of political triumph in the places that may have been occupied as a result. Although all those cases were justified, the invasion of Iraq was neither justified nor legal. We have created an even bigger mess in Iraq, and it will take a very long time to get out.

I have given my tentative thoughts, which anyone's thoughts are bound to be, on what will happen in Iraq next, but hardly anyone discusses that on either side of the Atlantic, and the Government's contribution to thoughts about what will happen next in Iraq are about the most limited that I usually hear on the subject. My biggest regret on post-war Iraq—where we are now—is what it tells us about the state of the American alliance and the British role in it. I am strong supporter of the Atlantic alliance, which must be at the heart of our foreign policy. I believe that, in return for our adherence to the Atlantic alliance, we expect to have some influence on the policy, events and conduct of affairs because we make a valuable contribution.

So far as I can see, the fact is that the British Government have had next to no influence of any kind since the occupation of Iraq was completed. I cannot believe that any very serious attention has been paid to the contribution of our Prime Minister. We are there as apparently willing supporters and we provide extremely valuable troops, who are doing an outstanding job in impossible circumstances, but I detect no input of British diplomatic experience, British political skill or any particularly British contribution to the political evolution of that country.

What that tells us about the Atlantic alliance—this brings me to the other subjects that I will touch on more briefly—is that an Atlantic alliance that is just dependent on an American arm and a British arm, so far as we are concerned, is not sufficient. The Atlantic alliance is a US-European alliance, and if we wish to have influence in future, there is absolutely no doubt that, unless we have closer foreign policy and security co-operation between the members of the European Union, so that there can be a coherent European voice and contribution to the Atlantic alliance, we simply will not have the influence on the world's superpower that we would wish.

That takes me on to the other subject in the Queen's Speech that I want to touch on. I welcome the fact that a Bill has appeared to allow us to legislate to ratify the new constitutional treaty and to pave the way for the referendum that will eventually decide the matter. Fairly well founded leaks suggest that there was a huge argument in the Government about whether they wished to put the Bill into the programme at all. So far, the leaks have not been good enough—they soon will be, given the way that this Government brief the press—to let us know how they intend to handle the issue now that they have put it in the legislative programme. Will the Bill have its Second Reading before Christmas and will there be a serious attempt to put it into law, or will we just have a day's debate sometime after Christmas with the whole thing falling in the May election? I imagine that the Foreign Secretary, the Prime Minister and the Chancellor of the Exchequer will argue that whenever they next get the chance to meet in the same country and the same room and get on to talking about it.

I hope that, once the Bill is introduced, we will get on to deciding on it and giving it parliamentary approval before the election is held. We can then move on, as everybody in the House claims to want to do, to a referendum that will endorse or not endorse what Parliament has decided. I realise that it is pointless, but I wish to put on record my total hostility to referendums of all kinds in a parliamentary democracy. I have against my record the fact that I was persuaded—I very much regret it—to agree to a referendum on the single currency. In a competitive field, I think that it is one of the worst mistakes, if not the worst mistake, that I have ever made in politics.

David Cairns: Come, come.

Mr. Clarke: This is not the opportunity to think of better claims.

The Prime Minister's decision to call a referendum was one of the weakest decisions that he has ever made. He publicly made it clear that he was totally hostile to the whole idea of holding a referendum on the issue. He was persuaded to hold one, and I fear that it will be a lottery. However, the debate might be improved if Parliament has at least debated the issue and decided that, in the normal course of events, it would have ratified the treaty.

I will support the new treaty. If we ever get to the referendum, I will no doubt campaign for a yes vote. It is a matter of huge importance so, if we are to have a debate here and a referendum, I trust that people will realise the crucial importance that the treaty has in giving this country a satisfactory role at all.

I always expected—I thought everybody did—that we would have a new constitutional treaty if we could successfully complete the enlargement of the European Union. Its enlargement is one of the most historic events we have experienced in recent times. The EU remains a political undertaking even though the politics have somewhat changed. It started with the intention of making sure that the old European wars never reoccurred and that we never went to war with each other again. Thank God, those wars are now a long way behind us. The EU is now creating, however, a democratic, liberal political cohesion across the whole continent. That is a huge achievement.

Someone has already said that fascist Spain was made democratic and liberal by being brought into the EU, and a similar process occurred in Portugal after Salazar and in Greece after the colonels. The cold war is over and eight former totalitarian states, plus the two Mediterranean ones, are now being brought from totalitarian rule into a liberal democracy on a European agenda. Even the debates about Ukraine, which form the background to this debate, are in part about the division in Ukraine and whether the election has actually been won by liberal, parliamentary, pro-western democrats who look to the EU as their

[Mr. Clarke]

aspiration to try to create the foundation for the state that they want. All that is a huge achievement for the EU and underlines the wisdom of our involvement in it as it tackles all the issues well beyond the capacity of the individual nation state to solve itself. When nation states pool their sovereignty with each other in the common interest, they can help to create a whole new polity across the continent of Europe.

The EU has moved from 15 to 25 member states, and the old constitutional treaties never worked very well for 15. That means that we need to make the great leap forward to make sure that we have a workable constitution for the new enlarged European Union.

The treaty would be welcomed by British politicians on all sides if only they adhered to the sentiments that most of them used to express until about five or 10 years ago. The treaty makes it clearer than ever before that the Union is a union of nation states. I was never federalist, and I think that this is the end of federalist ambitions in the Union. More power is put in the hands of the Council of Ministers and the Governments of the nation states, who are the principal gainers from what is set out. The treaty makes clearer than ever before the division between European competence, covering those areas in which one nation state on its own cannot achieve as much as it can by acting in co-operation with others, and purely national competence, which remains within the sovereignty of each parliament.

I find the debate in this country rather bewildering. Some 25 nation states have just agreed on the new constitution, but there is the suggestion that we should perhaps take this moment to step away from this and say to the other 24 that we might start renegotiating other issues involving the repatriation of powers going back to the original foundation of the Union. That strikes me as a somewhat uncertain undertaking that is unlikely to achieve success.

Those of my right hon and hon. Friends who are Eurosceptic find themselves with some curious allies. One or two leading members of my party went out of their way to say how much they agreed with Robert Kilroy-Silk. They could not understand why he was causing so much disruption shortly after the European elections. More embarrassingly, they find themselves in alliance with the more breakaway factions of the French socialists, who have decided to go hostile in their referendum for totally different reasons.

I met Mr. Laurent Fabius recently and asked him why he was causing so much difficulty. He is an extremely distinguished French socialist and makes me look like a Eurosceptic. He is a very pro-European French former Prime Minister, and he told me that the treaty was not European enough. Indeed, in France, it is known as "la britannique", because it puts in place a form of the EU that has been long argued for by the British and the Scandinavians and is now argued for by the new central and eastern European members. As someone has already said, it marks the end of any dreams of Franco-German hegemony or of a federalist superstate that anybody once harboured. I hope that we will make progress, have a proper and sensible debate, produce a workable solution and settle our destiny in Europe for all times. I think that I have made it clear that I will vote in favour of the Bill if and when the Government ever have the courage to bring it to the Floor of the House.

I end on a note of discomfort with a Government who, it seems, have failed to give us any sensible lead in Iraq and certainly, to a pro-European, any sensible lead on Europe over the past few years. It is an irony that the most pro-European Prime Minister that this country has had since Edward Heath has, through fear, indecision and hedging about, so totally mismanaged the European issue from the moment he took office. I hope that he does not continue to do so. If we are to settle the constitutional problem and our role in Europe so that we can start to build a proper relationship in the north Atlantic alliance, people of other parties and members of the Labour party other than the Foreign Secretary and the Prime Minister should take a hand both in the House and in the referendum. I trust that we shall reach a satisfactory outcome.

I conclude as I started. The subjects of Iraq and Europe have been tucked away in the Queen's Speech, because the Government did not want to slip them in and do not want to talk about them sensibly at all. Between now and next May, we are to be subjected to a whole lot of second-rate rubbish that tries to pretend to the public that it is all necessary to save them from the wave of crime and the wave of terrorist attacks to which Conservatives and Liberal Democrats might otherwise leave them vulnerable. That is not worthy of the great events with which we are struggling. I deeply hope that, come next May, somebody with more purpose is put in charge of events in this country and abroad.

2.50 pm

Jeremy Corbyn (Islington, North) (Lab): It is a pleasure to follow the right hon. and learned Member for Rushcliffe (Mr. Clarke). I admired the laudable and stoic way in which he ploughed on through all the Tory cheers for his policies on Europe. I agreed with most of what he said about Iraq and I cannot forget the valuable contribution that he made to the debate on 18 March 2003 in the run-up to the war on Iraq. He showed in that speech that he understood the issues facing the middle east and the world, which have not been made safer or better by policies followed on Iraq, but considerably worse. I sadly did not agree with several other points that he made, but they will have to wait for another day.

The right hon. and learned Gentleman was right that we have been presented with a Queen's Speech that talks heavily about security in the run-up to a general election. Security and people's rights to live in peace are obviously important, but have the policies of the United States and Britain since September 2001 made the world safer and better, or more dangerous and insecure? The invasion of Afghanistan—I did not support it, although many of my colleagues who subsequently opposed the war in Iraq did—removed the Taliban regime, but it did not capture bin Laden or stop drug production. Indeed, drug production has increased a great deal since then and the warlords in Afghanistan are pretty powerful. Will that be a place from which concord, peace and safety will emanate, or a likely source of future problems? I suspect that it will be the latter.

We have failed to engage with and understand the feelings of many poor people throughout the middle east and the wider globe, and have instead gone down the road of following narrow-minded and ignorant American policies. If anyone has read documents from the Project for a New American Century, which is made up of the people who surround George Bush, they will know that those people's arrogance and ignorance are terrifying, as are the dangers that that will bring to the world.

We were told that the reason for the invasion of Iraq was to remove weapons of mass destruction, but that was altered to regime change and later changed to developing a new society and democracy in Iraq. There will obviously be a new society in Iraq and I hope that there will be a form of democracy there in the future. However, many people who opposed Saddam Hussein's regime for many years were also sceptical, if not outright opponents, of the American and British invasion because of its illegal nature. They are also hostile to the current US presence in Iraq.

Although the Prime Minister seems to be unwilling to engage in debate on the article in *The Lancet*, the report by the International Committee of the Red Cross or other reports about the extent of the death rate in Iraq and the mayhem caused since the invasion, it is time that we had some openness. How many people have died? How many children have been killed due to unexploded cluster bombs? How many people are suffering the effects of depleted uranium and how many civilians died in Falluja and the other cities?

The right hon. and learned Member for Rushcliffe is absolutely right that peace and democracy will not be brought about by militarily bombing one city after another into submission. Many people do not support the political or religious views of those who are termed insurgents, but they are being driven into their arms by the policies followed in Iraq by Britain and the United States. Surely we need a national exit strategy and an inward strategy for reputable forces under United Nations command to help future developments in Iraq. I suspect that we have not heard the end of Iraq by any manner of means. We will rue the day that we invaded the country. Unless a clear exit strategy is put forward, I suspect that the reported comments from British high command that British troops will remain there for decades are, unfortunately, probably true. That will not have a good effect throughout the world.

Every time that things go badly in Iraq, an announcement is made in the White House or somewhere else around the world that a peace process and policy for the middle east should be developed. Everyone wants and signs up to that, and I was pleased that the Prime Minister and the President were prepared to discuss a policy to bring about peace in the middle east. However, that will not be achieved without serious criticism of the way in which Israel has behaved—and behaves—towards the Palestinians and some understanding of the feelings of ordinary Palestinians and people throughout the middle east about what is going on. The situation is not a war of equals between Israeli and Palestinian states, but a conflict between the first-world state of Israel and people living in Palestine with a third-world standard of living and outlook.

I have visited Israel and Palestine several times and talked to Palestinians who are not anti-Jewish and not necessarily against the state of Israel. However, they are certainly opposed to the way in which their parents or grandparents were thrown out of their houses at the time at which Israel was founded, and to the use of road blocks, the humiliation, the occupation, the invasion, the settlements and everything that goes with that. If one asks them the hard question of whether they think that suicide bombing is a good thing, most say, "No, it is not." They oppose it as wrong because it kills innocent civilians, causes many problems and leads to retribution. However, if one presses them further, they all say that they understand why people are driven to take such desperate action.

If we are to bring about peace in the region, as I really hope that we can, we could begin by asking Israel to start obeying international law. Rafts of UN resolutions condemn Israel, and the United States has used its veto against other resolutions to prevent them from being carried. The International Court of Justice has made a decision against the construction of the wall. Israel is undertaking the illegal construction of a nuclear reactor and the development of nuclear weapons. Although I was glad when Mordecai Vanunu was eventually released, he is still effectively under house arrest and denied the right to travel because of Israel's strange behaviour towards people who tell the truth about what is going on in the country. If we are to bring about peace, I hope that we can start to develop an understanding of the needs of the Palestinian people and the way in which such peace could come about.

When I intervened on my hon. Friend the Member for Walsall, North (David Winnick), I made the point that Marwan Barghouti, an important leader of the Fatah movement, is still in prison in Israel. It is symbolic of the country's whole approach towards an electoral process or change that it will not allow him to leave. I, like most Palestinians, want elections to take place in Palestine, but it is difficult to understand how an election could take place given that the area is divided between Gaza and the west bank; that Gaza is bisected by military roads and settlements, so it is impossible to move freely around it; that the west bank is scattered with settlements joined by military roads, meaning that movement is impossible; and that Israel controls all ingress and exits from Palestine. Real international pressure must be put on Israel merely to allow an electoral process to take place because there will otherwise be no solution or peace in the region.

Our debate is taking place in the year before the non-proliferation treaty review conference, which is due next summer. The conference is important by any stretch of the imagination. We are rightly worried about nuclear proliferation and what has happened in Iran and North Korea, and everyone is apparently keen for India and Pakistan to sign up to the non-proliferation treaty, the test ban treaty and all other controls on the proliferation and spread of nuclear weapons—fine. The problem is that the non-proliferation treaty requires—it is not an option—the five declared nuclear weapons states of Britain, France, China, Russia and the United States to divest themselves ultimately of their nuclear weapons. What we have instead is the development of star wars by the United States and the active consideration by our Ministry of Defence of the development of a new

[Jeremy Corbyn]

generation of nuclear weapons. Small wonder that other countries around the world say, "If the five permanent members of the Security Council, which are also the five declared nuclear weapons states, continue to develop or to hold nuclear weapons themselves, is it any wonder that we want to develop them as well?"

It would be wonderful if we could go to the NPT conference with a declaration that there will be no new generation of British nuclear weapons and that instead we will lead the way in bringing about peace and disarmament. The problems that face the world are insecurity, poverty and all the problems that go with them. Nuclear weapons were not much help to the United States when the World Trade Centre was attacked. They are not much use in alleviating poverty and insecurity. I hope that there is a change of heart and direction.

There is much else that I could say, but I want to mention just two other things. The debate has been dominated by Iraq, the middle east and, to some extent, arms issues and defence procurement. The Prime Minister makes much of the problems facing Africa and the need for his Commission for Africa to be successful in bringing about hope and changes in the world. We live on a small island as part of a very rich continent that uses up a lot of natural resources. Generally speaking, the population of Europe has a far higher standard of living than most people in most parts of the world. The United States uses up far more natural resources than anyone else and has a deeply divided nation in which a proportion of its population live in appalling poverty while some live in enormous wealth. When one looks beyond that to Latin America, Africa and parts of south Asia, although great changes and improvements are undoubtedly going on, desperate poverty exists, and causes the insecurity of tomorrow and the misery that that brings.

I had the good fortune to visit Angola a month ago as part of an Inter-Parliamentary Union delegation. I read all the statistics before I went. Indeed, I have read dozens of statistics on lots of things relating to Africa. The situation in Angola is appalling. One quarter of all children die before reaching their fifth birthday. Half the population have no access to clean water. More than half have no access to sewage and drainage facilities. Being paid a dollar a day would be a massive pay rise for many people. I understand all the problems that Angola has been through, including the 30 years of various wars, funded by oil, diamonds, South Africa and the United States, and all the horrors that went with that, but to go into towns where every building has either been destroyed or damaged by recent conflict makes one wonder what we are doing to allow that much poverty to exist between the north and the south.

I hope that Angola has a donor conference in the near future. I hope that the small but effective British aid programme to Angola, administered through the Luanda urban poverty programme, not just continues but expands because it clearly has a good effect. Above all, however, I hope that we recognise that if we are to deal with malnutrition, infant mortality and premature death—life expectancy in Angola is 41, so that counts out just about everyone in the Chamber with the exception of the hon. Member for Brent, East (Sarah Teather) and one or two of my hon. Friends—we must think about what we are doing in this world.

Angola is not an isolated example of African poverty, but is the solution to demand that Africa follows an International Monetary Fund-imposed World Bank-led programme, which often involves cuts in public expenditure and draconian structural adjustment programmes, or is it to bring a sense of fairness and justice in trade, aid and environmental protection to the poorest people in the poorest parts of the world?

The direction in which we are going—the direction in which the United States is leading us—will not bring about a world of equality. Instead, we will spend more and more of our resources on more and more terrifying weaponry. There will be more and more wars. Afghanistan and Iraq have been mentioned, and plenty of others are on the agenda. Does that bring about peace, justice and a sense of equality? No. The Project for a New American Century and its selfish attention to American corporate commercial interests are very dangerous for the world as a whole. Instead of slavishly following what Bush and his cronies in the White House want us to do, it is time that we actively followed the path of the United Nations and international law and, above all, the path that brings about justice.

We want a decent standard of living for ourselves and some security for our children. If we cannot help to bring that about in other parts of the world, their insecurity becomes our insecurity. If we want a peaceful world in the future we have to work hard for it. We cannot be complacent or myopic. We have to try to achieve that. Otherwise, what do we bequeath to our children except a world of conflict and endless wars, as predicted by great writers in the past? We have a chance to make a difference, but we are missing the opportunity.

3.6 pm

Mr. Andrew Tyrie (Chichester) (Con): To my surprise, I agree with the hon. Member for Islington, North (Jeremy Corbyn) on a good number of things. Although we agree that the United States is mistaken, one of the basic differences between us is that he sees the need to construct justice as the essential building block for securing peace, whereas I see order as even more important than justice. Without order there can be no justice. It is what the United States is doing to make the world a more disorderly place that has led me to oppose American foreign policy so strongly. That is mainly what I want to talk about, but first I shall say a few words about Ukraine.

My right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) described as a great success the fact that Ukraine was at least looking towards the west, partly because of European Union enlargement, but it could equally well be described as an appalling failure that the EU dragged its feet for 15 years before getting around to enlargement. What would have been the effect on Ukraine if Poland had been a member 10 years ago? I think that Ukrainian policy and its history would have been fundamentally different had the neighbouring country watched Poland integrate with the EU. The foot-dragging on enlargement was one of the great scandals of our continent.

My second point about Ukraine is to reinforce how what is going on there is part of a wider attempt to reverse aspects of the collapse of the Soviet Union. What we are seeing is not a reconstruction of Soviet totalitarianism, but it is still the creation of a pernicious soft dictatorship by a former KGB officer. In 1946, Churchill talked about an iron curtain falling from Stettin to Trieste. Perhaps it is not fanciful to suggest that a more modest form of curtain is falling from Murmansk to Odessa, at least if Ukrainian attempts at peaceful street revolution fail over the next few days.

It is not just the rigged elections and the intimidation in Ukraine. Behind that is President Putin's active support for such tactics. Domestically, he is taking powers to control the judiciary. He is crushing democracy in the provinces by removing elections for provincial governors, confiscating assets and eroding property rights. Free speech is being suppressed in parts of Russia and, in the name of anti-terrorist measures, we now have a sanction for the widespread and systematic use of torture, particularly in Dagestan and Chechnya.

When Churchill made his speech in 1946, he wanted to shake America away from drifting towards isolationism, but he was also attacking an equally dangerous utopian internationalism that was gripping parts of the United States. Isolationists in the United States were arguing that the US should use its nuclear monopoly to impose values on the rest of the world, while idealists and Wilsonians wanted to share nuclear weapons with Russia. They said openly that the Russians should be given this technology immediately because that would be the price for getting them into an active, working UN Security Council. Both of those extreme policies were, in a sense, mistaken. It was not until George Kennan mapped out what became the foreign policy that we had for the following 50 years, which we have only recently discarded, that American foreign policy stabilised.

In a famous telegram that he sent from Moscow, George Kennan made three points, which I think are still pertinent, that had huge influence throughout the west, especially in Washington. First, he said that we must look dispassionately at both the nature of the Soviet threat and the limits to it, and that we must not get panicky about it. Secondly, he said that we must respond to that threat not by trying to take it head on, but by military containment. Thirdly, he said that even if the Soviet Union was trying to overthrow the whole of the state system—in that sense, a revolutionary power—we must engage with it actively and try to get it to play a part in the international community.

Today, United States foreign policy is again in flux. We desperately need common sense like that of George Kennan 50 years ago. With the end of the cold war, some in the US have argued that military preponderance can underpin a new form of muscular isolationism. The idealists have been hard at it too, arguing that force—my right hon. and learned Friend the Member for Rushcliffe referred to this—can be used to spread democracy and that a democratic world will necessarily be a peaceful one. They argue that the great enduring problems of international relations and conflict between states can somehow finally be solved by spreading democracy.

Part of the great illusion that has always existed in American policy is that absolute security can be achieved. We live in an age of relative security and have done so since the invention of nuclear weapons. Nothing that America will do can change that.

In the late 1940s, America listened to Kennan, Acheson, Churchill and others. It rejected the isolationists and the idealists. The great danger that I see is that America is now locked into a policy that will take us into extremely dangerous waters. It is looking for a permanent fix to the problems of international relations.

The mainstream of foreign policy opinion in Washington has been set aside. It might be thought that what is happening in America is representative of opinion in Washington, but it is not. The overwhelming majority of Democrats oppose it, and a large chunk of the Republican party vigorously opposes George W. Bush's foreign policy. A small group has taken over. It has captured a President, and that President has captured our Prime Minister.

Both the Prime Minister and the President seem to have convinced themselves that it is not only morally right to try to export democracy at the barrel of a gun, but that that will in itself necessarily make the world more peaceful. That is nothing more than a pernicious delusion. Of course we should do everything that we can to encourage democracy, but any political system, even democracy imposed by others, will often make our military action appear to be not liberation, but occupation.

I regret to say that British policy seems to have surrendered to the simplicity of the idea that everything can be solved if only we can impose our own values on others. We are witnessing and actively participating in a mixture of the ruthless application of force, exemplified by Rumsfeld, and a misplaced messianic idealism that comes from Wolfowitz and others. That is what has taken us into Iraq, and it is what has led us to participate in the absurdity, as I mentioned a short while ago in an intervention, of flattening and depopulating a city in the name of democracy.

Mrs. Mahon: The hon. Gentleman was in the Chamber when I asked the Secretary of State whether we could have a report and a full debate in the House on exactly what has happened in Falluja. Does he agree that merely saying that the city was emptied is nonsensical? Certainly many people left, but there must have been thousands who remained and suffered the onslaught of the mightiest military machine in the world. Is it not time that we had a debate about what happened to civilians and what might happen if the Americans try to flatten another city that resists the occupation?

Mr. Tyrie: I sympathised with the Secretary of State when he said that there was a group of hardened terrorists in the city who somehow would prevent any form of democracy from being developed in Falluja. However, I question whether the policy which we recently embarked on and implemented was the best way of dealing with the situation. That is why I agree with the hon. Lady: it would be helpful if we could have a proper and full debate, preceded by a full investigation by, at the very least, a Select Committee that was given the opportunity to see all the available papers, including confidential papers.

[Mr. Tyrie]

I shall describe shortly just how wrong I think that British policy is and then, in the final part of my remarks, outline what I think an alternative foreign policy might be. I think that we have, quite simply, the wrong foreign policy. I agree with the hon. Member for Islington, North that it is making the world a less safe place. It is making Britain less secure, and it is costing the lives of our soldiers and of thousands of others. Far from suppressing terrorism, it is creating the conditions that encourage it. It has also disturbed the regional balance of power in the middle east, and that will be to our cost.

It is a curious irony that the west may shortly be faced either with offering indefinite security guarantees to Iraq and other parts of the middle east, or with the consequences of not doing so, with an increasing Iranian regional preponderance. The potential regional power in the middle east is Iran.

As I have said in this place on numerous occasions, the twin pillars of what could be called the Bush-Blair doctrine—regime change and pre-emptive action—corrode the very basis of stability. Who decides which regime should be changed? The regionally strong, such as Russia and China, will exploit the situation—Russia is already doing so in the Caucasus and elsewhere. The weaker countries will find ways of defending themselves with whatever measures they can use, including trying to obtain a nuclear deterrent. That is exactly what is going on now. The doctrine provides a massive incentive for the proliferation of nuclear weapons.

The military intervention in Iraq was not the first to be justified on the grounds of the new policy, but it is the biggest. Many people agree that the Iraq expedition has gone wrong. Many say that that is perhaps because we disbanded the Iraqi army, or because not enough troops were sent in at the beginning, or because the border had not been properly policed.

All those are second-order arguments. Our problem is that it is the policy that led us to go in at the beginning and which we articulated to justify what we did that is causing our difficulties now. It is the blunder of trying to rewrite foreign policy from scratch. It is the blunder of tearing up multilateral foreign policy agreements that we had for decades with allies, which have made the west ascendant for half a century. It is these blunders that are frightening others and leading them to try to obtain nuclear weapons. It is these blunders that are empowering others to intimidate their neighbours.

Above all, these are dreadful blunders because they have eroded the sense of trust that has existed between our electorates—particularly the British electorate—and our leaders. If the Prime Minister comes before the House next week and says, "The House must take action; I cannot explain the detail of the threat to us but we must take military action, believe me", I do not think that the country would go with him. This country is weaker and more vulnerable as a consequence and we have paid a huge price for that.

The scale of this mistake in the long term could be measured in decades. I agree with my right hon. and learned Friend the Member for Rushcliffe about what happened in Suez. That united Arab nationalism with other forms of extremism. What is happening now is uniting Arab nationalism with Muslim fundamentalism. Suez aroused anti-western sentiment, divided the west and eventually exposed a Prime Minister as having lied to the House, which is why, 50 years ago, a Prime Minister resigned and why a furious debate is still taking place as a consequence of the Butler report.

I also agree with my right hon. and learned Friend that we must stay with the US now that we are in Iraq. But at the same time we must contest vigorously and remorselessly the foreign policy that brought about that calamity—the foreign policy which, even now, is causing us to be detested by many of those we most need around the world if we are to suppress terrorism.

I said we had the wrong foreign policy; let me end by outlining what might be a better one. What are the basic building blocks that might make us more secure? First, we must recognise that stability and order in the world must be based on the common-sense principle of non-interference in other countries. That means rejecting pre-emption and regime change. There is a place for humanitarian intervention, but only when an overwhelming majority of the international community supports it. The alternative is anarchy—any country deciding to make a humanitarian intervention in an attempt to further its own interests, justifying it on the grounds of the need for that humanitarian intervention.

A second basic principle is that we must make it clear that we will use force primarily for our defence, not for the export of our values. That is the best means, in the long run, of enhancing our security.

Thirdly, we must encourage the United States to have a higher regard for international law. It seems not to have occurred to the American Administration that there is a contradiction between pressurising countries to sign and keep international agreements to prevent the spread of nuclear weapons, and America's own revocation of its treaties and agreements. A couple of years ago America withdrew from the anti-ballistic missile treaty. It has not ratified the comprehensive test ban treaty. It withdrew from negotiations to renew and bolster the biological weapons convention. I could go on. Yet America is putting enormous pressure on Iran, Libya and others to sign and adhere to agreements limiting those countries' access to the same technology. The contradiction should be screaming at the United States. If the Americans want the agreements, which they are getting those countries to sign, to have any durability, they must recognise that they too must have greater respect for international law.

The fourth and axiomatic part of our foreign policy must be to do now what we can to reconstruct the damaged western alliance. Our security depends heavily on sticking together. It is by sticking together that the west effectively won the cold war.

Fifthly, we must not allow anything that we say or do, including what I have said today, to be mistaken for crude anti-Americanism. I am an out-and-out Atlanticist. Our security is intimately and inexorably bound up with the United States. They share most of our values, and we must stick together. It does not follow, however, that because America has taken a particular course of action, we must stay silent in every case and hope we can obtain influence by the back door. We know from Sir Christopher Meyer and other

ambassadors' records of what takes place between the Prime Minister and George Bush that our influence is extremely limited. We must be prepared to speak up publicly.

Finally—there are many other points that I could make, but I shall end here—we must recognise the limits of military power in the face of the type of threat that we now face, and educate our electorates accordingly. Terrorism will not be suppressed entirely, and probably not even mainly, by military means. Inasmuch as there is a battle, as many others have said, it is a battle for the hearts and minds of moderates, particularly moderate Muslim opinion. We must never lose sight of that.

The American Administration's foreign policy, to which we have so closely bound ourselves, is a radical and dangerous departure. It is a profoundly destabilising and un-Conservative foreign policy. The sooner we have the courage as a country to say so, the better.

3.25 pm

David Cairns (Greenock and Inverclyde) (Lab): It is a genuine pleasure to follow the hon. Member for Chichester (Mr. Tyrie) and his thoughtful and eloquent exposition of the nature of American foreign policy and how that has affected UK foreign policy. I agree with him inasmuch as I, too, am a strong supporter of the North Atlantic Alliance and a strong Atlanticist. I agree with his critique of some of the first principles, and some of his critique of the neo-conservative world view, but I cannot go along with everything he said about American foreign policy. I do not agree with anything he said about British foreign policy.

On American foreign policy, the hon. Gentleman spoke about the desire for absolute security. I have never detected any American who believes that absolute security is possible. They are in pursuit of relative security and of greater relative security. After the events of 9/11, who can blame them? With the threats regularly made against Americans around the world before 9/11 and afterwards, who can blame them if they wish to create a more secure world for themselves and their citizens around the world? One may criticise the way they are going about it, and one may argue that that is not making the world a safer place.

If I have criticism of American foreign policy as it is currently conducted, it is that they have not grasped sufficiently the strength of America's "soft power". I think it was Joseph Nye who coined that phrase, and it is an excellent one. It is bizarre that in any anti-American or anti-globalisation riots on the streets of almost any city in the world, no self-respecting rioter goes out without his Nikes and baseball cap. The strength of America's "soft power" and of its influence have made that country tremendously attractive. The values that have made America the strong and prosperous country that it is are enduring human values to which people aspire.

I do not accept that we should impose democracy at the point of a gun, but nor do I accept that we should suppress democracy at the point of a gun. All too often around the world we have seen people's legitimate democratic aspirations repressed at the point of a gun. It is a relatively recent argument that we are enforcing democracy at the point of a gun. I prefer to see the threat being removed and democracy being allowed to flourish without the threat of military action against those whose vested interest is in preventing democracy.

I want to use the occasion of responding to the Queen's Speech to focus on one aspect that was mentioned by my right hon. Friend the Secretary of State for Defence and from both Opposition Front Benches. I return to a subject that I have raised in the House on many occasions, and regretfully have to do so again—the ongoing scandal of the Afghanistan opium poppy trade and the devastating misery that the heroin it produces causes in the streets of my constituency and every other constituency represented in the House today. This trade is a chain of misery and degradation. It begins with the exploitation of desperately poor farmers in some of the most inhospitable corners of the globe, progresses via grotesque profiteering by international drug traffickers and their vile associates, and results in the abject misery and suffering of wretched addicts, blighting the quality of life of innocents who live beside the seedy reality of petty drug dealing on the streets of the United Kingdom. The evil business does not end there. The circle is complete. It returns whence it came in the form of narco-terrorist funding. No one who has been listening to President Karzai in the past 12 months can be in any doubt that international terrorists are directly and financially funding their murderous activity with drugs money. I cannot conceive of a more vicious, vicious circle.

Before I address what must be done to tackle the trade at source, I should say that I am perfectly well aware of the basic laws of human commerce, and they apply here as they do elsewhere. Where there is a demand there will be a supply. Cutting off the flow of heroin that comes from Afghanistan will not end the problem of addiction, but I make no apologies today for focusing on the supply-side regime. Markets must operate within social, human and international legal boundaries. The trade in heroin is as immoral, corrupt, violent and destructive as it gets. Supply feeds demand. The more heroin there is, the cheaper it is; the cheaper it gets, the more people use; the more people use, the more addicts are created; and more addicts mean more crime, more sickness, more heartbreak for families and more tragic early deaths.

We have heard it quoted many times in the course of this afternoon's debate that 95 per cent. of the heroin on Britain's streets begins life as poppies in Afghanistan. My right hon. Friend the Member for Swansea, East (Donald Anderson) made a compelling case highlighting the connection between the foreign affairs and security aspects of the Queen's Speech and the domestic crime-related aspects. Many people say that that is all creating one huge climate of fear, but those two are intrinsically connected, and the Queen's Speech recognises that.

David Burnside: To take the matter further in the vicious cycle, Ballymena in County Antrim, Northern Ireland, is seen by the Police Service of Northern Ireland as the heroin capital of Northern Ireland, our part of the United Kingdom. The heroin trade is run by mafia criminal gangs linked to so-called loyalist paramilitary organisations, and other parts of the United Kingdom are linked into the same mafia criminal organisations. Is not the international network of mafian criminal organisations, stretching from my little part of the

[David Burnside]

United Kingdom to FARC in Colombia in South America, the challenge for the international community? We have to put out of business the international front terrorist organisations who are masquerading as terrorist organisations but are drug criminals.

David Cairns: Yes, I entirely agree with the hon. Gentleman. My constituency earned the sobriquet, entirely unmerited I may say, of being the heroin capital of Scotland. It was not true, but it is hard to shake off such labels, so I understand what it must be like for the people in Ballymena. I am talking today about the supply side, but the entire chain needs to be attacked. Some of the measures in the Queen's Speech, such as the Serious Organised Crime Agency and the establishment of cross-European co-operation, such as the common European arrest warrant, are central to tackling the trade throughout Europe, as is the Proceeds of Crime Act 2002, confiscating the assets of convicted criminals, or making them prove that their assets did not come from illegal criminal activity. There is no one magic bullet, but all those measures help directly to address the point that the hon. Gentleman makes.

This is a lucrative trade. In 2003, the combined income of Afghan opium farmers and traffickers was about $2.3 billion, roughly equivalent to half the legitimate gross domestic product of that country. We are entitled to ask how that came to pass. Was not one of the reasons for toppling the Taliban that it had, in part, been funded by the opium trade? That was certainly the view expressed by my right hon. Friend the Prime Minister in his statement of 7 October 2001. As the conflict in Afghanistan, precipitated by the attacks of the previous month in New York, began, he said:

"We act also because the Al-Qaeda network and the Taliban regime are funded in large part on the drugs trade . . . stopping that trade is, again, directly in our interests."

The following day, speaking in the House, the Prime Minister said:

"We in Britain have the most direct interest in defeating such terror . . . We know that the Taliban regime is largely funded by the drugs trade and that 90 per cent. of the heroin on British streets originates in Afghanistan."—[*Official Report*, 8 October 2001; Vol. 372, c. 814.]

Again, that is closely equating terror with the drugs trade.

After the conflict was over, the Prime Minister returned to the topic in an interview with the BBC World Service, in which he praised President Karzai's recent initiative

"to issue instructions to destroy the poppy crop in Afghanistan for this year"—

that is, 2001.

He continued:

"We are giving every support to this. This is very, very important indeed."

I agree wholeheartedly with the Prime Minister. This was one of the reasons why I strongly supported the overthrow of the Taliban regime.

The problem is that the situation is getting worse. In 2002, the year in which the Prime Minister was speaking, about 74,000 hectares were given over to poppy cultivation in Afghanistan. Last year, the figure had grown to 80,000 hectares, and this year it has risen to 131,000 hectares—a 64 per cent. increase year on year. I understand that unofficial figures from the United States State Department suggest that the figure is even higher—perhaps even twice as high, at somewhere in the region of 250,000 hectares. If that turned out to be the case, it would be truly terrifying.

The practice is therefore spreading. In 1999, 18 of Afghanistan's 32 provinces reported poppy cultivation. In 2000, it had spread to 23 provinces, and by 2002 it was happening in 24. By last year, 28 of the provinces were reporting poppy cultivation, and it will come as no surprise to anyone to discover that this year's United Nations survey reports that poppy cultivation has now spread to every province in the country. The number of people involved is staggering. Last year, some 264,000 families were engaged in opium growing, with roughly 1.7 million people's livelihoods depending on the crop. This year, the figure has risen to 356,000 families, involving 2.3 million people. That is 10 per cent. of the entire population of Afghanistan.

How is it that, three years after military action was taken to end the trade, and more than two years after my right hon. Friend the Prime Minister spoke of destroying the harvest, things are moving so rapidly in the wrong direction? I know that Ministers are working tirelessly on this issue, and none more so than the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Harlow (Mr. Rammell), who is absolutely dedicated to reversing this tide. I have had the good fortune to discuss the issue with him on many occasions, and he has been very open and honest with me about it. I particularly commend the Government's initiative to convene the first international counter-narcotics conference in Afghanistan, which was held in February this year.

We have to begin from a point of honesty in this debate; we must not kid ourselves. The situation on the ground is deteriorating. President Karzai has warned of the risk that Afghanistan will

"again turn into a failed state—this time in the hands of the drugs cartels and the narco-terrorists."

In February, he also warned that poppy cultivation

"not only affects the economy of Afghanistan, but the money which is earned from the trafficking, production and business of heroin fuels terrorism. Terrorism and narcotic drugs are involved and co-operate in the destruction of Afghanistan, the region and the world."

That last claim might sound like hyperbole, but when President Karzai, a hugely respected figure, says that if these problems are left unchecked they will result in the destruction of Afghanistan, the region and the world, we have to take notice.

What can be done? All too often, the debate polarises and falls into two camps: those who say that we should actively seek and destroy the poppies and deal with the consequences afterwards; and those who wish to persuade opium growers that they should develop an alternative crop, and provide them with the wherewithal to do so. The way forward must surely lie somewhere in

between. Enforcement must be accompanied by assistance—the stick of the military and the carrot of greater resources.

That is not what is happening at the moment, however. The risk to reward ratio in Afghanistan is completely unbalanced. The rewards for being involved in the opium poppy trade far outweigh the risk of being caught. That point has been made on many occasions by Antonio Maria Costa, the executive director of the United Nations Office on Drugs and Crime. It was in an attempt to strike a balance between those who favour a scorched-earth approach and those who favour gradualism that the United Kingdom convened the international conference that I mentioned earlier.

The time for talking has surely passed. We need action on law enforcement, including against corrupt Government officials who are hampering the counter-narcotics effort in Afghanistan in return for a lucrative share of the profits. We need action on alternative livelihoods. I welcome the appointment of a UK-funded alternative livelihoods consultant and the work that the Department for International Development is doing with its alternative livelihoods section. I applaud the initiative of Dr. Iain Wright from Aberdeen university—who has gone out to Afghanistan today, funded by DFID's alternative livelihoods section—to try to persuade farmers in Afghanistan to move away from the poppy crop towards raising Kashmir goats, which could provide an alternative livelihood.

We have to be honest as well, however, and we have to be honest with the Afghan farmers: no crop that they can grow will produce the same income and any suggestion that we will discover a crop that provides them with an alternative livelihood as lucrative as that which they enjoy now is a chimera. We might wait to discover such a crop, but it does not exist. In Afghanistan, the climate will not lend itself, as it does in Thailand and Pakistan, to alternative crops that provide a high income for those people. We should not kid them.

We need action, as my hon. Friend the Member for Cardiff, Central (Mr. Jones) said, on drug demand reduction to deal with the growing problem of domestic drug addiction. We need action in Afghanistan—the UK Government have been in the lead on this as well—on public education, with the acknowledgement that opium production has become the cultural norm in many parts of that country, despite the fact that that is clearly against the tenets of mainstream Islam. We must do more to reinforce that message.

We also need action on eradication; we must not shy away from that. Now that the election is behind us and President Karzai has been returned with a strong mandate, we need far more steps to be taken on crop destruction. My view, which I have been advancing for the past two years, is that that eradication should be part of the core military objectives of NATO through the international security assistance force.

I am aware that that is not everyone's view, but I was tremendously heartened when the Prime Minister, in reply to a question that I put to him in the summer, agreed with me, saying:

"It is fair to say that there have been some successes in eradication, but for a long time under the Taliban this trade provided a main source of income for them. It would certainly help if this became part of the NATO tasks, but we shall have to continue to have that debate."—[*Official Report*, 30 June 2004; Vol. 423, c. 300.]

I was encouraged to hear my right hon. Friend the Secretary of State for Defence say that those discussions with our NATO allies are under way. They are vital.

I close my remarks on Afghanistan by saying that we cannot afford to wait a generation to solve this problem. Antonio Maria Costa is predicting that it could take a generation, but we simply cannot afford to wait that long. I cannot tell the good people of Inverclyde that they may have to put up with the scumbag heroin dealers who blight our communities for another 30 years. I am not prepared to wait a generation for a significant decrease in the flow of cheap heroin on to our streets. I am not prepared to wag a finger at corrupt Afghan officials and to coax reluctant farmers into seeing the error of their ways without the threat of terrible reprisals if they do not. I am not prepared to return to this issue in another 12 months to report further setbacks. We need real progress.

I come briefly to another subject that has caused a great deal of debate today. I was not going to go into it, but the way in which the debate has progressed compels me to refer to the middle east peace process. I was in the region a couple of weeks ago, immediately before President Arafat's terminal illness. I have visited it on many occasions, but I have never known a time of such absolute despair and despondency over whether any progress will be made. I have never known the two sides to be so far apart with absolutely no trust whatever between them.

Distasteful though this may be, and tragic though it undoubtedly is for President Arafat and his family, his demise might provide an opportunity to break that logjam and move forward, although none of us would have wished that to happen in such a way. However, it has happened and the opportunity is here.

I said that I would not make many comments on this subject, but the way in which the debate has gone shows how such debates often go in the House: people pay lip service to acts of terrorism by the Palestinians and then devote the majority of their speech to attacking Israel and apportioning all the blame to it, with the honourable exception of the hon. Member for South Antrim (David Burnside), who put another point of view. I wish to join him in perhaps reflecting a more balanced view, which is, I think, that of the vast majority of Israeli citizens, who do not regard their Government as the source of all the problems and all the road blocks that are in the way of a move towards peace.

Just to address some of the points that have been made, my hon. Friend the Member for Walsall, North (David Winnick) said that whenever moderates on the Palestinian side attempt to crack down on terror, they are undermined by the Israeli Government. That is simply not the case. Whenever people such as Mohammad Dahlan and Jibril Rijoub attempted to crack down on terror in Gaza and the west bank, they were undermined by Yasser Arafat. That is why Mr. Dahlan resigned when Abu Mazen left—he despaired that every time he tried to crack down on terror, he was undermined by the leadership of the Palestinian Authority.

We have heard a lot of talk again today about the wall. I expect that I will convince nobody that the security barrier, fence or wall—call it what one will—is working to reduce terror and suicide attacks. People

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have long since made up their minds about that. However, let us be factual in our use of language. It is a wall in two places, Qalqilia and Abu Dis. I have been to both places, the wall there is a great, big, ugly thing, and I hope that it is torn down as soon as possible. But, in fact, 96 per cent. of the construction is a fence, which any of us could get through in about 10 minutes. It is designed for one function only—to provide the Israeli defence forces, by delaying people getting through it, with about a 15-minute window of opportunity to apprehend or at least follow them.

I do not agree with the route—the Israeli supreme court has ruled on that, and the Israeli Government are changing it—but continually referring to it as a wall, as if the entire length of it were a wall, on a par with the Berlin wall or perhaps some of the walls that the British government built in Belfast, is fundamentally misleading and deliberately conveys the impression that somehow the whole Palestinian Authority is being walled in by Israel. It is not. This barrier must be a temporary measure that can be pulled down as quickly as it has been put up, but it has had a dramatic impact on reducing the number of suicide bombings that have taken place inside Israel since it was erected.

The people to whom our delegation spoke, on the Israeli side, in Ramallah and in east Jerusalem, did not agree on anything except one matter—that the United Kingdom in general, and my right hon. Friend the Prime Minister in particular, are perceived as being honest brokers. My right hon. Friend has the trust of both sides in the debate. The Palestinians genuinely see him as a moderating influence on the Americans. The Israelis genuinely see him as a strong and staunch supporter of Israel's right to exist. I sincerely hope that he makes good on his promises in this place and at the Labour party conference to use every sinew to drive forward the middle east peace process. It is excellent news that the Foreign Secretary is in the region today. This is an historic moment or a window of opportunity—whatever cliché or soundbite one may like to employ, we now have an opportunity to move the peace process forward.

Unlike in Northern Ireland, we know more or less what the end result will look like—a two-state solution, with Jerusalem divided, a deal on the Palestinian right of return, some land in Israel proper provided to keep some of the settlements near the green line, but the vast majority of the other settlements withdrawn. Everybody knows that—we have an outcome but no process, whereas in Northern Ireland we have a process but no outcome.

Now is the chance to put the process back on track and to work towards the outcome outlined in the road map, the Wye river agreement and umpteen other agreements that have set out the way in which the process will inevitably end. The Prime Minister is uniquely placed to bring that about, and he has my every encouragement and good will as he goes about that task.

3.49 pm

Mr. John Bercow (Buckingham) (Con): It is a great pleasure to follow the hon. Member for Greenock and Inverclyde (David Cairns). On 4 July 2001, if memory serves me correctly, he delivered his maiden speech. On that occasion, too, I had the pleasure of following him. I congratulated him on an excellent speech that day, and I am delighted to congratulate him on an excellent and balanced speech on foreign affairs again today.

The Gracious Speech makes no reference to the promotion of human rights around the world, but it does focus on the need to prevent the proliferation of nuclear, chemical and biological weapons. Equally important is its underlining of the need to work with the international community to strengthen the United Nations.

From November 2003 until September 2004 I was privileged to serve as shadow Secretary of State for International Development, and I shall always be grateful to my right hon. Friend the Leader of the Opposition for giving me that opportunity. The observations that I shall make now are very much based on, and drawn from, my experience of visiting and studying a number of countries whose behaviour deeply perturbed me. I want to reflect on that behaviour, and to talk about the way in which the international community is or, as the case may be, is not addressing it; and about how we might improve public policy, both nationally and multilaterally, for the betterment of people around the world.

Let me begin with Burma. I visited the Thai-Burmese border earlier this year, and was immediately conscious—as, of course, one could be as a result of studying books—of the wanton and savage violation of human rights that takes place every day of the week. In respect of Burma—as with Darfur in western Sudan and North Korea, with which I shall deal shortly—there are many chronicles of that abuse of human rights. I think it safe to say that Amnesty International, Human Rights Watch and Christian Solidarity Worldwide have done, and continue to do, a magnificent service in identifying the nature and extent of the abuse. It is certainly very clear in the case of Burma, particularly the violence that is visited on members of ethnic national groups in that beleaguered and failing state.

What we know is taking place in Burma is truly bestial conduct on the part of the so-called State Peace and Development Council—renamed on the advice of an American public relations company, but originally and more accurately known as the State Law and Order Restoration Council—on the one hand, and the Burma army—otherwise known as the Tatmadaw—on the other. What does it comprise? The use of rape as a weapon of war; compulsory relocation; forced labour; the use of child soldiers on a scale greater proportionately than in any other country in the world; the use of human minesweepers; water torture; and the continued incarceration of no fewer than 1,400 political prisoners, including the ongoing detention under house arrest of Nobel prize winner Aung San Suu Kyi. The situation is extraordinarily serious.

That is one factor in the equation: the ongoing abuse of human rights. The other factor is the Burmese Government's devotion of an enormous amount of resources—as we see in authoritarian and totalitarian regimes—to the military: 50 per cent. of public expenditure. I think I am right in saying that, by contrast, the Government spend 19p per person per year on health, notwithstanding the UN's recommended bare minimum of £10. It is also important to note that

according to the verdict of the Monterey institute, a United States-based organisation, Burma probably has chemical and biological weapons. It is only the absence of television cameras from that country that causes the world's news media to pay such disproportionately small attention to it. That is a tragic state of affairs, not least for the blighted population, who have endured privations on an horrific scale for far too long.

What is the international community's response concerning Burma? The United States—of which there has been much criticism in this debate and a number of others—has actually taken the lead. It has imposed a ban on investment, imports and trade in financial services. It has taken its responsibilities seriously in respect of a country that is showing no regard at all for human rights.

What might be said of the United Nations' attitude? Its General Assembly issues an annual statement in which it laments the plight of Burma's population and the difficulties faced by the refugees on the Thai-Burmese border, and demands improvements. Better than that we have yet to see.

Rev. Martin Smyth *rose—*

Mr. Bercow: I give way to the hon. Gentleman.

Rev. Martin Smyth: I appreciate the hon. Gentleman's giving way so graciously. I am following his argument, which I share, very carefully. He pays tribute to the United States and has mentioned North Korea and Sudan, among other nations. Does he agree that the real tragedy is that other Security Council members have not exercised their responsibility to advance world peace and understanding, and that they have often covered up the problems in those countries and supported Governments who continue to oppress their own people?

Mr. Bercow: I entirely agree with the hon. Gentleman. Of course, Burma is never a minuted item on the agenda of Security Council meetings, principally because of a suspicion—no doubt well founded—that China will get in the way. It will always be an obstacle and will invariably say no to any effective action against that regime. Notwithstanding China's calculated and wilful obstructionism, we in the international community should continue to raise the plight of the people of Burma, and it is right in itself to do so. The State Peace and Development Council fears international attention and exposure and, to put it very politely, it has minimal skill in the field of international public relations.

Mr. Kilfoyle: The hon. Gentleman paints an accurate and harrowing picture of life in Burma and mentions the blocking of Security Council discussion. Does he know how many times Uzbekistan—an ally of the United States with a human rights record as horrendous as Burma's—has been discussed?

Mr. Bercow: The hon. Gentleman makes a good point and I am happy to acknowledge it. I want to make it clear that I do not regard this as a contest to see which country gets the lesser or greater attention. I shall say something in due course about our relations with other states and the great importance of operating on an ethical basis now, not only because to do so is right in itself, but for fear of what might otherwise subsequently transpire for the security of our country.

The International Labour Organisation has highlighted the use of forced labour in Burma, and it has called for a review of the situation and for the identification of that activity as a crime against humanity that deserves the United Nations' attention and response. I am sorry to say that the Security Council has completely ignored that respected body's recommendation, so, frankly, the UN is not being effective.

What is the European Union doing? Well, there is a visa ban. It has to be said that it does not affect most members of the State Peace and Development Council, for the simple reason that most of the time, they are not greatly interested in travelling to EU countries. In the event that they have to do so for an international political gathering, the EU's pathetically limp-wristed response is to waive the ban in any case. So we can see that what is taking place is purely gesture politics.

The EU has imposed an asset freeze, which has thus far frozen £4,000 across the whole of the European Union. In any case, that freeze applies only to individuals and has no impact whatever on business activities, including the enormous military and industrial conglomerates that are wreaking such havoc in the country. That is pretty unsatisfactory, too. It is true that there is an EU arms embargo, but Amnesty International is concerned that a German firm is effectively circumventing it by routing weapons to Burma through the Ukraine. Once again, that is a very real concern. No substantial sanctions are being adopted at all.

Action has recently been taken against the pineapple juice sector, because there is a military-controlled pineapple juice operation in Burma. Forgive me, Mr. Deputy Speaker, but I, Christian Solidarity Worldwide and the Burma Campaign have always been under the rather strong impression that it was not pineapple juice that was driving the militaristic, fascistic and sadistic behaviour of the regime. We thought, in fact, that it was the oil, gas, telecommunications, gems and timber sectors instead. It would be good to think that the international community would be prepared to adopt a robust programme of sanctions to do something about it.

John Barrett (Edinburgh, West) (LD): The hon. Gentleman is detailing, in his usual eloquent fashion, the suffering that is happening in Burma as well as in a number of other countries. Does he agree that the impotence among the international community is now having a real effect at home, with more of our constituents asking us why there has been such a lack of action to deal with this endless suffering? It has lasted not just for a few years but, in many countries, for decades.

Mr. Bercow: I entirely agree with the hon. Gentleman. The situation in Darfur in the western Sudan is equally serious. We know from television pictures and electronic news media the scale of the human rights

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abuses that are taking place in Darfur: aerial bombing, mass shooting, rape as a weapon of war, poisoning of the water supply, destruction of crops, theft of livestock and bestial destruction of villages all on a daily basis.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): I am grateful to the hon. Gentleman, who has given way several times. I anticipated that he would deal with Darfur and that he would be as articulate as he persists in being. Does he agree that, in the light of the rather tepid discussions at the UN last Friday, the situation in Darfur calls for an even greater international focus and that one contribution that we could make here—I do not dismiss the debates in Westminster Hall—is to have a full-day debate, whether in Government or Opposition time, to address the terrible atrocities that the hon. Gentleman has described as taking place in Darfur?

Mr. Bercow: I entirely agree with the right hon. Gentleman. He may be aware—if not, I shall tell him now—that I have regularly called for a debate in Government time on the situation in Darfur. I have appealed to the Leader of the House to provide time for such a debate, which would be of great interest to Members across the Chamber as well as to many people in the country at large. We should never underestimate the humanitarian instinct of the mass of the British people, who do not like to see their fellow human beings being slaughtered, as is happening in Darfur at present. Something like 200 people are dying there every day and there is an immense need for action.

Frankly, the level of activity to date on the part of the international community has been feeble. Yes, there has been an asset freeze and a trade embargo applied by the US, but what has the UN said? Resolutions 1556 and 1564 were passed respectively in July and September this year, but what did they do and how did they make a difference? In what way did they save lives and how was the human condition made better in that part of the world? The answer is that precious little by way of hope was offered to the people of Darfur. What those resolutions suggested was that the international community was writing an essay in timidity. They gave time for the Government of Sudan to do better. The July resolution spoke about "additional measures" being taken if no improvements were made. The September resolution said that "appropriate action" would be taken, but the term was left gloriously unspecified.

The Under-Secretary of State for Defence is present on the Government Front Bench, and he should be aware that the most recent resolution has caused Amnesty International and other organisations great concern. They say that it is a big step backwards because it focuses overwhelmingly on the north-south peace accord. That accord is important, but the focus on it is not merely to the detriment but nearly to the exclusion of the continuing abuses taking place in Darfur.

A great deal more needs to be done. At the moment the EU has no robust policy on this matter. We need detailed, effective and perhaps even remorseless sanctions to try to bring about a change of behaviour. There is no sign at present of such sanctions being introduced.

There are some similarities with the situation in North Korea. Just as there are human rights abuses and a big weapons spend in Burma, and just as some $665 million was spent in 2002 on the military in Sudan, so there are terrible human rights abuses in North Korea. Those abuses take the form of idolatry of the Government of the day and of the religious persecution that is also evident in Burma and in parts of Sudan. There is also famine, and the forcible repatriation of refugees.

North Korea is one of the most closed states in the world, and one of the things that is most peculiarly sinister about it is that the Government divide the population into three categories when it comes to determining the distribution of basic services, including food. The three categories of people are core, wavering and hostile.

People who are onside get what the Government think that they should have. People who are unsound or uncertain get a rather rawer deal. People considered to be foes of the regime get nothing by way of the bare essentials on which continued existence depends, and are also likely to find that the full scale of what are truly vicious and unspeakable human rights abuses is visited upon them.

In all the countries to which I have referred, a cocktail of barbarity is evident that has genuinely shocked and disfigured the world. Of course, it is very difficult to engage with North Korea as an issue. For example, 23 per cent. of its budget is spent on defence. We know that the regime has nuclear and chemical weapons and that it is seeking to develop biological weapons as well. It is not easy to deal with what is going on there, but we need some answers because people are suffering grievously, as they have for a long time.

That causes me to ask the important question: what should the international community do? The issues with which we are grappling do not get as much attention as other matters, but that does not mean that they do not require it.

We certainly need action, because examples from the past show the danger of sitting on our hands. In that connection, we should remember what happened in Iran, Iraq, Afghanistan, Saudi Arabia, Argentina and Indonesia. It must be painfully apparent that cosying up to fundamentally unsavoury regimes in the hope of securing political co-operation or in the pursuit of filthy lucre ends up as a grave disservice to ourselves. We feed the monster and then the monster threatens to devour us.

I am not making any sort of party-political point. We all know that successive Administrations have made significant errors as well as scored foreign policy points successes. If we look back to the experience of dealing with these countries, we should realise that we need changes in policy. First, we need a broader definition of what constitutes national interest. Historically, my party has rightly regarded national interest as the first criterion for the conduct of foreign policy. I do not object to that, but it is time that we broadened the definition of national interest. As Chris Patten—soon to be Lord Patten—observed as long ago as May 2001, it is "bilge" to regard expedience and morality as being in different corners for the purposes of the long-term conduct of foreign policy. It must surely make sense to realise that those countries that will ultimately prove to

be good neighbours, with which it is best to do business and in which it is easiest to invest, are also those countries that treat their citizens most decently. In developing a philosophical framework for the conduct of foreign policy, as my hon. Friend the Member for Chichester (Mr. Tyrie) did in his own way, let us, recognise not the error of the definition, but the need for its updating and adaptation to the circumstances of the modern world.

Secondly, we need United Nations reform. I greatly respected what the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) said on that subject earlier. On 10 December 1948, when the United Nations universal declaration of human rights was issued, reference was made to the pursuit of a common standard of achievement for all peoples in terms of respect for and observance of human rights. I endorse that, but we all know that too often the UN has failed to live up to the standard that it set itself. Article 4 of the UN charter describes the proper behaviour to be expected of peace-loving peoples. Article 6 says that if a state persistently violates the terms of the charter it can, in certain circumstances, be expelled. That has happened far too rarely. It has happened, most notably in the case of South Africa, but it has not happened to Burma, Sudan or North Korea. Far too little attention is paid to the truly grotesque behaviour of many regimes that puff themselves up and take their seats at the table of that reputable body which fails to observe the principles that it set out so rightly and eloquently more than half a century ago.

Thirdly, the same goes for the UN Commission on Human Rights. I hope that I enjoy the support of the hon. Member for Greenock and Inverclyde for the observation that it is absurd that in 2001 the United States, which—for all its faults—is a beacon of freedom, justice and commitment to the rule of law, was effectively kicked out of the commission, coming back only in 2003, while Libya, which is not a noted historical champion of the principles of political pluralism or respect for human rights, became chairman of the commission. I suggest to the Government, for their remaining months in office, to my hon. Friend the Member for Altrincham and Sale, West (Mr. Brady) and to my right hon. and learned Friend the Leader of the Opposition—who I hope will shortly be the Conservative Prime Minister—that membership of the UNCHR should be determined on the basis of behaviour, not of geography. It is not acceptable to take a geographical approach or adopt the principle of Buggins' turn, which gives the reins to countries irrespective of whether they have shown contempt for the very principles that their membership of the organisation requires them to uphold. Is it any wonder that the councils of the international community are not held in high esteem if that is how we behave? That is the third point and it is an important one.

There is also an important point to make about diplomacy. My right hon. and learned Friend the Leader of the Opposition, in an important speech last week, highlighted, as other hon. Members today have done, the immense opportunity that Britain has to exert influence through our strong economy, the fact that ours is the fourth largest economy in the world, and in particular, the fact that we are members of the United Nations, the European Union, NATO, the Security Council, the Commonwealth and the G8. Indeed, in 2005 we shall have the presidency of both the European Union and the G8, and that will be a real opportunity to exert diplomatic influence and to seek to persuade other people to behave in an acceptable way. Diplomacy is important.

The use of sanctions could be important, too. They might be targeted against particular sectors in given regimes for the achievement of human rights improvement and political benefit. In some cases, we might adopt a more subtle approach; we could have terms of business agreements with individual countries—a more carrot-and-stick approach—whereby we did business with a nation whose record was historically dodgy, or worse, if it was prepared to commit to, and abide by, strict and proper ethical rules of business engagement—the employment of citizens and so on.

In certain circumstances, the remaining alternative in the field of sanctions is simply to say, "Disinvest". I do not always go along with what *The Independent* says, but Johann Hari wrote an exceptionally interesting and thought-provoking article in that newspaper last Friday, in which, recalling how apartheid in South Africa was brought down, he asked why there should not be a campaign of disinvestment in relation to Sudan. Just as China behaves appallingly in relation to Burma, so the behaviour of the French Government in relation to policy towards Sudan is nothing to write home about either. Perhaps a disinvestment campaign would be a good thing.

The promotion of democracy is important, certainly through what Chris Patten, I think, described as an "insanely undervalued institution", the British Council, but also through extending the good work of the BBC World Service. I should like radio services to go into North Korea. If my hon. Friend the Member for Chichester (Mr. Tyrie) thinks—although I hope that he does not—that that is an attempt to export our cultural values, the answer is that, yes it is. It is an unashamed belief that there is something rather noble about those values, which at least in some form—although not in absolutely replicated form—we should seek to engender in parts of the world where they would be greatly appreciated and have been too long denied.

An attack on the whole small weapons industry is critical. About 300,000 people a year are killed through small weapons. The Department for International Development supported international small weapons destruction day and I pay tribute to the Secretary of State for International Development for doing so, but much needs to be done. There is an EU code of conduct on small weapons, but it is rather weak and most observers think it needs to be strengthened. Trade in small weapons, and their trafficking and brokering, is taking place and if we are to confront and defeat that phenomenon, in the interests of the greater security of the developing world and beyond, multilateral activity, through the councils of the international community, and with a sense of urgency, is certainly needed.

Finally, let us briefly address the issue of humanitarian intervention. My hon. Friend the Member for Chichester said that he favoured humanitarian intervention in certain circumstances, but that they would need to be clearly spelled out. I agree with quite a lot, although not all, that he said. There are good arguments for making humanitarian

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commitments, but we need the forces to make them credible so we should not rule out the dispatch of a substantial peacekeeping, as opposed to merely monitoring, force to Darfur, to try to bring to an end, as quickly as possible, the appalling suffering that is taking place there.

A wider argument can be made. If there is a vacuum, ultimately it is filled. Unless the United Nations accepts its responsibility to uphold human rights, to promote democracy and to ensure that national sovereignty cannot be used by totalitarian regimes as a cloak behind which to continue appalling abuse of human rights, someone else will occupy the field. So action must be taken by a reformed and responsible United Nations or, alternatively, a new community of democracies will have to sit down together, determine the criteria and thrash out whether humanitarian intervention is justified. There is a great deal to be said for that, and despite all the mistakes that have been made since, I still support the decision to fight the war in Iraq. We should not neglect other parts of the world. What is happening in Darfur, what is taking place in Burma and what is being done in North Korea should concern every hon. Member.

Of course, we cannot deal with everything militarily. We should use diplomacy; we should apply trade pressure; we should be prepared to impose sanctions; and in certain circumstances, yes, we are justified in intervening. The reality is that too many people around the world have suffered too much for too long with too little being done about it. The challenge to political parties and the international community is to ensure that the defenceless, the discriminated against, the weak, the suffering and the voiceless do not continue to experience their present plight. We need a better policy to help them, to advance their cause and to give them a chance, and we need that policy sooner, rather than later.

4.21 pm

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): It is always a pleasure to follow the hon. Member for Buckingham (Mr. Bercow). Although we differ on how to define national interest in the context in which he implied it, he certainly struck me as a convert to the cause advocated by the former Foreign Secretary, my right hon. Friend the Member for Livingston (Mr. Cook): the ethical foreign policy, which came to such an unhappy end during the first Labour Government after 1997. However, I want to speak about something rather different.

Commentators have characterised the Queen's Speech as being set in a context of fear and insecurity and I agree with those on both sides of that argument, believe it or not. Certainly in respect of domestic policy, many of those fears and insecurities are alive and well, particularly in the poorer parts of the country where crime is a very real pandemic, but it is not necessarily the case that we can extrapolate from those specific areas to other parts of the country and make the same case. We must distinguish between the legitimate fears of crime and antisocial behaviour in many forms and the fact that the fear of crime often overtakes the reality. I would argue that the converse is true in respect of foreign and defence policies. We are working in a climate of fear and much of it is misplaced. That is not to deny that there are real dangers and challenges, but to deny the all-pervading sense that, down the road, some cataclysm will be foisted on the people of the United Kingdom. That is just not the case, and I see no objective evidence to suggest that it is; neither do I see the merit in stoking up people's fears in the way in which they often are.

Where the effect of crime on domestic issues and foreign and defence policy most recently came to a conjunction was in Afghanistan. The Secretary of State for Defence referred to the drug trade in Afghanistan. Many figures have been bandied about in the House this afternoon, but they do not illuminate much. I hope that what would illuminate the point is a simple figure that we tend to forget: the year before the overthrow of the Taliban, for all their many and manifest failings as some kind of administration in Afghanistan, they reduced the export of heroin to 80 tonnes a year. They waged a war on heroin, so the price went up in western European cities, because Afghanistan is the main source for our drugs. I may have the figures slightly awry, but I understand that 3,600 tonnes were produced in Afghanistan last year, and one of the principal operators in the trade is Dostum, one of the chiefs of the Northern Alliance.

I happen to know that Dostum met one of the big heroin importers into this country, who told me from prison—where, happily, he is locked up for many years—that his contact in importing heroin into this country was, through his Turkish intermediaries, Dostum. It was a great success to put such a man in a position of responsibility in post-war Afghanistan. No one takes issue with the need to get at the viper's nest of al-Qaeda operations in Afghanistan, but the failure to operate effectively afterwards meant that that man was able to ply his pernicious trade once more. Under the Taliban, he could not do so to the same extent.

David Cairns: May I correct my hon. Friend's figures slightly? The figure was 185 and not 80 tonnes. He is right about the figure of 3,600 but the peak, under the Taliban, was 4,600 tonnes. They stopped production in only one year and still had the stockpiles in which they proceeded to trade. We must not allow the myth to emerge that the Taliban were somehow cracking down on opium production. They were not; it was a tactical manoeuvre in one year and they continued to profit from it. That does not take anything away from what my hon. Friend said subsequently, but we must not allow the impression to be given that the Taliban were getting tough on this trade.

Mr. Kilfoyle: I defer to my hon. Friend's detailed knowledge of the figures. However, as he said, that does not take away from the argument that the people now in power can ply a pernicious trade that thoroughly infects the west.

I also want to refer to the so-called special relationship. Everything that has been said in the debate so far is, in one way or another, predicated on the special relationship. I have heard speaker after speaker say how important the transatlantic alliance is to them personally and, by that, they mean the special relationship. The transatlantic alliance is important to me, and it has been important to us for generations and

will be for generations to come. It is not without end, but we should try to define what it means and how, to return to a point made by the hon. Member for Buckingham, it affects our national interests.

The issue is how we interpret our national interest and whether it is often subordinated to that of the United States. I take no issue with the United States for pursuing its national interest. When our national interest is not at one with theirs, it is up to us to decide whether we go with their interest or our own. To do that, we have to take a wee historical look at what the special relationship means and, as I said, we must define it.

Whenever I have mentioned the special relationship—from the Back Benches or from the Front Bench, in private or in public—I have asked what the quid pro quo is from the British perspective. I was told that it was intelligence, and I will come to that subject in a moment. I could no see no other overriding factor that suggested that we should have a special relationship ad aeternam because all sorts of goodies accrued to the British people as a result. As I see it, as part of the special relationship, we hand over the use of places such as Diego Garcia, Fylingdales and Menwith Hill and, in return, we receive intelligence.

Most of the time, we unquestioningly acquiesce in a whole variety of policies that emanate from within the beltway in Washington. They are not necessarily well thought out or in our national interest, but the acquiescence is there. In return, we have the British Prime Minister's totemic right to a hearing in Washington. What do we actually get out of that?

To understand the answer, we must look at what we have achieved over the past 50 years as a result of the special relationship. Let us dispose of some of myths while not, in any way, decrying the enormous efforts made for five or six decades by the United States under various Governments. They have determined western progress and western advancement. Let us consider the situation immediately after world war two. I know that it rankles with many old soldiers to talk about the wartime and who won the war—we have this in every Remembrance service—but the truth is that it was won due to a combination of factors. Within that crucible, however, our special relationship with the United States was forged. Historically, that was mostly due to family contacts, and especially Churchill and Roosevelt, the then leaders of the two great western democracies standing against fascism.

The relationship has moved on since that time, but that has not happened without a price. I remember going with my ration book to the shops when I was a young lad—I was a young lad once. One reason that rationing continued in this country for so long was the enormous cost of repaying the United States for the fantastic help and support that it lent us during and after the war. However, such help and support came at a tremendous cost to this country.

It has been said that the special relationship was not brought to bear at Suez because that did not suit the national interests of the United States. However, we must also consider smaller matters on the global scale, such as the invasion of Grenada, when we were not even informed that a Commonwealth country was to be invaded. I thought that the notion that the United Kingdom was always the prime base in Europe for American interests was laid to rest during the latter stages of the cold war, when Germany was far more important to the United States than the United Kingdom was. That does not diminish our relationship with the United States, but shows that it is in a state of flux. The United States will do whatever is in its interests—long may that be, if one is an American. I happen to be a citizen of the United Kingdom, so I sometimes take issue with that.

The situation has never been more obvious than during the illegal and immoral war against Iraq—I and many outside the Chamber maintain that that remains the case. We must consider the cost of the war to us. We have been associated with not only the prosecution of such a war, but with attempts at making peace that have included such phenomena as Abu Ghraib and the levelling of Falluja. I want no association with such peace making; it is not peace making at all because, as many hon. Members have eloquently said, it adds to the fires of extremism and terrorism not only in Iraq, but throughout the world.

We have become politically estranged from many of our older reliable allies throughout the world. Emerging countries in which we invested much political capital say that we are perhaps nothing more than a satrapy of the United States and, as such, should not be trusted. Our forces have been overstretched and put into such a situation that ex-Chiefs of the Defence Staff repeatedly advised the Government, as did the then Chief of the Defence Staff, Sir Michael Boyce, that we should have had an acceptable exit strategy, although we still do not have one. The country will pay an economic cost not only now, but down the years, although we all know that America is advancing its economic interests in Iraq. The huge investment by the Foreign Office in good will throughout the whole of the middle east and the Arab world has been damaged considerably. We have paid those costs for our part in the special relationship, because no reason can explain why we joined the illegal and immoral war in Iraq, except advocating the special relationship.

I, like the Prime Minister and any sensible person, recognise that we must move on—the whole world wants to move on. However, what will we move on to? We must remember that we are moving towards a world in which there will not be only one superpower, because the emerging superpowers of China and India are making rapid strides. We do not know how the European Union will evolve and what that will mean for the United Kingdom's foreign and defence policy.

I know that the overwhelming opinion of the Government and, I assume, the House, is that we will continue to cherish the special relationship for many more years, even if people such as me think that it is something of a myth. We must accept that that is the majority view, but what sort of world will it lead us to? Let us consider what the present American Administration advocate. They are an Administration who instinctively reject diplomacy, multilateralism, collectivism and want to go it alone. They have kyboshed international treaties, not least the anti-ballistic missile treaty, which allows them to begin the first steps towards national missile defence. That approach extends into other areas, Kyoto being the obvious example. They are an Administration who are anti-United Nations. No matter what those with a

[Mr. Kilfoyle]

different view might say, all the evidence has stacked up to suggest that there is a visceral antagonism towards the United Nations on the part of the Administration and their intellectual supporters among the neo-conservatives.

Mr. Bercow: I am listening to the hon. Gentleman with interest and respect. Surely the problem is that the United Nations needs to become an instrument of necessary change rather than merely a symbol of passive acceptance of the status quo. Does he accept that the United States has often felt inclined to go it alone not because it wants to be in splendid isolation, but because the United Nations continues to abdicate its responsibility to stand up for what is right? Will he at least acknowledge that it needs to do that?

Mr. Kilfoyle: I acknowledge that the United Nations needs change and reform, as Kofi Annan has said more than once. Many others would also agree with the hon. Gentleman. However, that is not quite the same as saying that the United Nations as an imperfect instrument is an excuse for unilateralism on the part of the United States. Individuals in a number of American Administrations, but in particular the current Administration, have argued that. There is a school of thought that looks for reasons to distance the United States from the UN. It will go so far as to manufacture reasons that it can add to those that he rightly highlighted, which require remedy. It is not good enough, however, for one country's interests—even if it is the only superpower—to ride roughshod over the views of the world community.

The Administration also believe in pre-emptive warfare and regime change, which are illegal. They believe in militarising space. Their military doctrine uses the marvellous phrase "full-spectrum dominance". That is not about parity or balance. The word that is used is "dominance"—dominance of air, sea, land, space and information. This is megalomania. I do not know any other word to use when one country aspires to dominate the world in every theatre of operations.

They are also an Administration who are developing bunker buster A-bombs. I wonder what will happen next year with the review of the nuclear non-proliferation treaty. Renewal of mutual defence agreements is coming up. Many might argue—I would love to hear what the Secretary of State for Defence or his spokesperson has to say on this—that that violates the NPT. If it does, where does that leave us in terms of a consensus on controlling some of the things that are happening?

The easy answer, which I have half-answered, is that we have to think long term and those are long-term strategies. As the sage has said repeatedly, the only thing we know is that in the long term we are all dead. We have to get through the next four years of a particular Administration in Washington who have a particular world view.

To give an insight into that Administration, I want to quote from an article in "The Weekly Standard" on 22 November. For those who do not know "The Weekly Standard", it is an in-house journal for the neo-cons in the United States. Its contributing editor is a Dr. Strangelove character, Charles Krauthammer. The article is written by another interesting man, Irwin Stelzer. He has a formidable intellect and is amiable. I quite like him. His politics are off the scale as far as I am concerned, but they are at the heart of the neo-cons. He counts the members of the Bush family among his personal friends and also my right hon. Friend the Prime Minister. He is often a dinner guest with the Prime Minister. His thoughts have some resonance in the two arms of the relationship as it currently holds. I was taken by Mr. Stelzer's article. It states:

"So close are the views of Tony Blair and George Bush that it is not unreasonable to say that we are all neoconservatives now."

I do not hold to that, and I am sure that many colleagues on both sides of the House would take a different view.

Mr. Stelzer wrote that Colin Powell

"made it clear last week that the president has no intention of abandoning his 'aggressive' foreign policy."

"Aggressive" is his word, not mine. He says that an aggressive view is being taken on how the United States deals with the world.

It would please some people to know how anti-European the American Administration are. Perhaps it accounts for the official Opposition taking the view that they have, which is rather like that of Janus. I used to think of the Liberal Democrats in that sense—looking both ways at once. In this instance, it is the Conservative party that is taking that approach.

Mr. Stelzer adds that

"the president's foreign policy team has come to understand that the united Europe that is taking shape intends to subvert American interests."

Another paragraph of the article reads:

"The positioning of the E.U. as an anti-American force has not been lost on Washington's policymakers, who now realise that this country's historic support for a united Europe is dangerously contrary to U.S. interests."

There we have it. It is a dilemma for the British Government in being a bridge between Europe and America when one of the two parties sees itself as diametrically opposed to the other.

My final quote is:

"when Blair is finally forced to choose between the Europe in which he so dearly wants to play a ... leading part, and the special relationship with America."

There we have a neo-con house journal arguing the case that there is a choice to be made. It is saying that there is not a bridge and that a choice is to be made whether one's destiny lies with Europe or with, perhaps, the 51st or 52nd state or whatever of the United States. It is an extremely difficult dilemma for any Government. I hope that unlike their approach towards supporting America in the Iraq war, the Government will exercise a great deal of caution before committing themselves either way.

4.43 pm

David Burnside (South Antrim) (UUP): I shall be in Washington before Christmas meeting many of my neo-con friends. I shall pass on to them the views of the hon. Member for Liverpool, Walton (Mr. Kilfoyle).

Before the war, in conversation with some neo-cons in the United States, I expressed concern that I think reflected general feeling on both sides of the Chamber.

I am concerned about the United States, with the United Kingdom, trying to roll out by force democracy throughout the world. Although all of us in this place believe in democracy, would defend democracy and would vote in the House to fight for democracy throughout the world, it is a dangerously naïve and unsophisticated policy to pursue. To roll it out as part of foreign policy, which is the essence of much of neo-con thinking in Washington, is superficially naïve and dangerous.

David Winnick: Did not the United States play a fairly positive role during the Clinton Administration in trying to bring about a settlement in Northern Ireland? I noticed that my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle)—I missed the early part of his speech—did not mention that.

David Burnside: I will come later in my remarks to the past, present and future contributions of the United States Administration to the peace process to which the hon. Gentleman refers.

Iraq and the management of the war is now the Government's major foreign policy objective. We are where we are. The House voted, we went to war, we are in Iraq and we must manage it efficiently and effectively with as much all-party support in the House and as much co-operation with the traditional Atlantic alliance as possible.

I shall concentrate my remarks on two peace processes that are sometimes complementary. Although I am not in the conflict-resolution sector of politics, as many of my fellow countrymen are in Northern Ireland, there are some lessons to be learned. The Government have an opportunity coming up to make a major contribution to a long-term, stable solution for peace in the middle east. There are a number of circumstances moving in the right direction.

The re-election of President Bush is good for the peace process in the middle east. A second-term president is always good for the management of international affairs. I believe that the instinctive concerns that some have about Bush and his priorities in the middle east will be allayed. He will deal with the middle east conflict, the problem of Palestine and relations with Israel. A strong American President in his second term is a great advantage.

The demise of Yasser Arafat is good for the future of the Palestinian people and will contribute to a more united, stable leadership that does not have the long-term legacy of terrorism or the freedom fighter image—whatever one's position and whatever one thinks—of Yasser Arafat. We all have our interpretations of the international links with Arafat in the early days of the Palestine Liberation Organisation, and we all have our past. Arafat did not manage the Palestinian people firmly, fairly and in an honest and open way. His financial management of the state or statelet or yet-to-be state should be open to a great deal of scrutiny, and the international community must see that his type of management is not allowed in the future. The demise of Arafat is another circumstance that is good for a middle east solution.

The third circumstance is that Prime Minister Sharon is showing considerably more flexibility than many had expected—flexibility on Gaza, the settlements and, hopefully, the Golan heights. He is a strong leader who will show flexibility at the right time.

The fourth circumstance that will help a solution in the middle east and be necessary in our allied relationship with the United States is the position of our own Prime Minister. He is a P45 Prime Minister: he has announced that he will stand for election and go some time after the next election. He is coming to the end. The Labour party is conspiring and working out who should be its next leader—and, it hopes, the next Prime Minister. Prime Minister Blair wants to have the hand of history on his shoulder in respect not only of Ireland but of the middle east, so he will make a major contribution, and his special relationship with President Bush is to the advantage of a solution in the middle east.

Those circumstances—President Bush, Arafat's demise, Sharon's flexibility, and our P45 Prime Minister going through for another one or two years until he is replaced—combine with other developments in the region. Syria has a new regime and there is reasonable peace in Lebanon, especially southern Lebanon. It is a stable country that has recovered from the worst times of the war. A new king in Jordan, King Abdullah, wants to play a major role in the middle east. In the long tradition of the Hashemite Kingdom of Jordan, I believe that Jordan will play a crucial role in working towards a peace settlement based on the two states in the middle east.

We have passed the stage in foreign affairs where people even question the continuation of the independent sovereign state of Israel. That will continue. It will be supported, and the international community will respect it. We have passed the stage where people question whether there should be a two-state solution. The international community accepts that. We have the basis, with the world leadership, the presidents, the prime ministers and the support of the European Union, to establish a sound and stable peace solution through politics in the middle east. I am optimistic that the British Government and the Prime Minister will play a considerable role in achieving that objective.

I sometimes wonder whether British-Irish relations come within foreign policy or some other strange relationship that has developed from the 1985 Anglo-Irish agreement or the 1998 Belfast Good Friday agreement, but the management of the peace process in Ireland, which again is a political process is very much the joint management of Her Majesty's Government and the Government of the Irish Republic. The British and Irish Governments have continually and abjectly failed to manage that process in a way that ends for ever the threat and continuation of terrorist organisations within Ireland, linked to the Irish republican movement and so-called loyalist paramilitaries.

The British and Irish Governments have played footsie with the republican Sinn Fein-IRA movement. They have compromised time and again. They have made it difficult for the democratic political parties within Northern Ireland—I include in that the Ulster Unionist party, the Democratic Unionist party and the SDLP, and one or two other small parties such as the Alliance—to play an active and continuing role in the

[David Burnside]

political peace process because time and again they have appeased those who hold on to terrorist organisations and a vast criminal empire. That includes Sinn Fein-IRA led by Gerry Adams and Martin McGuinness, who are in and out of No. 10 Downing street with Jonathon Powell and other officials day in and day out, and never out of the Northern Ireland Office. They are still playing the double game of maintaining the terrorist threat without going the full route to becoming democrats and taking their place in a normal democratic society.

I read a statement earlier this week from the IRA president and Sinn Fein leader, Gerry Adams—that is what he is—saying that if we do not get the process moving ahead in the right direction, we should move to joint authority between the United Kingdom and the Irish Government. I fear such statements because they are deliberately provocative to those of us who are trying to stabilise and democratise politics in Northern Ireland for the long term and for ever. They are provoking Unionist people who feel that some form of British and Irish joint authority will be introduced over our heads, which would be against the so-called principle of consent that was meant to be in the Anglo-Irish agreement, and the so-called principle of consent that was meant to be in the Belfast agreement. We cannot have the principle of consent when some involved in the process are threatening a form of joint authority over us.

Rev. Martin Smyth: My hon. Friend was asked earlier about the role of President Clinton. Does he see a parallel between the recent acceptance of a promise from Iran not to proceed with a nuclear warhead and the Clinton era when there was peace, yet the bomb that blew up Canary wharf was being planned?

David Burnside: There should be no appeasement, domestically or internationally, in the fight against terrorism. The double standards that are sometimes expressed in the House, especially from the Government Front Bench, must end. If we are to win the fight against domestic and international terrorism, there is only one standard, one criterion, one end objective, and that is the defeat of terrorism, so I accept the hypocritical nature of that stand.

In moving on to the problem of concluding and finalising the peace and political process within Ireland, it is time that on foreign policy Her Majesty's Government started to re-establish who are the sovereign Government and Parliament of the United Kingdom. We continue to govern Northern Ireland in a consultative manner with the Government of the Irish Republic, as though there were some form of joint authority. The internal affairs of the United Kingdom are the internal affairs of the United Kingdom, and the institutions of government that may or may not be established at Stormont should be the institutions that are agreed by this Government and this Parliament. There should not be a form of joint authority. I worry about my own party in this regard, but I also worry about my friends and colleagues in the Democratic Unionist party, who appear to have been sucked into a negotiating position—whether at Leeds castle or at Weston Park—that has given the impression that the future of Northern Ireland is to be determined by a form of joint authority between the United Kingdom and the Irish Government.

Rev. Martin Smyth: Does my hon. Friend agree, therefore, that the recent discussions on criminal justice reforms, which seemed to settle on a type of criminal justice involving Northern Ireland and the Republic of Ireland, should have brought Northern Ireland more into line with England and Wales? If there is a need to protect the Irish citizens in Great Britain or the British citizens in the Republic of Ireland, that could be achieved at international level rather than by placing Northern Ireland in a separate position from the rest of the judicial system here.

David Burnside: My hon. Friend makes an important point; I agree with him completely.

I should like to move on from the middle east and the Irish peace process to the second main subject of today's debate: defence. The international fight against terrorism will be won only when we have strong domestic defence—which the Americans call "homeland security"—and the co-ordination and strength internationally to defeat terrorism from whatever quarter. We can pick and choose our terrorist organisations and our historical analogies, but the international network organisation of terrorism—the historic post-war terrorist organisations with allegiances to the old Marxist system in eastern Europe, to bits of the middle east, to Gaddafi in the old days, to ETA, to FARC in south America, to Castro's Cuba, and to the Provisional IRA—still exists. That old left-wing terrorist element is still operating, and it is heavily financed by drugs and international crime.

Other elements today are called terrorists: Muslim fundamentalist terrorists, for example. We pick these terms, depending on where we are coming from and where we are going to. However, an international network involving drugs, crime and protection is helping to finance perhaps some middle eastern terrorists, and certainly FARC in Colombia, a lot of the terrorist criminal operations in eastern Europe, and many of the potential terrorist trouble spots around the world. The international community—the United Nations, the European Union, and the alliance between the United Kingdom and the United States—needs to examine how it can undermine the corruption and deal with the money that finances much of that terrorist-led activity.

Mr. Kilfoyle: The hon. Gentleman threw Cuba into his list of terrorist organisations. Will he clarify for me where he sees the connection between Cuba, drugs and organised crime?

David Burnside: I should be more than happy to. That was a simple question and I shall give the hon. Gentleman a clear answer. According to evidence given to the international relations committee in Congress, the Sinn Fein-IRA representatives who went to Colombia had received more than $1 million from FARC in Colombia from the illegal trafficking of drugs. Those representatives included the Sinn Fein representative in Havana, Cuba, who then went to Columbia with IRA

representatives, who were part of the international network of terrorism that I was referring to. So the connection is clear.

Mr. Kilfoyle: I am still not clear about this. I understand the geography and the route involved—indeed, the hon. Member for Belfast, South (Rev. Martin Smyth) and I were down in Colombia last year and we dealt with this subject in some detail—but is the hon. Gentleman implying that the Cuban Government were involved in some way?

David Burnside: I am not, but there is a long historical link between Governments such as the Government of Cuba and the international network of left-wing terrorist organisations, which all arose in their own countries because of different historical backgrounds but which are tied into an international network. The connection that I made was between the Provisional IRA, its representative in Havana, the home he was given there and the help that he was given in Cuba in its relationship with FARC, the anti-American, drug-financed terrorist organisation in Colombia. I think I have made the connection very clearly.

The domestic and the international fight against terrorism can be achieved only if we have a stronger, better, more efficient and, in my opinion, bigger Regular Army, Navy and Air Force, so some planned projections from Her Majesty's Government on the size of the infantry and of the Army cause me major concern. I have one point to make, and I do so with respect to a soldier for whom I have the highest personal regard—General Sir Michael Jackson, who is a paratrooper: great history, great regiment, great honour. I hope that the House will decide on the future of the British Army and the importance of its regimental system.

Even if General Sir Michael Jackson recommends that we have management within the Army and within companies, mergers and forming super-regiments will be so fundamentally harmful to the future of the British Army—this will end the British regimental system, which every other army in the world would give its eye-teeth for—that we must debate that in the House and fight it. If that reverses some of General Sir Michael Jackson's management decisions, so be it. I believe that we can gain cross-party support in the House and that the regimental system—with its strength, its honour, its past and its future—is something that we cannot give up. I hope that Labour Members, Liberal Democrats and the Conservative party will come together to save the British regimental system.

Mr. Gerald Howarth (Aldershot) (Con): My hon. Friend will know that the Conservative party's official position is that we are determined to save the regiments, because we need the necessary number of troops to fulfil the obligations that are being imposed on them. We believe that it is not yet time to take a peace dividend from Northern Ireland.

David Burnside: I agree with my hon. Friend.

My concluding subject is normalisation in Ulster. In a recent exchange, the Minister of State, Ministry of Defence, asked me whether I believe in normalisation. There is nothing that I and the vast majority of people want in Northern Ireland more than normalisation. We want our garrison strength, police on the streets, and the total and absolute end of terrorism. We want our Territorial Army regiments travelling throughout Ulster to train for the future role of the TA.

We do not want Regular Army back-up for our police service or the civil power for any longer than is necessary, but does anyone think that we can say that there is normalisation when the terrorist organisations continue to exist and do not disarm? The Provisional IRA has gone four years—almost five—beyond the Belfast agreement date for completing disarmament, but it still holds on to its arms, explosives and criminal empire.

On the so-called loyalist paramilitary side, again there are illegal weapons and much criminality, which should not live in a normal society. Therefore, I look forward to the peace dividend coming out of Northern Ireland. I believe it will help the deployment of our armed forces to meet national and international needs, but we are not there yet.

I want to make yet another appeal to the Secretary of State for Defence. We in Northern Ireland have always had an armed back-up to the civil power, which currently exists in the three home battalions of the Royal Irish Regiment. One battalion is in Aldergrove in my constituency, one is in Omagh and one is in Armagh, comprising 3,300 men and women. One does not do away with the tradition of the Royal Irish and the Ulster Defence Regiment—the defence against future terrorism and future threats—give that up, and say that another few battalions have gone, we do not need them, and it looks reasonably peaceful at the moment. We must maintain those three home battalions within the Northern Ireland garrison—I believe that the Government are considering numbers of 5,000, although we are not at that stage yet. Will the Secretary of State therefore give us a commitment that even in a more peaceful society, we will maintain the three home battalions?

I am extremely optimistic on peace settlements around the world. We have the opportunity to establish a foundation for peace in the middle east, and we can make progress on the peace process in Northern Ireland, but we must not go too far, too fast. We must always make every judgment, every decision and every executive decision relating to our armed forces, police and home defences based on reality and not hope for peace. If we do that, we will have a more peaceful domestic and international society.

5.6 pm

Martin Linton (Battersea) (Lab): I have looked forward for a long time to an opportunity to take part in a foreign affairs debate with my right hon. Friend the Foreign Secretary in his place, so that I could enter into dialogue with him. On this occasion, I am pleased that he is not in his place, because instead he is in the middle east pursuing the road map and the peace process, which is exactly where I would want him to be. I have the consolation of my hon. Friend the Minister for Europe being in his place. With modern technology, I am sure that it is possible for the Foreign Secretary to hear what is said in this Chamber in Sharm el-Sheikh or wherever, so that we can enter into dialogue with him while he is engaged in the peace process.

[Martin Linton]

The point that I would most want to make to my right hon. Friend is that the biggest inhibition to peace in the middle east is not so much the problem of Palestinian terrorism, as territorial expansion by the Israeli Government in the west bank. I asked him recently about the case of an Israeli settlement called Ma'ale Adumim, which is halfway between Jerusalem and Jericho, in the middle of the west bank and a long way from Israel. The mayor of that settlement has said that he hopes to more than double the size of Ma'ale Adumim to provide homes for about 70,000 people. Indeed, the Deputy Prime Minister of Israel, to whom the Foreign Secretary has made protests about this matter, is on record as saying that Jerusalem must grow to include Ma'ale Adumim.

A settlement right in the heart of the west bank is therefore to be incorporated into Israel, which to me demonstrates more clearly than anything the extent of continuing encroachment on Palestinian territory while the road map is supposed to be in progress. No wonder that even the United States Government have condemned the Israeli building in Ma'ale Adumim, although that seems to have made little difference. The Israeli Defence Minister has even said that this new expanded settlement in the middle of the west bank should be on the Israeli side of the security fence that Israel is building. Again, that demonstrates clearly the extent of the continuing territorial encroachment on the west bank by the Israelis while they are saying that they want a peace settlement.

Now that the International Court of Justice has established that the route of the security fence is contrary to international law, we must ask ourselves seriously what will happen if Israel fails to abide by its findings. What sanctions can the Foreign Secretary apply to Israel, given that it has already made it clear that it will not pay any attention to the court's findings? I should like to share the optimism of the hon. Member for South Antrim (David Burnside) about peace settlements in conflicts around the world, but if we are to achieve such settlements we must give careful consideration to the instruments that we, as a country, have in our hands. I urge my right hon. Friend to do that.

So far, dozens—indeed scores—of UN resolutions have been passed on the subject of Israel and Palestine. Israel is in contravention of nearly all of them, and they are all resolutions under chapter VI of the UN charter—that is, resolutions placing responsibility on both sides in the conflict, which are bilateral and mean that no single country must comply with them unless the other country involved does so as well.

The charter also contains chapter VII, under which it is possible to impose unilateral obligations on countries to abide by resolutions irrespective of what other countries do. That is the chapter under which the resolutions on Iraq were passed, and under which the UN alone can take international action. I have asked my right hon. Friend before now to accept that while the peace process requires action from both Israel and Palestine, the settlements in the occupied territories are illegal in and of themselves. If we do not take action against the illegal settlements with the same urgency and under the same chapter of the UN charter, we are effectively abandoning the moral high ground and undermining our own case on Iraq.

I have tabled a question asking my right hon. Friend if he would

"impose a duty on Israel to halt and withdraw illegal settlements in the occupied territories."

In his answer, the then Minister, my hon. Friend the Member for North Warwickshire (Mr. O'Brien), recited some of the Security Council resolutions that already state that all the settlements are illegal, and reiterated that

"an early settlement freeze is essential to the continuing viability of the two-state solution."

Indeed, that is part of the road map. He also said that the Government

"have no plans to table a UN Resolution on Israeli settlements in the occupied territories."—[*Official Report*, 25 February 2003; Vol. 400, c. 419W.]

It is understandable that we should pursue the chapter VI resolutions as far as we can, but at some stage we must convince Israel and the United States that overwhelming military power will not in itself be an answer to terrorism. John Glubb, the great authority on the middle east, says:

"I personally believe that the continuing use of force alone is a lack of political judgment. The continued use of violence raises up more violence against itself. Men and women who have nothing more to lose may well become dangerous. To drive an enemy to complete and utter despair may be unwise."

I think that that describes the point that we have now reached in the middle east. Another authority on the subject has said:

"Israel has no long-term future without the accord of the Arabs."

Those are the words not of a UN or western politician, but of Nahum Goldman, president of the World Jewish Congress.

All parties to the conflict must understand that a wrong done by force of arms can also be undone by force of arms. They are living in a fool's paradise if they think that Palestinians believe that 150 million Arabs will simply forget, or if they think that the 800 million Muslims throughout the world will abandon the ambition of an independent and viable state of Palestine. For them, it is a choice between peace with justice or perpetual war. The role of all members of the United Nations, with the help of the United States, should be to assist Israel in coming to the right conclusion.

The hon. Member for South Antrim said that the death of President Arafat creates an opportunity. It might in some ways, but he is wrong to imply that the President was the blockage to making progress with the road map. The opportunity that we are now presented with has far more to do with the re-election of a US President—who, being in his second term, will have nothing to fear—and with the elections in the Palestinian territories on 9 January, which will enable the Palestinians to give a fresh mandate to a new leader. Whoever that leader may be, it is clear that they will not have the same authority that President Arafat enjoyed by virtue of his experience and longevity; nevertheless, the election will give them a mandate to negotiate. If the Israelis and Americans are equally determined to reach a settlement, now is a good opportunity to do so.

We must be very careful to avoid doing things that strengthen the extremists and undermine the moderates. In my view, the moderate Palestinian politicians are in fact very moderate. When the British mandate in the Palestinian territories ended, the Jews constituted some 7 per cent. of the population and owned about 6 per cent. of the land. Now, Israel constitutes 78 per cent. of Palestinian mandate land. So those politicians who have accepted the scaling down of their ambitions from governing the whole territory to governing only 22 per cent. have already demonstrated that they are in every possible sense moderate. In fact, according to the detail of the offer made to them under the terms of the Oslo proposals, they would not even get the remaining 22 per cent. of the original Palestinian land.

John Barrett: Does the hon. Gentleman agree that what matters is not just the overall percentage of land but the area that supplies water, which is a particularly vital commodity in that region? As a result of the wall's construction, a huge part of the Palestinians' water source has been taken away from them, which has stretched their tolerance even further.

Martin Linton: Indeed. Area and population are both very rough guides and I fully accept that viability owes much to economic factors, such as the water supply. However, whichever measure one uses, the Palestinians are now happy to negotiate on the basis of having a very small part of the land and its economic potential, and we should give them credit for that.

Of course there are Palestinian extremists, but there are extremists on both sides. We have all heard about Hamas and those Palestinians who would happily throw every Israeli into the sea, but we should also consider Israeli extremists such as the Gush Emunim. They talk about

"a second Palestinian holocaust in which Palestinians will flee or be made to flee Judea and Samaria",

in much the same way as 750,000 Palestinians—three quarters of the population—fled in 1948. Such talk is offensive and we must condemn it, but in doing so we must find ways to support those politicians in both communities who are prepared to seek a compromise and to take a moderate stance.

We might reach an agreement, given the favourable circumstances that are in place, but we must also ask ourselves what happens if we do not. The fact that both countries, Israel and the Palestinian territories, are democratic and are the only two true democracies in the middle east is, sadly, no guarantee that a resolution can be found. In fact, democracy sometimes makes it more difficult because the people have to be carried in a democratic regime, which does not apply in less democratic regimes. The distance between the expectations of the two sides is still huge. The Israeli Government have withdrawn, or are in the process of withdrawing, from their settlements in Gaza, but it affects only 7,000 people compared with 200,000 on the west bank.

We will need every ounce of American pressure to bring about a sufficient change of heart in the Israeli Government for a withdrawal from west bank settlements to take place. Even then, would that be a sufficient withdrawal to satisfy the expectations of the Palestinians? I cannot help thinking that, at the end of the day, it will not be sufficient to bring the Palestinians happily into negotiation. In the end, we may have to think of other ways of bringing that about. UN action is, of course, the one that should spring to mind.

This is no minor problem—it is probably the biggest problem in international relations that the world has ever known. Two peoples, not to mention three of the world's religions, all co-exist in the same small territory. The two peoples now living there, the Israelis and the Palestinians, both arrived 3,000 years ago as the Hebrews and the Philistines and have existed in that area ever since. Ironically, they have now settled in one another's heartlands, with the Israelis living in towns such as Ashkelon and Ashdod, which were Philistine towns even in Biblical times, and the Palestinians living in towns such Nablus and Hebron. As we find from reading the Bible, they were the heartlands of Hebrew settlements in Judea and Samaria. That results in the ironic position of those peoples living in one another's territories while having a legitimate claim on one another's land. A great leap of faith has to be made by both sides to understand that they must enter a dialogue that results in allowing the other side to have permanent security within the borders.

We need to be careful not to make it a precondition of progress on the road map that there should be a complete stop on acts of terrorism. It is not that we should not desire such a stop, but making it a precondition is to put a veto in the hands of suicide bombers. We should try to proceed with an unconditional withdrawal from settlements in the occupied territories. It has started in Gaza, but will be much more difficult to achieve in the west bank. Unless the withdrawal is unconditional, it can be halted at any stage by just a tiny minority of Palestinians, or even Palestinian sympathisers who might launch suicide bombs or some such act.

We must consider other means of achieving that end, which should include using chapter VII of the UN charter. I do not see how we could be certain of achieving that objective without it. It is all very well being optimistic in world affairs and hope that people will see sense, but we need an alternative strategy—a plan B—in case it does not happen. I believe that using chapter VII of the UN charter and the imposition of unilateral obligations on countries should be done to a greater extent in any case—to stop genocide, for example.

Born in such high hopes more than 50 years ago, the UN has, to my mind, proved a huge disappointment. Only twice in its longer than 50-year history has it ever agreed to take military action: once in Korea in 1950 and once in Kuwait in 1991. The rule against any interference in the internal affairs of sovereign states has paralysed the UN into inaction. For example, it could not act in Rwanda, even though the commander of the UN force there, Romeo Dallaire, pleaded with his superiors in New York to be allowed to stop the genocide that he knew was going to take place. The UN contingent stood helplessly by as 400,000 people were butchered. In the end, the commander was reprimanded for trying to disobey UN orders and stop the genocide.

A similar thing happened in Bosnia. No action was taken, even though it was known that the genocide of 250,000 people was taking place. The inquiry into what

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happened in Bosnia said that the UN was paralysed by the "institutional ideology of impartiality". That rendered it simply unable to take any action.

David Winnick: It was deplorable that no action was taken to stop the massacre, mainly of Muslims, in Bosnia. Was it not therefore all the more appropriate for the British Government, with the essential support of the US, to take the action that they did in Kosovo? Incidentally, that action gives the lie to claims that we are anti-Muslim. If we were anti-Muslim, why did we act as we did in 1999?

Martin Linton: I thank my hon. Friend for that intervention, and also pay tribute to him for the consistency with which he has spoken in favour of the UN taking stronger action in respect of a host of issues. He has done so for many years, and long before I entered the House. He is quite right: no action was taken in Bosnia, Kosovo or Afghanistan, and there was a failure to take any action in Iraq. Some may argue that the UN would have taken action in Iraq in the end but, after 12 years of inaction, it is difficult to believe that it would have ever got around to it.

However, I do not agree with my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle), who said that regime change was unacceptable. It is acceptable, and we should press for a change in the UN charter to allow the UN to intervene in cases such as those that have been described. I do not want the UN to stand powerless on the sidelines when genocide is taking place.

Although I agree entirely with my hon. Friend the Member for Walsall, North (Mr. Winnick) on this subject, I am about to move on to a matter about which we do not agree quite so much.

David Winnick: Identity cards.

Martin Linton: Indeed.

I believe that we must use all the resources available to us in the fight against international terrorism. One proposal in the Queen's Speech will play an important role in that fight. I would never suggest that identity cards are a panacea that would stop international terrorism in its tracks. Indeed, it has been shown that they would have made no difference in the attack on the World Trade Centre, but the lack of identity cards in this country has created many problems, such as ID fraud and multiple applications for benefits. Those problems are very difficult to stamp out without absolute tests of a person's identity.

To a large extent, the lack of identity cards has exacerbated the illegal immigration problem. When I was a member of the Home Affairs Committee, we found that people from the Sangatte centre cited the lack of any internal checks here as one of their main reasons for coming to this country. Once they were in this country, the prospect was that they would have no problem in staying here.

The lack of identity cards has never been portrayed as a crucial factor in illegal immigration, but it certainly is a contributory factor. Most asylum seekers in my constituency tell me that identity cards would be of enormous benefit to them. People who try to apply for a driving licence and renew their passports at the same time have found that impossible because they have to send their passports to the Home Office, where it stays for six months. It is much simpler for people to have an application and registration card that proves their identity electronically, and which does not have to be sent all over the place.

Equally, many families of Indian or African descent have problems with entry visas for this country. The entry clearance officers in our embassies and high commissions abroad will not give entry visas to many categories of people, including young people with no jobs, people who do not own a house and people who are not married, because there is no way to check whether they return to their country of origin once they have spent their six months in this country. We have no way to check whether someone has returned to their country.

ID cards could thus be of enormous benefit not only to people who have lived here for a long time, but to those who have recently arrived. That was why I suggested to the Home Affairs Committee the idea of entitlement cards. That suggestion was taken up by my right hon. Friend the Home Secretary and has now found its way into the identity card Bill. It is a good proposal, although it emphasises too much the conveniences of ID cards to the Government and not enough the value of an ID card to the individual—*[Interruption.]* The hon. Member for Altrincham and Sale, West (Mr. Brady) may laugh, but once the cards are in circulation he will see that they are immensely popular. People claim that the cards will be foisted on them, but the cards will be very useful.

For example, let us consider the complications involved in renewing a road tax disc. One has to produce four or five documents from different Departments all at the same time and take them to the post office or post them off and wait for them to come back. Identity cards, combined with website technology, will make it possible to have certificated copies of one's private documents sent to a Department without needing to move from one's house. That is an example of the benefits that ID cards will bring.

I understand people's anxiety and trepidation about ID cards, but 79 per cent. of the population—according to Home Office figures—are in favour of them. All ethnic minorities show a majority in favour of the cards. If they are not concerned about them, there is no point in people being concerned on their behalf. They are perfectly capable of making a judgment about whether the cards will be in their interest.

The Government are right to say that safety and security must be pursued. Those issues rightly take up a large part of the Queen's Speech. On the issue of foreign affairs, we must recognise that while security is very important, a safe world is a just world. We cannot have complete safety in international affairs unless people feel that they live in a just world or one that is at least striving to achieve justice. In the end, stopping terrorism can be achieved only by stopping the causes of terrorism.

5.33 pm

Sarah Teather (Brent, East) (LD): It is a pleasure to follow the hon. Member for Battersea (Martin Linton). Although I did not agree with everything that he said,

I strongly endorse his comments about the situation in Israel-Palestine. The situation is intolerable for many Palestinians, especially those families who have been cut off by the building of the wall, perhaps from other members of their families or community. We have to recognise that free movement across the wall is not possible. When we call for democratic elections following the death of Yasser Arafat, we should remember than many people are unable to move across the wall and may be unable to vote. That is a very worrying situation and we must call for the strongest possible action against Israel. I know that my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) has called elsewhere for the special EU trading agreements to be withdrawn, as a possible sanction, but we must look at all options to ensure that Israel withdraws from the occupied territories.

Today I wish to speak about two issues that were raised in the Gracious Speech. First, I shall speak briefly about several issues in Iraq, including security and stability in that country and progress towards elections in January. Secondly, I shall talk about international co-operation on terrorism, with specific regard to two constituents of mine who are in Guantanamo Bay.

I begin with Iraq. As my right hon. and learned Friend the Member for North-East Fife said earlier today, Liberal Democrats bitterly opposed the war. We believe that military action should not have been taken because it violated international law and was based on a false prospectus. No weapons of mass destruction have been found and the serious and present danger that we were warned about has been shown not to exist. My right hon. and learned Friend spoke of the long shadow of Iraq and of the violence and instability that is still cast over Iraq, but it has also been cast over the UK and UK politics. I fear that irreparable damage has been done to trust in politics in this country as a result of that military action.

Although we would not have started from this point, all parties entirely agree that it is vital that the elections in January take place, to begin the process of rebuilding the country. However, there are serious practical concerns about whether the elections will be possible and they need to be addressed; for example, the UN estimates that Iraq will need about 30,000 polling stations nationwide and an electoral staff of about 120,000, but those arrangements have yet to be put in place.

The UN presence in Iraq is currently very limited for security reasons. The Iraqi Foreign Minister criticised the UN for its reluctance to send large numbers of staff to Iraq, but who can blame it when the situation is so dangerous? Those matters need to be addressed urgently if the elections are to take place in January.

The election date—30 January—is in the middle of Hajj, when millions of Muslims are likely to be crossing overland from Iraq through Afghanistan and Iran. How will the coalition forces ensure that insurgents are not present? Will that affect the security arrangements?

I asked the Secretary of State what would be done to ensure that refugees from Falluja who had fled before the coalition action there were registered to vote and able to vote. He said that they are able return to their homes, but that answer was woefully inadequate. Many cannot return to their homes because they have no homes to go to and we do not know where they are. The Secretary of State said that many were staying with family and friends. However, even in this country where movements of people are entirely predictable—for example, students departing from a city—it is difficult to ensure that everyone takes up their democratic right to vote. How on earth can we believe that people in Falluja will have that opportunity? As the coalition action was taken to ensure that those people would have the democratic right to vote, it would be terrible if they, of all people, found themselves unable to exercise that right.

I want to touch on the situation of failed asylum seekers in this country. In February, the Government announced that, from April 2004, they would deport failed asylum seekers. Last week, a constituent visited me. He is a dentist who has been in the UK since 1999 and has qualified with the General Dental Council. We all know that there is a terrible lack of dentists in this country, so his skills would be a welcome addition to our public service. However, he lost several appeals and has had his right to benefits withdrawn, which is the normal occurrence. He has also had the right to work withdrawn, so he has no means of support, yet he cannot be deported to Iraq because the security situation is such that it would be unsafe to send him there. That seems complete nonsense. The Home Office must sort things out to ensure that people who remain in the UK because they are unable to return to their country can at least support themselves if they are willing to do so.

I turn to the situation in Guanatamo Bay, where two of my constituents are detained: Martin Mubanga, who has dual Zambian-British nationality and Jamil el-Banna, who holds a Jordanian passport but was granted political refugee status by the Government and has lived in this country for many years. His wife and their five children are also my constituents. Neither of those two constituents, contrary to popular belief, was picked up in Afghanistan. Martin Mubanga was arrested in Zambia and Jamil el-Banna was arrested in Gambia.

The Foreign Secretary very kindly agreed to meet me, with Martin Mubanga's sister, earlier this year. Martin's family still have no information about why he was arrested in Zambia or about the circumstances in which he was handed over to the Americans. As far as they are concerned, he was visiting his aunt in Zambia, and a matter of weeks later they were told that he had been picked up and incarcerated in Guantanamo Bay. When I met the Foreign Secretary, I asked him on behalf of the family to investigate the circumstances of Martin's arrest in Zambia and the process that was followed when he was handed over by Zambian officials to American officials.

The Foreign Secretary explained that, as Martin was travelling on a Zambian passport at the time, his officials were unable to make that kind of diplomatic inquiry, but he assured me that he would use what influence he has to find out what happened. I have had no information since and neither have the family. They are very anxious to find out about the circumstances surrounding Martin's arrest, simply to put the pieces together. Imagine the crisis that the family feel. I cannot

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imagine what it must feel like not to know what happened to their brother or why he is in Guantanamo Bay.

The six-monthly visits by Foreign Office officials to Martin have been almost the only contact that the family have had with him. He has made various allegations of mistreatment—in particular, that he has been the subject of hot and cold treatment, and I am sure that hon. Members will be aware that similar allegations have been made by other people. He also explained that, when he was interrogated, he was shackled to the floor and told that he was not allowed to go to the toilet. He consequently wet himself and was forced to clean up after himself. That kind of degrading, humiliating treatment is completely unacceptable; if it were to take place in any jail in this country, I am sure that there would be hell to pay.

Foreign Office officials said that they raised those matters with the US authorities, which claimed that they were unfounded, but we have no independent means to check what happened and the family are not reassured by what has been said. Martin has faced consistent problems in gaining access to dental treatment. He has had various problems while he has been at Guantanamo Bay, and he claims that he has lost a considerable amount of weight. For a period, no mail at all got through to his family. Even when mail did get through, when Foreign Office officials were visiting, he was allowed to read the mail from his family with the officials there, but the mail was then supposed to be checked by security and passed to him for him to keep. However, as the Foreign Office reports show, that was often not the case and his mail was never passed to him.

In all of that, Martin has not lost that element of who he is, which has reassured his family. When one official asked him last year whether he would like to pass any message back to his family, Martin asked for the following to be passed on:

"To All,

Not seen any of your mail. Wonder why. Must be the postman.

To Kay,

Sorry to have missed your birthday. Things on my mind. Happy belated birthday."

That is filled with bitter pathos, but we can see that he has not lost his sense of humour. Whatever that man has or has not done—we do not know—he is entitled to a fair trial and his family are entitled to know what has happened to him.

Martin's family are extremely frustrated that no progress appears to have been made with his case. As I said earlier, they still have no information about why he was arrested. Although intelligence information about other detainees has been leaked to the British press, no information about what Martin is supposed to have done has got out, and his family do not know why he has been detained. They are perhaps most worried about the comments made by the Prime Minister on his recent visit to Washington, when he suggested that there had been security breaches by those who had been released into this country. The family are justifiably concerned that any action by those who may have been released could jeopardise Martin's case for release. That would be a complete contravention of basic standards of justice, whereby each person should be considered on their own merit.

If the family of Martin Mubanga have had very little information about him, the family of Jamil el-Banna have had even less. He is a Jordanian, albeit one who has lived in this country for many years, and the Foreign Office says that it has no influence over his case. He is in diplomatic no-man's land. He has now been out of the country for more than two years, putting him in breach of the normal rules on his indefinite leave to remain. His family would like to know what will happen to that leave. Will the normal rules be applied and will he lose his right to stay, or will they be waived, given that he has been away from the country through no desire of his own?

The position gets worse. In answer to questions in the House of Lords about Jamil el-Banna and Bisher al-Rawi and the US's stated intention that, if they were ever to be released, they would be deported to their own countries, the UK said that this was merely a matter for the US. That is obviously nonsense. Jamil el-Banna was given refugee status because there was a very real threat of torture that was recognised by the British Government. For him to be deported to Jordan would be complete nonsense and absolutely appalling. I hope that the British Government will make the strongest possible call to make sure that that does not happen.

The continued incarceration of British citizens and others in an American jail—without charge, without trial, without proper access to lawyers and without access to, or contact with, their families—is a complete affront to justice. The fact that the country that is violating the most basic standards of justice loves to evangelise about the rule of law and human rights to the rest of the world is perhaps the most galling of hypocrisies. Irrespective of what these prisoners have been accused of—let us remember that they have only been accused and not in public—they are entirely entitled to a fair trial, to put their case and to have it heard. The continued failure of our Government to secure that for their citizens leads us to question whether there is anything very special about our relationship with the United States.

5.47 pm

Mr. Crispin Blunt (Reigate) (Con): It is a pleasure to follow the hon. Member for Brent, East (Sarah Teather). She said important things about the loss of trust in politics and about the way we went into war in Iraq, and I shall return to those issues. She gave the House a graphic account of the consequences of American policy at Guantanamo Bay for constituents and for the families of those constituents. I share her concern that Guantanamo Bay, with its complete absence of discernible legal process and the legal limbo in which it places people, is a dreadful advertisement for western values.

I shall come later in my remarks to the middle east peace process and Palestine. That has been the focus of the speeches of several hon. Members, and I shall pick up some of their points.

I welcome the Minister for Trade and Investment back to his place. I realise that he is not nearly as young as he looks, but I regret that he has not been in the

Chamber for much of the debate. It has been a particularly good debate, and there have been some fine speeches. I want to follow two that happen to have been made by a couple of my hon. Friends, but they could have come from either side of the House. I refer to those made by my hon. Friends the Members for Chichester (Mr. Tyrie) and for Buckingham (Mr. Bercow), and I shall also try to examine the merits of armed intervention.

I was the special adviser in the Ministry of Defence and the Foreign Office from 1993 to 1997 when the Bosnia crisis was at its peak. I remember listening in the House to urgent cries for us to ramp up the level of intervention in Bosnia, notably from the hon. Member for Walsall, North (David Winnick). He has taken part in this debate and was a constant advocate of our taking a more robust role.

I believe that our intervention in Bosnia achieved its objectives, which were clear and limited. They were to contain the conflict, deliver humanitarian aid and provide a platform for a settlement. We limited ourselves to those objectives under the United Nations mandate, and with United Nations forces largely provided by western European powers, we were able to achieve the objectives. As a result—messy and horrible though the course of that conflict was—we now have a settlement in Bosnia between three parties who were at each other's throats in the most appalling manner during parts of the crisis that is starting to be sustained for the long term. The prospects for Bosnia are much better than those for any other part of the world in which we have chosen to intervene since.

I was against the intervention in Kosovo for primarily military reasons because I did not believe that an air campaign alone could achieve the military objectives that had been set. We had 78 days of bombing, after which the United States and United Kingdom faced up to the extremely uncomfortable prospect of having to invade Kosovo with land forces to achieve the military objectives. If that had happened, NATO would have split down the middle because there was enormous resistance in the rest of NATO to committing ground forces to Kosovo. Ironically, NATO was rescued by the Russians' actions in persuading President Milosevic to withdraw his forces from Kosovo.

If we look back at the circumstances surrounding the occupation of Kosovo, even five years after the intervention, it is difficult to claim that it was a success. Some 200,000 Serbs have been in effect ethnically cleansed from Kosovo. I fully understand that we went in there because even more ethnic Albanians were leaving Kosovo at the time, but the fact is that our policy was largely manipulated by the Kosovo Liberation Army. The KLA deliberately started a campaign of terror inside Kosovo to provoke the Serbian security forces into overreacting, which they duly did with enormous stupidity, and thus bring about western intervention. Five years later, the state of Kosovo is administered by the United Nations and its future remains completely uncertain. Whether or not we find a settlement regarding partition, the activities in Kosovo of the KLA and Kosovo civil society—if that is what it ought to be called—are a cause for reproach. We in the United Kingdom are on the receiving end of a great deal of criminal behaviour and organised crime that flows through Kosovo, as are other European countries.

I can barely remember hearing a dissenting voice in the House when the decision was made to intervene in Afghanistan to take out the Taliban Government who were providing sanctuary to the forces of al-Qaeda. The case for intervention was clear, but three years later we can hardly say that all the results of it sit in the benefit column rather than the cost column. We know of an interesting account of the relationship between General Dostum, a warlord whose support we needed to evict the Taliban Government, and an English drug dealer who now happily rests at Her Majesty's pleasure in the prison in the constituency of the hon. Member for Liverpool, Walton (Mr. Kilfoyle). The figures on poppy production cited by the hon. Member for Greenock and Inverclyde (David Cairns) are an appalling reproach to the British Government because they have made it the United Kingdom's specific responsibility to try to bear down on poppy production, and consequent opium production, in Afghanistan.

We then come to the whole issue of Iraq. Having been in the House for six years before March 2003, I thought that I could tell when the Prime Minister was genuine. In that debate and in the one in September 2002, I believed him absolutely and voted for intervention in Iraq. If I knew then what I know now, I would not have done so, partly because the case for intervention was oversold, but mainly because of the way in which the occupation in Iraq has been conducted. The fact that Abu Ghraib is to be the image of the west that is engraved on much of the middle east is a symptom of how intervention has gone terribly wrong.

We have made a number of mistakes, which my right hon. and learned Friend the Leader of the Opposition recounted in an important foreign policy speech last week. It is important that we look back at the interventions that have taken place, either with or without United Nations authority, since the end of the cold war and learn the lessons of the difficulties of armed interventions. Even if the situation is crying out for armed intervention to achieve a legitimate objective, as it was in Afghanistan when we needed to address the problem of the Afghan Government giving sanctuary to al-Qaeda, it will be difficult to come out with a wholly positive result in the aftermath.

My hon. Friend the Member for Buckingham eloquently made the case for an activist foreign policy to address the appalling situations in Burma, Sudan and North Korea. He was careful to make it clear that he did not want armed intervention, except, I think, in Sudan under the aegis of clear United Nations authority. I hope that we learn the lesson that armed force should be the last resort.

Hon. Members mentioned Israel and Palestine. The hon. Member for Greenock and Inverclyde said that we know the nature of the settlement and all we need is a process. I hope that someone tells the Israeli Government what the settlement is because there is a myth that the Palestinians have been offered an acceptable settlement not once but twice—first at Camp David and then at Taba—and for some quixotic reasons decided to turn it down. It is important that exactly what happened at Camp David goes on the record because it would give some understanding of what is required to find a solution.

[Mr. Crispin Blunt]

The hon. Gentleman is, however, right that a solution was negotiated through the Geneva accord by Israeli and Palestinian politicians of good will, but that was not the case at Camp David. The outcome of Camp David was the most impressive piece of United States and Israeli spin, implying that Yasser Arafat turned down a brilliant deal for bizarre reasons of his own. For a true and lasting peace between the Israeli and Palestinian peoples, two viable and independent states must live together as equal neighbours. That should be anyone's starting point, but the Camp David proposal denied the Palestinian state viability and independence by dividing Palestinian territory into four separate cantons, entirely surrounded and therefore controlled by Israel. The proposal also denied Palestinians control over their borders, air space and water resources while legitimising the expanding illegal Israeli colonies in Palestinian territory.

Mr. Bercow: My hon. Friend has, in the nicest possible way, provoked me. Of course he is right to say that land for peace and the two-state solution are of the essence. However, I gently put it to him that few people have seriously argued that there was a brilliant deal on offer to the Palestinians at the beginning of 2001. My hon. Friend the Member for West Suffolk (Mr. Spring) and I went there in January 2001. Our complaint, and that of many people committed to the peace process, was that an offer was on the table and in January 2001, in an historic error of bad statesmanship, Arafat refused even to negotiate over the offer. That is the criticism.

Mr. Blunt: The idea that Yasser Arafat refused to negotiate is, with great respect to my hon. Friend, a little wide of the mark and unfair. It was the culminating point of a significant lengthy period of negotiations. One of the problems about the way in which Prime Minister Barak approached the negotiations is that they were not negotiations at all. Palestinian support for the peace process was undermined by the way in which Israel presented its proposal. Prime Minister Barak, before entering the first negotiations on the permanent status issues, repeatedly threatened the Palestinians that his offer would be Israel's best and final offer, and if not accepted Israel would seriously consider unilateral separation, a euphemism for imposing a settlement rather than negotiating one.

The Palestinians felt that they had been betrayed by Israel, which had committed itself at the beginning of the Oslo process to ending its occupation of Palestinian land in accordance with UN resolutions 242 and 338. It was against that background of growing Palestinian disenchantment and economic collapse that the Camp David talks took place.

There is no doubt that Yasser Arafat was comprehensively out-manoeuvred and out-spun at Camp David. It suited Israel and the United States to turn him into the bogeyman who was responsible for the collapse of the negotiations. So he remained until his death, being presented as the obstacle to peace. The myth of Camp David has not been debunked. Thus Arafat's passing presents an opportunity simply because that apparent obstacle in the eyes of Israeli and American public opinion, and as put forward by their policy makers, has seen a change. There is now an opportunity although we should appreciate that the fundamentals will not change for the next Palestinian leader who, it is hoped, will be the negotiating partner of Israel.

The need now is to convince Israeli public opinion that their neighbours are not a bunch of psychotic killers who are incapable of compromise, but a people who have themselves been the victims of appalling injustice arising directly out of the even greater injustice visited upon the Jews by Europeans in the first half of the 20th century.

I challenge the view that this is somehow a matter for the United States to put pressure on Israel about and that therefore our role is to put pressure on the United States to put pressure on the Israelis in order to compromise. If there is to be a deal, it will have to be supported by public opinion in Israel, as it will have to be supported by the majority of public opinion of the Palestinians. That will require enormous leadership skills from both sets of leaders. I do not believe that in the end outside leaders can impose a settlement. The need is to bring the majority of Israeli people to the understanding that the Palestinians are reacting in the way that any people without hope who have suffered similarly would.

Asking Israelis to understand the rage that produces suicide bombers does not ask them to excuse the criminality or stupidity of such actions as a tool of policy. It asks them to consider the merits of treating their neighbours with respect and the potential benefits of restoring hope. The end of the Arafat era is another chance for hope to return.

I welcome the Prime Minister's priority on the middle east peace process. He must properly engage not only with the Americans but with the Israelis and the Palestinians. I note that the Israelis have rather unhelpfully said, as far as No. 10 is concerned, I understand, that the Prime Minister will visit the region in December.

The bogeyman of Arafat was a myth but he was, by the end, an old, tired and disenchanted leader who would not delegate control. That was a reality. In death, he becomes what he should have concentrated on being while confined in his compound in Ramallah: the symbol of the Palestinian people. Whether Arafat becomes a symbol of hope or a symbol of despair and continuing resistance will be down to the Israeli people and their leaders, as well as Arafat's successors.

6.4 pm

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): I regret that I was unable to be in the House for much of the debate today because of the ongoing negotiations in relation to Northern Ireland. We have been engaged in a number of discussions, and I am pleased that we had the opportunity this morning to meet the Secretary of State for Defence to discuss the future of the Royal Irish Regiment. I know that the hon. Member for South Antrim (David Burnside) referred to the regiment in his remarks. I pay tribute to the gallant service that the Royal Irish Regiment and its predecessor, the Ulster Defence Regiment, delivered for the people of Northern Ireland over the past 30 years.

We are in discussions about, we hope, bringing to an end the transition from violence and terrorism to an entirely peaceful situation. We hope that progress can be made in the coming days to secure a new agreement that will enable Northern Ireland to look forward to a future free from violence and the threat of violence. Discussions will take place about the security infrastructure in the Province as a result of a reduction in violence. It is essential that decisions on security in Northern Ireland are taken on security terms based on criteria laid down by the Chief Constable and the General Officer Commanding, and that they are not politically motivated.

There are still concerns among many in Northern Ireland, particularly in the south and west of the Province, about security. There is a continuing threat from so-called dissident groups engaged in ongoing acts of terrorism such as attacks on police stations and security bases. It is essential that the police can respond to that threat and that, if they need the support of the Army, that support is available.

Mr. Peter Robinson (Belfast, East) (DUP): Is there not a major concern about the joint declaration of which the Ulster Unionist party was one of the negotiators, in that the normalisation process, as it is called, is timetabled to the calendar more than to what is happening on the ground? Is there not a danger that people will make a military commitment to remove various military installations, lower troop levels or whatever else it may be, without that having a resonance with what is happening on the security front?

Mr. Donaldson: I thank my hon. Friend for his intervention. He is right. We believe that the joint declaration and the section of that document dealing with security normalisation is deeply flawed, because it sets out a timetable for certain steps to be taken in reducing security that is based on political aspirations rather than on security considerations. It is essential that the Government get back to the primacy of the Chief Constable and his security advisers and the GOC in determining the pace of any normalisation. Let me be clear that the Democratic Unionist party had no part in the negotiation of the joint declaration. It is not part of any new agreement to which we will put our hand.

I caution the Government to be careful in implementing security normalisation. One aspect of their proposals that we have drawn to their attention is that in the event of an entirely peaceful society in Northern Ireland, there would be only one security base remaining in the south and west of the Province—St. Lucia in Omagh. We believe that that would be wrong. There should be other security installations in both the south and the west of Northern Ireland to ensure that there is an adequate level of security to support the police in those areas, particularly where the dissident threat is at its highest.

At present, some 6,700 soldiers remain in Northern Ireland, in addition to the Royal Irish Regiment, which has three home service battalions on duty in the Province. There is a debate about the future role of the Royal Irish Regiment in the context of normalisation. The 1st battalion, which is the general service battalion, displayed courage and professionalism in Operation Telic in Iraq and was a key part of the British forces there, and we believe that it will continue to play an important role in the British Army. Nevertheless, we have a concern about the role of the three home service battalions and believe that it would be wrong simply to discard them in the event of an entirely peaceful situation. There is expertise there. It has been proven in Iraq and Kosovo that the British Army's experience in Northern Ireland is a valuable asset that can be applied in many of the conflict zones in which our armed forces will be called upon to play a part both now and in the future. The expertise that is held by the Royal Irish home service battalions can be built upon.

Let us not forget that in many cases we are talking here about volunteers. In our meeting this morning with the Secretary of State, we impressed upon him the need to ensure that a full assessment is carried out of the future role of the home service battalions and that their expertise and professionalism may provide a basis for some form of redeployment in the event of a normal or relatively normal situation in Northern Ireland.

Some full and part-time soldiers will wish to withdraw from service and they must be treated properly. It is essential that the Government give them due recognition. May I particularly mention the part-time members of the Royal Irish Regiment? It is appalling that those soldiers have no pension provision, despite the fact that, under the EC part-time workers directive, the Government have an obligation to provide pensions for part-time workers. The MOD sought and obtained an exemption from the directive in respect of the Royal Irish part-time soldiers, claiming that they were casual workers. I cannot believe that anyone in their right mind, knowing the role that the Royal Irish Regiment part-time home service soldiers have played, could regard them as casual workers. The Government should do the decent thing and give them a pension.

When we come to the time when a decision has to be made about the future of the home service battalions, if some part-time soldiers decide to withdraw from service they should be treated properly and given due recognition both in financial terms and otherwise. I urge the Government to look again at pension provision for part-time members of the Royal Irish Regiment. The regiment should be treated properly and retained in some form in Northern Ireland as part of our future security and defence.

Having served myself with the Ulster Defence Regiment in Northern Ireland, I am familiar with the rules of engagement for soldiers, the so-called yellow card, so I was concerned to learn of the case of Trooper Kevin Williams of the 2nd Royal Tank Regiment, who was recently charged with murder as a result of an incident that occurred during Operation Telic in Iraq. That case is causing concern throughout the British Army. I realise that there are issues of sub judice here, so I will be careful in the comments that I make, which will be general ones; I do not wish to go into the detail of the case. But there are issues relating to the rules of engagement to which the Government should give careful thought.

Trooper Williams was involved in an incident in which an Iraqi civilian was shot. His case was considered by his battle group commander and by his commanding officer, and both concluded that he had acted properly within the rules of engagement. However, for some reason his case was referred, and passed to the Crown

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Prosecution Service, which decided to charge him with murder. That has created a lot of concern for soldiers serving in Iraq and in other conflict zones, and for soldiers who will serve in such zones in future.

It caused concern, too, for commanding officers, especially those who looked at Trooper Williams's case and believed that he acted within the rules of engagement in the incident. It is important that the Ministry of Defence review the matter urgently; our soldiers need to know, and to have the confidence to know, that when they act according to the rules of engagement they will be protected by the law.

We know that our soldiers are subject to the law, which was the case in Northern Ireland, but the case of Trooper Williams is causing a lot of concern. I cannot understand why his case was referred, and why he has been charged with murder, if it is the judgment of his superiors that he acted within the rules of engagement. The matter must be clarified quickly.

Soldiers in the battle zone, on the field of conflict, have to take snap decisions—instantaneous decisions—under the rules of engagement. If there is a serious doubt in their minds when they are operating that if they open fire there is the potential for them to be charged with murder, it puts them at risk. I ask the Minister to look very seriously and carefully at the issue.

We hope for better times in relation to Northern Ireland. We hope that the commitment of soldiers in the Province will not be as intensive as it has been in the past and that we will move into a new situation, where the threat from terrorism will be reduced and, we hope, removed altogether.

I pay tribute to the soldiers who have served in Northern Ireland over the years; many of them lost their lives and many have sustained serious injury. The people of Northern Ireland will not forget their sacrifice. I hope that sacrifice has not been in vain.

To those who can take decisions about ending their violence for good and removing the illegal weapons that continue to blight our community, I say tonight that I hope they will take the right decisions in the coming days, and move to bring an end to a conflict that has brought much heartache to the people of Northern Ireland. That is what we all want.

6.17 pm

Hugh Robertson (Faversham and Mid-Kent) (Con): May I start by saying what a pleasure it is to follow the hon. Member for Lagan Valley (Mr. Donaldson)? His remarks about Trooper Williams were spot on: the hon. Gentleman was absolutely right. It was a pleasure, too, to hear his words about the Royal Irish Regiment. Like many soldiers who served in the Province, I was lucky enough to serve alongside their predecessors, the Ulster Defence Regiment, a very brave body of men. I fear that they have not always had the credit that they deserve for their loyal and brave service over the years.

I want to talk about a subject that has implications for foreign affairs and defence policy: the question of corruption at the United Nations during the oil-for-food programme. The conduct of the United Nations is clearly primarily a matter for the Foreign Office, but it is the impact that it is having on the insurgency in Iraq, and on members of the coalition and the Iraqis, that gives it its military dimension and thus its immediacy.

The oil-for-food scandal is, by anyone's judgment, a hugely complex and difficult subject. However, in the limited time available to me I want to concentrate on three aspects: what happened; why it is important; and what now needs to be done about it. Before I begin, I should add that until now I have been a great supporter of the United Nations; indeed, I served under its colours on two occasions and have been a member of the all-party group on the United Nations since I entered Westminster.

I have always felt that the UN is a good thing, provided that our expectations of what it can achieve are realistic. It is not, and never has been, a panacea for the world's problems, but it does enormous good in many spheres and provides a much-needed world forum. It is therefore particularly important that, when it goes wrong, as it has done badly over the oil-for-food programme, the world community takes quick and effective action.

So, first, what happened? In the aftermath of Iraq's defeat in the 1991 Gulf war, the UN passed a resolution authorising the export and sale of Iraqi oil to finance the purchase of humanitarian supplies for the people of Iraq. However, the Iraqi regime was unwilling to accept those provisions, so for four years no progress was made. In 1995, after intense diplomatic activity, the Security Council passed UN resolution 986, establishing the oil-for-food programme as we know it today. However, it contained a fatal flaw: two different sorts of contract were authorised. The first was contracts with end users—companies such as BP, which own their own refineries—but crucially it also established contracts with non-end users, or "brass plate companies", as they are known, which do not themselves own a refinery. The implications in respect of corruption are clear.

As a result, the money passed through UN-controlled escrow bank accounts, mainly at banks such as BNP, the French bank, via transfers authorised by the UN to purchase, seemingly, medicine, health supplies, foodstuffs and other supplies essential for civilian needs. However, at that point, 10 per cent. is regularly added to the suppliers' bills. Iraqi front companies profited by supplying goods. The very goods purchased were resold, overpriced or supplied at poor quality. A transport surcharge was often levied and bribes were paid. To that was added smuggled oil—produced at the same time as the legal oil produced under the UN resolution—as well as oil surcharges in respect of the legal oil.

The effect of all this was not to ameliorate the suffering of ordinary people in Iraq, as intended, but to enrich Saddam Hussein and his regime, as well as UN officials and Security Council members. Also, Saddam was enabled to buy influence with those with political influence in their own countries.

The figures involved are staggering. The all-up figure for money corrupted under the oil-for-food programme is $64 billion. Recent estimates suggest that $10 billion went to Saddam Hussein and his entourage. What is the evidence for this? It is quite considerable. It has been mentioned recently in the Iraq survey group report and the initial report of the Volker inquiry. That is largely an organisational and administrative document, but it highlights the scale of what is involved.

This is not new news, however, as the signs were evident a long time ago. The UN Office of Internal Oversight, in annual reports to the General Assembly in October 2000 and October 2002, drew attention to the non-compliance of the Iraq oil-for-food programme with the UN's own best practice in financial and contracting matters. On 24 March 2002, our own ambassador to the UN, Sir Jeremy Greenstock, said:

"The potential revenue from these operations must now exceed $1 billion a year. This money is being spent by Saddam Hussein's regime for the sustenance and comfort of the Iraqi elite and the military."

Why is this important here in the United Kingdom? There are three reasons, I believe. First, the estimated $10 billion corrupted by Saddam Hussein and his entourage is being used to fund the insurgency facing British troops, civilians, the coalition and ordinary Iraqis in Iraq. That has been highlighted by the Iraq survey group and the Volker inquiry, and has been confirmed to the House by answers from the Foreign Office and the Ministry of Defence.

The Minister for Trade and Investment, who is in his place, said in an answer to me recently that the Government believe

"that elements of the insurgency have access to funds of the former regime, some of which, it is reasonable to assume, may have been derived through corruption under the Oil for Food Programme."—[*Official Report*, 28 October 2004; Vol. 425, c. 1385W.]

The Secretary of State for Defence went further in the House by saying:

"There is no doubt that some people who are continuing to fight are fighting for the restoration not of Saddam's regime in particular, but of the privileges and money that they enjoyed as a result of the corruption that existed during his time in office. There is no doubt that many of those people benefited significantly and are using some of those funds"—

the funds corrupted under the programme—

"to buy weapons to kill not only members of the coalition, but Iraqis."—[*Official Report*, 18 October 2004; Vol. 425, c. 642.]

It is a pretty staggering tale. Given that link to British troops and civilians, not to mention other coalition members and Iraqis, it is vital that the Foreign Office pursues this matter in the strongest possible way.

The second reason why it is of course important is the impact that it had on British foreign policy. The two western countries most clearly implicated are France and Russia. A number of people in both countries, close to the highest offices in government, were named in the list published recently in the Iraqi newspaper *Al-Mada*. A number of senior UN diplomats, and family members of senior UN diplomats up to and including the Secretary-General, are also named. It is important to add the caveat that none of this is yet proved. But, clearly, there is a considerable case to answer. The implications for decisions made at the UN up to and including the outbreak of war are clear, and may have had an impact on the actions of the UN itself, and, of course, France and Russia.

The final reason why it is important is that it surely highlights, if that were necessary, the need for reform at the United Nations. The tragedy of the post-11 September period, when the threat has been greater than at any time since the second world war, is that many of our international institutions are weak. The UN, NATO and the EU are all, to some extent, in need of reform, particularly the United Nations. The very fact that $64 billion was corrupted while the Security Council was earning $3 billion for administering the programme, and ignoring repeated warnings about what was happening, highlights the urgent need for far-reaching reforms, particularly in the fields of transparency and accountability. There are also serious consequences for those who argue that all would have been well had we simply left this issue to the United Nations. Widespread and large-scale corruption is not, by anyone's measure, an attractive legacy.

We know what happened and why it is important. I should add that the Volker inquiry, under the chairmanship of the former head of the US Federal Reserve, Paul Volker, was set up to examine the programme on 19 March 2004. The crucial question now is: what needs to be done?

First, the need for reform at the United Nations, particularly in the fields of transparency and accountability, is highlighted. That must be a top priority for the Foreign Office and the Government, and I hope that the Minister will confirm that in his wind-up. It gives me no pleasure to say it, but this must also raise serious questions about the Secretary-General's position. It happened on his watch, while the Security Council was generating $3 billion of fees for administering the programme, and it has washed up to the door of his own family. One must ask the question: is he the man to push through this much-needed reform?

Questions must also be asked about the Volker inquiry itself. It has a staff of only 50, split between New York, Paris and Baghdad. That small group of people must look through 10,000 boxes of documents and millions of pages of paperwork. In southern Iraq alone, there are 1,000 contracts for oil supply and 3,500 contracts for humanitarian aid, which it must examine. Volker himself said at his press conference on 9 August:

"If the inquiry were to cover every aspect of the Programme, it would be working into the next century".

There are also real concerns about the lack of subpoena power and the UN's refusal to make public the internal reports covering the programme. A number of questions arise from that. Is the inquiry correctly staffed? Are its powers extensive enough? And why do the UN's internal reports remain secret—after all, it is supposed to encourage a culture of openness, and we all pay for it? Furthermore, given that the Volker inquiry was established in March this year, why did it take the Secretary-General another three and a half months—until 1 July—to send out an instruction compelling UN personnel to co-operate with it? By anybody's judgment, that is a lamentable record.

Did the Government recognise the danger inherent in this programme early enough and take effective action? Sir Jeremy Greenstock's concerns are on the record in March 2002. They must have been apparent before that. Could we have taken action earlier? Finally, are we sure, given the list that has been published in *Al-Mada*, that no British nationals, or people resident in Britain, are tied up in this inquiry? I hope that the Minister will be able to confirm that in his wind-up, or if not, write to me about it.

I have no doubt that the corruption of the programme is one of the most serious incidents in the UN's history. A former senior UN diplomat described it to me the

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other day as cataclysmic. Surely, for the sake of the UN and all those caught up in Iraq, the UK Government must establish exactly what happened and bring those responsible to justice. Surely all those in the UN and in Iraq deserve no less.

6.30 pm

Mr. Michael Connarty (Falkirk, East) (Lab): The hon. Member for Lagan Valley (Mr. Donaldson) hit a number of important targets. I was in Belfast last Friday. As the hon. Gentleman knows, when he was in another party I was with the British armed forces in South Armagh, and I talked to many of the people who are now suffering the problems to which he referred. I hope that the Government will show some sensitivity to the plight of people leaving the service—service that they have given to this country.

I commend the hon. Member for Mid-Sussex (Mr. Soames) for an excellent analysis and a sympathetic view of the situation among the Arab nations. I hope that behind the scenes, away from the political theatre of which this is very much a part, there will be an opportunity for joint work to establish what our Parliament—Government and Opposition—should do to help the people of the middle east to find a real solution to their problems.

That was illustrated very well by the hon. Member for Reigate (Mr. Blunt) in his perceptive analysis of the Arab-Israeli position. I have been going to the area since 1988. Many errors have been made on both sides, which has led to the present tragic impasse. As for Kosovo, there is no need to apologise for our intervention. I was calling for intervention some two months before we did intervene, when a massacre was going on and there was good evidence for it.

Abu Ghraib is not the benchmark to determine whether our invasion of Iraq was a success or a failure, although the hon. Gentleman used it as such. There are no excuses for anyone who voted for that invasion. I voted against it because, regardless of what was put to the House from the Dispatch Box, everyone who read the evidence in the public prints and presented by many learned people—including all the weapons inspectors—argued against it. The Tories voted for it. I know that Members of Parliament are never hypocritical, but I think it appalling that those who voted for it should now try to shift their ground. The thing to do is to see this through with some honour and to the advantage of the Iraqi people, and perhaps learn the lesson that we should not have voted for invasion in the first place.

The contribution of the hon. Member for Mid-Sussex on defence was pretty weak. He did not answer the question from the Secretary of State for Defence about the number of troops when the Conservatives left office; nor did he allow the Secretary of State to tell him in an intervention. He simply funked it. I remember the tragic loss of good will and motivation among our armed forces when the Tories introduced "Options for Change" and people in my constituency, serving loyally, were scrapped—thrown on the scrapheap by the Government when they wanted to continue to serve. That caused much of the malaise and the recruitment problem that continue in my area to this day.

I had an opportunity to go to Afghanistan and join our troops on the ground before the election, in both Mazar-e-Sharif and Kabul. Everything that has been said about their work there is true and commendable. The problem in Afghanistan is caused by what is virtually a narco-economy. I am worried about what may happen if we take the view that the Americans have taken in Colombia. If we eradicate the crop by spraying, it may move elsewhere. We need to tackle that problem in a more fundamental and economic way.

Iraq is a different matter. I was there in the Kurdish area, before the invasion. I recently chaired a meeting with Iraq's Vice-President, who at that time was the Kurdish Speaker of the House. He argued that many of those who lead the insurgency are not Iraqi nationals. It would be useful if those who are described as insurgents could be named, and in particular if their country of origin could be identified. If that information were provided, much of the existing sympathy for the idea that Iraqis are resisting an invasion by foreign troops would disappear.

There are many things to learn, and I hope that the point that I made in an intervention about thinking smarter and adopting evidence-based policies in the middle east will be picked up in the winding-up speech. I look forward to the Minister's reply.

6.35 pm

Mr. Graham Brady (Altrincham and Sale, West) (Con): I congratulate the hon. Member for Falkirk, East (Mr. Connarty) on his circumnavigation of the globe in what must be record time; he did spectacularly well to get around so many countries in such a short time. However, it is a particular pleasure to follow my hon. Friend the Member for Faversham and Mid-Kent (Hugh Robertson), who did a great service to the House by continuing with his assiduous following of the scandal of the oil-for-food programme fraud.

My hon. Friend the Member for Reigate (Mr. Blunt) was right to chide the Minister, who is now present—the hon. Member for Paisley, South (Mr. Alexander)—for his lengthy absence during this debate. I am pleased to report to the Minister that, in the main, it has been a very good debate. There have been some excellent contributions, not least from my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), and from my hon. Friends the Members for Chichester (Mr. Tyrie) and for Buckingham (Mr. Bercow). The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) similarly made a very thoughtful contribution, and the hon. Member for Greenock and Inverclyde (David Cairns) drew attention to the urgent need to deal with the heroin supply coming from Afghanistan.

The hon. Member for Liverpool, Walton (Mr. Kilfoyle) made it clear that the Government should not seek to stoke up fear in respect of security and terrorism. My hon. Friend the Member for South Antrim (David Burnside) made it clear that he regards the Prime Minister as the P45 Prime Minister, thus proving that he has ignored the Prime Minister's injunction that this is no time for soundbites. Indeed, all the contributions were excellent and showed that our foreign affairs are deeply controversial—both between and within parties—in a way that they perhaps have not been for many years.

As my hon. Friend the shadow Secretary of State for Defence made clear at the outset, we understand why the Foreign Secretary cannot be with us today. However, it is regrettable that the priority given to foreign affairs in this debate has therefore been somewhat reduced, and that there is so much on which we have yet to hear from the Government. There are important matters concerning Darfur and Zimbabwe, and we have also heard little about the Government's continuing commitment to joining the euro, or about their faltering campaign for the EU constitution.

The Secretary of State for Defence said that the UK is not directly threatened at present. We were pleased to note his clear contradiction of the Leader of the House's disgraceful assertion that the fight against terrorism is the property of one party—a matter on which the right hon. and learned Member for North-East Fife and my right hon. and learned Friend the Member for Rushcliffe both spoke compellingly. Less welcome were the Secretary of State's complacent remarks about the increasing problem of opium production in Afghanistan. That is one of many problems on which we expect far more from the Government.

Similarly, we heard nothing of the crisis in Darfur. On 10 November, the Prime Minister promised tough international action. I have no time to read what he said into the record, but as column 842 of that day's *Hansard* shows, he did indeed promise that tough action would be taken. Five days ago, the UN failed to take that tough action and, as Oxfam has said,

"'monitoring compliance' has apparently become UN speak for more death and suffering".

That is not an acceptable situation, and we are not happy with the Government's performance in that regard.

The Secretary of State for Defence spoke for 47 minutes, with barely a mention of the one piece of Foreign and Commonwealth Office legislation proposed in the Queen's Speech. Might that be an indication of the Government's hope that the EU constitution will be entirely forgotten about until after the general election?

The hon. Member for Paisley, South, who is now with us to wind up the debate, is of course a Minister in the Foreign Office and in the Department of Trade and Industry. Perhaps more importantly, he is also well known as a protégé of the Chancellor of the Exchequer. Meanwhile, his trade responsibilities mean that he has to work very closely with Peter Mandelson, the new EU Trade Commissioner. The House will be listening with great interest to hear whether the Minister speaks with the increasingly Eurosceptic tone of the Chancellor of the Exchequer, or whether he shares the view of Mr. Mandelson that the Chancellor has been engaging in crude Euro-bashing. Perhaps he shares the view of his colleague, the Minister for Europe—he is no longer in his place—that there is

"a default setting in too many Whitehall departments of just to put out press releases attacking the Commission."

The Minister for Trade and Investment has been left with many questions to answer, including at least one that was elegantly dropped on him by the Secretary of State for Defence in his opening remarks. What actions do the Government propose to improve the position in Darfur? What representations is the Prime Minister making to the US about the middle east and how to take negotiations forward? What is being done to tackle the scourge of drugs from Afghanistan? How can the Government recognise the ever-increasing pressures placed on our forces with their proposed cuts in battalions and warships? The request of my right hon. and learned Friend the Member for Rushcliffe for real clarity about the way forward in Iraq was important, given his warning that an election there will not be a panacea.

I should like to add some further questions for the Minister to consider. First, I and my right hon. and learned Friend the Member for Rushcliffe, admittedly for different reasons, would like to see the Bill to ratify the EU constitution introduced at the earliest opportunity. Will the Minister now give a clear commitment that Second Reading will take place before Christmas, or is its presence in the Queen's Speech just a feeble sop to those who favour EU integration from a Prime Minister who desperately hopes that the French will vote "No" before the British do?

Mr. William Cash (Stone) (Con): Will my hon. Friend comment on a report in *The Times* today that the Conservative party will not stand in the way of the Bill that deals with the European constitution? If so, what would that mean?

Mr. Brady: I invite my hon. Friend to wait until we see the Bill—*[Interruption.]* Opposition Members should contain themselves. I can assure my hon. Friend that he will not be disappointed by the vigour with which we oppose the European constitution, as we disagree with it as a matter of principle. If the Minister wants us to believe that the Government are serious about promoting the EU constitution, will he also clarify whether the Prime Minister or the Foreign Secretary is winning the argument, and will he tell us when the referendum will be held?

Will the Minister now tell the House emphatically that citizens of other countries who happen to be resident in the UK will not be allowed to vote in the referendum? The vote must be for the British people and by the British people. Will the Minister confirm that? Ministers have suggested that British Gibraltarians will be able to vote in it, so will the Minister give an assurance that other overseas territories, to which elements of the constitution might apply, will also be allowed a vote?

The Chancellor has rightly said that the Commission's bid for a 35 per cent. budget increase is "unrealistic and unacceptable". We agree. Given that the Commission has underspent by 7 to 15 per cent. of its budget in each of the last three years, will the Minister now go further and make it clear that there is no case for an increase at all?

In the brief time available, let me explain what a Conservative Government would do differently. As my right hon. and learned Friend the Leader of the Opposition set out in his speech at Chatham house, we

[Mr. Brady]

should chart a course in foreign affairs that puts the safeguards and benefits of the UK first, while taking full advantage of what he called

"an amazing network of remarkable and rewarding relationships—with the United States, with our European partners in the European Union, with the countries of the Commonwealth and . . . wider still"—

to promote freedom, democracy and peace. In that context, we have consistently called for better forward planning in Iraq and more rigour in the approach of the international community towards Darfur. We believe that the Government's belated and weak response to the crimes of the Mugabe regime is a national scandal. We have also made it clear that we will reverse Labour's cuts in the infantry and other front-line forces.

Our vision of Europe is clear and positive. There is no crude Euro-bashing from us. We reject British membership of the euro on principle. We say no to the EU constitution on principle and we will negotiate to return powers to member states. Our vision of a more flexible, less centralised Europe is widely shared, and not just by the new member states.

It is our view, following the rejection of the constitution, that we should

"engage in a process of self-reflection with a view to deciding whether some policy areas should not be transferred back from European to national level . . . In short, the EU needs to practise self-restraint. It should look expressly at those parts of common policy for which members states could take responsibility again . . . I am thinking of . . . cultural policy, certain parts of the common agricultural policy . . . health care and social policy. Should the EU really be responsible for financing a road that does not cross a single national border?"

Those are not my words, but the words of the Dutch Foreign Minister, Bernard Bot, speaking at Berlin's Humboldt university last June. It is an eloquent expression of the sort of settlement that might be negotiated once the constitution is thrown out.

However, achieving such a settlement will need leadership, and that is what the Prime Minister cannot offer. He is too beset by doubt to lead those who want more integration, and too trapped in an outdated view of a centralised, integrated Europe to give the leadership that Europe so desperately needs to take it towards a more flexible, less centralised and more outward-looking future. That is why it is so essential that the British people should elect a Conservative Government next year. A Conservative Government would want to hold a referendum next year and to use the mandate of a "No" vote to lead Europe to a new and better settlement.

It is truly remarkable that a Government who devote so much of their attention to foreign affairs have achieved so little. We can give the strength, direction and vision that British foreign policy so badly needs.

6.45 pm

The Minister for Trade and Investment (Mr. Douglas Alexander): I am grateful for the opportunity to draw to a conclusion this part of the debate on the Gracious Speech devoted to foreign affairs and defence. I want to thank Conservative Front-Bench spokesmen for the characteristic grace and generosity with which they welcomed me to my role.

As was intimated earlier, my right hon. Friend the Foreign Secretary could not be here in the Chamber today. He has been attending the international conference on Iraq in Sharm el-Sheikh, and is today holding talks with Israel's leaders. Tomorrow, he will meet the leaders of the Palestinian Authority. My right hon. Friend the Foreign Secretary's presence in Egypt to encourage international support for Iraq and his discussions with Israeli and Palestinian leaders underline Britain's role at the heart of international diplomacy and our determination to work for a lasting settlement in the middle east.

I should like to take a few moments to add to what my right hon. Friend the Secretary of State for Defence said earlier today about the developing situation in Ukraine. As I speak, events are still unfolding. My right hon. Friend the Foreign Secretary has spoken today to his counterparts, and the Foreign Office has, of course, been in regular contact with Kiev. The message is clear: this crisis needs to find its way to a political and peaceful solution. The EU has today appointed a special envoy, and the Government have made it clear that they want the Organisation for Security and Co-operation in Europe's election observers to report and have their concerns—and, indeed, ours—addressed by the authorities in Kiev.

The situation is still unfolding. I am sure that the House would welcome a further statement in due course. In the meantime, we will continue to work with all parties to make the case that democracy and fair and free elections become a right that every Ukrainian citizen can expect to enjoy.

Mr. Tyrie: Do the Government recognise the outcome of the elections as it stands?

Mr. Alexander: I understand that a report was due to be issued this afternoon, but I have not yet had the opportunity to study it. However, if it would be helpful to the House for a Foreign Office Minister to make a statement following publication of the report, I am sure that that offer can be taken forward with the appropriate authorities.

I shall endeavour to address at least some of the points made in the debate. My right hon. Friend the Member for Swansea, East (Donald Anderson), the Chairman of the Foreign Affairs Committee, made an important speech that ranged from the middle east to the transatlantic relationship. He was followed by the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) who, while he clearly disagrees with much of the Government's approach, made his case with characteristic force and grace.

My hon. Friend the Member for Walsall, North (David Winnick) brought years of experience to his contribution on the middle east, while the right hon. and learned Member for Rushcliffe (Mr. Clarke) assumed his standard position on the issues of Europe, Iraq and the question of a referendum, attacking the Government and the position of his own party's Front Bench with equal vigour.

The speech by the hon. Member for Chichester (Mr. Tyrie) ranged from George F. Kennan to George W. Bush, while explaining his opposition to the foreign policy of the present US Administration.

My hon. Friend the Member for Islington, North (Jeremy Corbyn) spoke movingly of the plight of developing countries, and a close constituency neighbour of mine, my hon. Friend the Member for Greenock and Inverclyde (David Cairns), made an impassioned and informed speech.

Similarly, the hon. Member for Buckingham (Mr. Bercow) made a speech that focused on human rights in general and on Burma in particular. It revealed real expertise and concern for that blighted land. My hon. Friends the Members for Liverpool, Walton (Mr. Kilfoyle) and for Battersea (Martin Linton), and the hon. Members for South Antrim (David Burnside), for Reigate (Mr. Blunt) and for Faversham and Mid-Kent (Hugh Robertson) made wide-ranging contributions ahead of the speech from my hon. Friend the Member for Falkirk, East (Mr. Connarty).

The hon. Member for Brent, East (Sarah Teather) spoke about her constituents in Guantanamo bay, and of her recent meeting with my right hon. Friend the Foreign Secretary. I will make him aware of the points that she raised, and I will make my right hon. Friend the Secretary of State for Defence aware of the points raised by the hon. Member for Lagan Valley (Mr. Donaldson).

The very breadth of the issues covered in this Chamber over recent hours demands that I begin by endeavouring to place a number of current issues in context. We live in an increasingly interconnected and interdependent world. The challenges we face today—terrorism, poverty, crime, drug trafficking, illegal immigration and climate change—are global challenges. We are all affected and, in turn, to address them effectively we must work together. That means Government working at home with Parliament, the private sector and civil society, and overseas with our partners in Europe and in the UN.

In the coming year, the UK will chair both the G8 and EU Council of Ministers. We will use those opportunities to seek to take forward international action on poverty reduction, to encourage debate and further research on climate change and to make progress on trade liberalisation as we seek both free and fair trade. As my right hon. Friend the Secretary of State for Defence pointed out in his opening speech, UK armed forces are increasingly working with the forces of other nations to resolve conflict and stabilise peace. Our diplomats are working in partnership with those of other nations to negotiate diplomatic solutions to challenges around the world. May I take this opportunity, on behalf of my right hon. Friend the Foreign Secretary and my ministerial colleagues in the Foreign and Commonwealth Office, to pay tribute to the members of the diplomatic service and to all those who work tirelessly at home and in our posts overseas—often in difficult and dangerous circumstances—both to promote Britain's interests and to help those in need throughout the world? At this challenging time, may I also join in the tributes we have heard today from both sides of the House to the remarkable courage and determination of the UK armed forces serving in Iraq and around the world at this time?

There has been much focus in this debate on the prospects for moving forward the peace process in the middle east and my right hon. Friend the Foreign Secretary has today held meetings with several Israeli leaders. He has made clear our determination to work to promote progress towards a lasting peace in the light of changed circumstances on the ground; the recent death of President Arafat, the forthcoming Palestinian elections and the prospect of Israeli disengagement from Gaza and parts of the west bank.

The recent joint UK-US statement set out clearly our view of the way ahead with, at its heart, a vision of a two-state solution with the road map still a crucial guide. There is much work to be done in pursuit of that goal—and that, at least, was a rare point of consensus between the occupants of the Front Benches during the speech of the hon. Member for Mid-Sussex (Mr. Soames). We will do all that we can to contribute to the success of the 9 January Palestinian presidential and legislative elections and we welcome the stated intention of the Israeli authorities to do everything that they can to help ensure that the elections run smoothly.

David Winnick: I mentioned this issue in an intervention on the speech by my right hon. Friend the Secretary of State for Defence, but I repeat my query as to whether it would be possible for the British Government to urge restraint on the Israeli troops in the occupied territories. I recognise the difficulties of suicide bombers and other threats, but I mentioned earlier the case of the 13-year-old female who was killed. The issue is not taken seriously enough by the Israeli authorities.

Mr. Alexander: I assure my hon. Friend that we have already made representations in relation to the Israeli defence force and its operations in the occupied territories, but I have noted the point that has been made and will pass it on to ministerial colleagues.

In relation to one of the points made by the right hon. and learned Member for North-East Fife, we have always made it clear that we recognise Israel's security concerns and Israel's right to defend itself against terrorists. However, we agree that Israel must act in accordance with international law. We believe that the construction of the barrier in the west bank, referred to by my hon. Friend the Member for Greenock and Inverclyde with the destruction of property and hardship that it has entailed, is unlawful. We look, too, to the Palestinians to do all that they can to clamp down on those responsible for the recent terrorist attacks, which we condemn utterly.

We will continue our work to assist Palestinian security reform, which has resulted in the prevention of some suicide bombings. My right hon. Friend the Foreign Secretary will discuss with Palestinian leaders he meets tomorrow what more the UK, the EU and others can do to help build up the Palestinians' security capability. We have already helped to set up a central operations room in Ramallah to co-ordinate security work in the west bank. We are also supporting the setting up of a central operations room in Gaza and we are providing advice and training to the Palestinian civil police.

We will continue to encourage Israel to exercise maximum restraint and do more to facilitate the conditions under which Palestinian security work can have the greatest impact possible. The UK remains committed to giving maximum support to help to ensure progress on all sides towards a genuine, just and lasting peace in the middle east and we will urge our international partners to do likewise.

[Mr. Alexander]

As my right hon. Friend the Secretary of State for Defence said in his opening speech, the 30 January elections for the transitional national assembly in Iraq mark a key step forward in the political process. Evidence suggests that the vast majority of Iraqis want elections. Voter registration is already well under way, and 156 political parties have registered to take part, including the Iraqi Islamist party, a Sunni group that had earlier threatened to boycott the elections. We are providing extensive financial and technical support for the electoral process, including $10 million for the security of the independent Iraqi electoral commission, and logistical support and expert advisers to work with the electoral commission and the UN.

As my right hon. Friend the Secretary of State for Defence said, security for the elections will be vital. That is why UK armed forces and other members of the multinational force are giving the Iraqi Government and the Iraqi security forces every possible support. I pay tribute, too, to staff in our embassy in Baghdad, under the leadership of our ambassador, Edward Chaplin, and in our offices in Basra and Kirkuk, and to the former staff of the coalition provisional authority for their tireless work to help the people of Iraq at this time.

My right hon. Friend the Foreign Secretary attended the international ministerial meeting of the neighbouring countries of Iraq, the G8 and China in Sharm el-Sheikh on Tuesday. Iraq's neighbours, all the major Arab states and other key Islamic countries joined the G8 members and China to express their commitment to support the political process and the reconstruction effort in Iraq. I welcome, therefore, the agreement emerging from Sharm el-Sheikh among Iraq's neighbours to intensify their co-operation and to call a meeting of their Interior Ministers to take that work forward. The Ministers welcomed, too, the Paris Club agreement last week to write off 80 per cent. of Iraq's external debt, and they urged Iraq's creditors to reduce substantially the country's sovereign debt to help underpin economic recovery.

The UK has made a financial commitment of £544 million towards Iraq's reconstruction. Our priorities are to promote rapid, sustainable and equitable economic growth, to encourage effective and accountable governance and to promote social and political cohesion and stability. We are helping the Iraqi Government to build economic development programmes. We are providing advisers and training to help build Iraq's public administration, and funds to develop civil society and political participation across the country. We are training judges, lawyers and prosecutors.

In southern Iraq, we have helped to restore power, fuel and water supplies. We are funding an extensive programme to generate employment opportunities. UK experts are providing strategic planning, financial and management advice to the southern governorates and regional economic planners. Our armed forces, diplomats and civilian advisers from the Department for International Development will continue to support the Iraqis in their efforts to secure lasting peace and prosperity.

I associate myself with the remarks made in the House today welcoming the release of the hostages in Afghanistan, including Annette Flanigan. It is a blessed relief that their ordeal is over and that they can return home to their families.

As my right hon. Friend the Secretary of State for Defence said earlier, the recent presidential elections were but the latest sign of the progress that has been made over recent months in Afghanistan. The country continues to make remarkable progress in providing education and health services to its people. Five and a half million children returned to school at the start of the academic year in March; 37 per cent. of them were girls. A third of all Afghan teachers are women. Since 2002, 16 million vaccinations have been given to children to protect them against measles and there have been 12 million immunisations against polio. A major tetanus vaccination programme is under way for women in Afghanistan.

Despite those improvements to the lives of the Afghan people, security of course remains a real concern. We fully support the vital role that NATO and the UN are playing to help the Afghan authorities improve security across the country. We continue to play a leading role in Afghanistan's rehabilitation, including spearheading international efforts to tackle the hugely complex issue of opium cultivation, which was raised by several Members.

As was highlighted by a number of earlier contributions, especially that of my hon. Friend the Member for Greenock and Inverclyde, the recent UN survey on opium poppy cultivation makes clear the scale of the task that we face. The Afghan Government are working in very difficult circumstances, but President Karzai is determined to stamp out drugs, and we are determined to support him in those efforts. The UN poppy survey was published on 18 November.

Mr. Brady: It cannot have escaped the attention of hon. Members that the Minister has still not mentioned the Government's only proposed Bill on these matters—on the EU constitution. Is he too ashamed to mention it, or will he respond to the specific questions I put to him about when it will come to the House and what the franchise will be in the referendum?

Mr. Alexander: I can assure the hon. Gentleman that we are not ashamed; we are simply trying to outline the range of our policies. Of course, that Bill will be introduced when parliamentary time allows. That is absolutely standard procedure following the announcements in the Gracious Speech. He would hardly expect me to say anything else. If there has been division and confusion in the House today in relation to the European constitution, it was evidenced by the contribution made by the right hon. and learned Member for Rushcliffe, rather than by anything that Labour Members have said.

I wish to return to the important subject of Afghanistan. We are gravely concerned about the scale of the problem identified in relation to poppy opium production, and our increasing efforts—

It being Seven o'clock, the debate stood adjourned.

Debate to be resumed tomorrow.

WELSH GRAND COMMITTEE

Ordered,

That

(a) the matter of the Government's Legislative Programme as outlined in the Queen's Speech as it relates to Wales and Public Expenditure in Wales be referred to the Welsh Grand Committee for its consideration;

(b) the Committee shall meet at Westminster on Tuesday 7th December at twenty five minutes past Nine o'clock and between Two o'clock and half-past Four o'clock to consider the matter of the Government's Legislative Programme as outlined in the Queen's Speech as it relates to Wales and Public Expenditure in Wales, under Standing Order No. 107 (Welsh Grand Committee (matters relating exclusively to Wales)).—*[Mr. Watson.]*

NORTHERN IRELAND GRAND COMMITTEE

Ordered,

That—

(1) the matter of a multi-agency approach to tackling racially motivated attacks and harassment in Northern Ireland be referred to the Northern Ireland Grand Committee;

(2) the Committee shall meet at Westminster on Thursday 9th December, at half-past Two o'clock; and

(3) at that sitting—

(a) the Committee shall take questions under Standing Order No. 110 (Northern Ireland Grand Committee (questions for oral answer)), and shall then consider the matter referred to it under paragraph (1) above;

(b) the Chairman shall interrupt proceedings not later than two and a half hours after the commencement of proceedings on the matter referred to the Committee; and

(c) at the conclusion of those proceedings, a motion for the adjournment of the Committee may be made by a Minister of the Crown, pursuant to paragraph (5) of Standing Order No. 116 (Northern Ireland Grand Committee (sittings)).—*[Mr. Watson.]*

BUSINESS OF THE HOUSE

Ordered,

That Private Members' Bills shall have precedence over Government business on 4th and 25th February; 4th and 18th March; 8th, 15th and 22nd April; 13th and 20th May; 17th and 24th June; 1st July and 14th October 2005.—*[Mr. Watson.]*

PETITION

GP Surgery (Romford)

7.1 pm

Mr. Andrew Rosindell (Romford) (Con): I rise to present a petition of no fewer than 665 of my constituents who are deeply concerned by the proposal to close a GP surgery in the town centre. The South Street surgery serves the community between Rush Green to the south, Gidea Park to the north and the roads that lead off between Victoria road and Brentwood road. Earlier this year, the local doctor, Dr. Roy, who has served our community so well for more than 30 years, decided that he would retire. That has led the local PCT to decide that the surgery would close, which has prompted a campaign by local residents, led by Jan McGinley, and the signatures have been collected in the last few months. We believe that there has not been adequate consultation and that the PCT should consider local residents' views before closing the surgery.

The petition reads:

To the House of Commons

The Petition of the residents of the central Romford

Declares that their local GP surgery is under threat of closure which would leave local residents with no surgery within a reasonable distance, which would leave many people, especially the elderly, struggling to access local health care.

The Petitioners therefore request that House do urge the Government to ensure that an adequate consultation should take place to examine options which would keep the surgery open.

And the Petitioners remain etc.

To lie upon the Table.

Iran

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

7.2 pm

Sir Teddy Taylor (Rochford and Southend, East) (Con): I am particularly grateful to you, Mr. Speaker, for giving me the chance to raise on the Adjournment the issue of relations with Iran the day before an important meeting of the International Atomic Energy Agency that relates to an initiative in which Iran has taken a very positive part. At a time when events in the middle east are not going very well—in particular, the activities in Iraq—it is a pleasure to have the opportunity to raise the issue of relations with Iran.

I feel that Iran is a country with a great tradition that could assist western powers immensely in seeking to solve the many issues that exist in the middle east, and I should like in particular to congratulate the Foreign Office on the positive role that it has taken on relations with Iran. However, there are a few issues on which it is important that the Government should make positive and clear statements, and I will look forward to the Minister's comments.

The first issue that is obviously urgent and important is that of Iran's activities in the field of nuclear energy. I understand that, at the meeting of the IAEA tomorrow, there will be discussions of the initiative taken by Britain and other countries on the co-operation of Iran, and it would be beneficial if a clear statement could be made. A clear statement is all the more important because of the wild and irresponsible statements made by the National Council of Resistance of Iran—the political wing of the People's Mujaheddin, otherwise known as the MKO, which is a terrorist organisation banned both in Europe and in the United States. Its activities are regularly publicised in *The Daily Telegraph*, and on 20 November a summary of briefing was given in the United States about Iran's alleged nuclear ambitions.

Although the advice that I have had from Iran is that it does not intend to produce nuclear weapons, there is no doubt that the information provided by the so-called NCRI has placed a great deal of attention on the alleged production of enriched uranium at two sites—one in Natanz, which is 150 miles south of Tehran, and the other in the Lavizan district of north-east Tehran. My understanding is that, to avoid any apparent problems, the Government of Iran have made it abundantly clear that any such production of enriched uranium will cease immediately and, of course, will be the subject of inspection and control by the IAEA.

I would like the Government to make it abundantly clear that they are satisfied with the latest assurances from the Iranian Government and that they will confirm that, following the worthwhile discussions between Britain, other European countries and Iran, any problem of alleged nuclear proliferation has been dealt with in a satisfactory manner. I have a feeling that, because of the astonishing and substantial propaganda being put out, there will clearly be a continuing problem. To that extent, it would be immensely helpful if the Government made it clear that the Iranians have co-operated in the discussions designed to remove fears of nuclear weapon production and that the allegations made about the two sites in Iran have been resolved. It would also be helpful if the Government could make it clear that there is every indication that the Iranians are co-operating fully with the IAEA.

My feeling is that the best way of resolving the problem would be a conference of all countries in the middle east that could prepare for the establishment of a non-nuclear area. We certainly know that one country in the middle east has nuclear weapons and it would help to restore confidence and co-operation if the general issue could be overcome. However, in the meantime, it would be particularly helpful if, in advance of the conference, the Government made it clear that real progress has been made in the discussions with Iran and that the fears advanced have been resolved.

It would also be helpful if the Government could make it abundantly clear that the so-called NCRI, which is very active outside Iran and particularly in public relations—it had a meeting in the House of Commons today—does not have any realistic support in Iran itself. Certainly the organisation appeared to have some backing, but during the Iran-Iraq war when the Iraqis invaded Iran, it appeared to give its full support to the Iraqis. The impression that I gained from a recent visit was that it has no real support among the people of Iran. However, it would be helpful if the Government could clarify that.

Will the Minister make it clear that, when promoting better relations with Iran and the co-operation that has now been secured, he has the support of all Ministers in the Government? There were some unfortunate press cuttings on Monday—I am sure that the Minister has seen one—in which the Secretary of State for Defence was quoted rightly or wrongly as saying rather nasty and aggressive things. However, he today spoke in a much more helpful way and a statement was made to say that he was dealing with the issue "hypothetically". I hope, however, that the Government will make it clear that all Ministers support their policy and that Ministers should speak only if they are in the Foreign Office and not in any other Department.

The second issue that I wish to raise is important. I hope that the Government will also say something about a subject that is causing huge concern in Iran itself. I refer to the protection that is being given to the MKO's terrorist training camps in Iraq. I understand that, following strong representations, tanks and other large weapons were removed from the site, but the fact is that there are a substantial number of people in the camp in Iraq—at one time, there were no fewer than 3,800 terrorists whose basic task was to train for terrorism. I have spoken to persons who were formerly involved in appalling terrorist activities and who now regret all that they did, and it seems that it was a highly organised and effective terrorist operation.

The camp is called Camp Ashraf and I have seen many details of the quite appalling events that the MKO has been involved in Iran itself. Irresponsibility is typical of terrorist organisations throughout the world, and it is abundantly clear that the MKO has no aim whatsoever apart from that of creating chaos and horror within Iran.

The basic problem is what on earth we can do with the trainees in Camp Ashraf. I would have thought that the most obvious and clear answer would be to arrange for people from independent organisations, such as the United Nations, to interview every one of the activists on their own and to ask them whether they wished to carry on with their activities or to return to Iran on the basis of a clear policy of forgiveness that the Iranian Government have announced. Once this has been completed, I think the most obvious step for the western powers to take is to remove all weaponry from the terrorists concerned. Of course, I appreciate that terrorists can always obtain more weapons, but we must do something if we have regard for those who have lost relatives, and particularly children, as a result of the MKO's terrorist activities and who hear that the terrorists still have weapons under the United States' supervision.

At one time, the organisation had camps that were equipped with tanks, guns and helicopter gunships. Although some of the weapons have been removed, it is important for us to face up to the basic issue of interviewing each terrorist or trainee and at least removing their weaponry. It would make a difference to the relationships of Britain and the US with Iran if we could make it abundantly clear that we are facing up to the matter and taking it as seriously as we should.

Thirdly, I hope that the Government will make a clear statement on their assessment of the situation in Iran itself. Owing to misleading propaganda, people have gained the wrong impression about the country, so some things should be said clearly and unambiguously. I got the impression that education was of a high standard and that a remarkable number of youngsters went to university. Many of the university institutions are free and I am immensely impressed that more than half the students are young women. I gained the clear impression that many other countries in the middle east could learn a great deal about education from Iran, so I wonder whether the Government share my assessment.

I also want to mention religious freedom. I was surprised and, obviously, encouraged to see a substantial number of Christian churches in Iran in addition to several Jewish synagogues. I certainly gained the clear impression that Jews and Christians were entitled to freedom of worship. When I asked officials about that and expressed my surprise, they indicated that it was their general position to allow freedoms for religions established before Mohammed, although there was some doubt about those established thereafter. That creates huge problems for people of more modern religions, such as the Baha'is, and I hope that more understanding will be given to all free, sound and sensible religions in time.

Lembit Öpik (Montgomeryshire) (LD): Does the hon. Gentleman accept that those of us involved in the friends of the Baha'is all-party group have concerns about apparent persecution endured by the Baha'is? May I through you, Mr. Speaker, put on record the willingness of myself and others to have a constructive dialogue with the authorities representing Iran in this country to determine whether there is anything that we can do to help constructively the plight of those who regard themselves as Baha'is in Iran?

Sir Teddy Taylor *rose—*

Mr. Peter Luff (Mid-Worcestershire) (Con) *rose—*

Sir Teddy Taylor: I give way to my hon. Friend.

Mr. Luff: I am grateful to my hon. Friend for giving way because my intervention is directly relevant to the last point. Is he aware that a week ago today the Third Committee of the United Nations General Assembly passed a resolution on the human rights situation in Iran that cited:

"the increased discrimination against the Baha'is, including cases of arbitrary arrest and detention, the denial of free worship or of publicly carrying out of communal affairs, the disregard of property rights, the destruction of sites of religious importance, the suspension of social, educational and community-related activities and the denial of access to higher education, employment, pensions and other benefits"?

Does he agree that international recognition of the serious problems facing the Baha'is in Iran is most welcome?

Sir Teddy Taylor: I certainly understand that the Baha'is have a problem and that we must do everything possible to help them. However, bearing in mind the public's view of Iran, it is important for us to make it clear that there is freedom of religious expression for Jews and Christians. While we appreciate that, we should do everything in our power to persuade the Iranian authorities that all things should be done to secure freedom of religious expression for all religions and, certainly, that the Baha'is are not trouble makers in any sense, because the religion is responsible and respectable. I hope that progress will be made.

I hope that the Government will say something about law and order, crime and the prison population in Iran. I visited a prison in Tehran in which people were detained for lengthy periods. In fact, a few had been involved in terrorist attacks. I was rather surprised to find out that there was a policy of letting prisoners out for one day a week on the basis that lengthy sentences could create problems for people who had no hope or expectation of seeing the outside world. Such a policy might create nightmares in the United Kingdom if we tried it, but it was certainly most interesting.

As I thought that there was a possibility that I was being misled, I asked whether I could take a prisoner who had been sentenced to 31 years' imprisonment for a meal. I was told that there was no problem with that, and we had a most interesting discussion about terrorism in Iran. It was also interesting for me to have a meal with the prisoner in a restaurant in which most of the tables were taken up by families. I gained the impression, on the basis of that limited experience, that family commitments in Iran were an important part of life. The children appeared to be relaxed and well behaved with a positive attitude.

Of course there is always a danger of being misled when visiting controversial foreign countries. I can only say that I spent my time wandering around freely and talking to as many people as I could with the help of amateur interpreters who were not part of the Government machine. I gained the impression that Iran had many positive aspects that were not internationally recognised or accepted.

The prisoner told me that every prisoner had a room of his own and received a newspaper each morning. I wish I could say the same about Britain. In fairness, the general impression I got, apart from the prison, which

[Sir Teddy Taylor]

may have been unusual, was that crime and disorder was very limited and that, by and large, criminal behaviour was very limited indeed. I may be wrong, and I would greatly appreciate the Government's general assessment of the situation.

My fourth point is that perhaps the Government will think it justified to suggest to our American allies that they should take a more positive attitude to Iran. I am well aware of the points that I made when I said that Iran suffered hugely when it was invaded by Saddam Hussein some years ago during the appalling eight years' war. As I mentioned in the debate on our intervention in Iraq, it is abundantly clear from the Reagle report published by the American Senate that the Americans gave full support to Saddam Hussein at that time and provided him with a vast quantity of weapons of mass destruction, which were used against the Iranians.

America has now changed its attitude to Saddam Hussein, but I think there could be merit in the Americans simply saying sorry for the most appalling and mass killings that were inflicted on the Iranian people by Saddam Hussein, who was then America's particular friend in the middle east. I also know that a plane from Iran with many women and children on board was shot down and blown to pieces by an American plane during the Gulf war. I feel that on the basis of America's commitment to the Christian faith such events should cause us to express regret and understanding, and I am in no doubt that such a commitment would make a major difference in America's relations with countries such as Iran in the middle east. So I would be most grateful if the Government could persuade America to say sorry.

The final point is on trade with Iran. As more than half the population is under 30, the Iranians have major problems with unemployment, and to that extent the growth of industry and commerce and of trade is desperately important. I wonder whether the Government have encountered any problems in encouraging economic development in Iran. I had the pleasure last week of attending a dinner with the Iranian Industry Minister and the British ambassador to Iran. There is clearly a major problem in trying to promote economic development in Iran, and I wonder whether the Government foresee the possibility of making more progress on that.

In conclusion, although in my 40 years here I have been critical of Departments and of some of the policies pursued by Governments of both parties, I feel that it is desperately important that I express my appreciation to the Foreign Office for its genuine endeavours to improve relations with Iran. Our Foreign Secretary has visited the country on five occasions and has endeavoured to deal with some of the obvious differences between our two communities on the basis of history and the management of our affairs.Of course it would be easier for him and the Government to take a negative and unconstructive view as it might make relations with some of our friends easier. However, the Government have gone out of their way to solve the problems, and if that policy was followed by our friends in the western world we would not have the nightmares in the middle east that we have now.

The best way of solving the problems in the middle east is to encourage the nations there to take a positive and constructive attitude. To achieve this we need to treat them with dignity and respect. The Foreign Office has done that and I should like to give the simple assessment of their policy as "well done".

7.18 pm

The Minister for Trade and Investment (Mr. Douglas Alexander): I thank the hon. Member for Rochford and Southend, East (Sir Teddy Taylor) for his favourable assessment of the Government's policy towards Iran. His warm and generous words are greatly appreciated.

The hon. Gentleman is right about Iran's importance and its potential. Iran is both one of the world's oldest civilisations and, today, a country of young and well-educated people. Its economy is starting to open and diversify. It has a vital role to play in tackling some of the most important issues that we face: the fight against terrorism; the challenge of building strong, stable democracies in Iraq and Afghanistan; the effort to combat trafficking in drugs and other international crime; and, of course, how to prevent the proliferation of weapons of mass destruction. We want genuinely to work with an Iran that is addressing these challenges. That is why, along with our EU partners, we have pursued a policy of engagement. However, I emphasise that this engagement is conditional. Further development of relations with Iran depends on its progress in the areas of concern to us: notably, efforts to protect the rights and freedoms of its citizens, to support the emergence of a democratic Iraq, to work with us to reduce illegal immigration and—at the forefront of our minds at the moment—to address international concerns over its nuclear programme.

I turn to the last area of concern, which is Iran's nuclear programme. We do not question Iran's, or any other country's, right to develop nuclear energy for peaceful purposes. However, under the treaty on the non-proliferation of nuclear weapons, it is unacceptable for non-nuclear weapons states to seek to acquire nuclear weapons. Over the past two years, the International Atomic Energy Agency has consistently reported shortcomings by Iran in its duty to abide by its safeguards obligations and to be fully transparent with the agency. This has led to widespread international concern about whether Iran's nuclear ambitions are indeed solely peaceful.

Although there is much further to go, the dialogue that we, with France and Germany—the EU 3 partners—have pursued with Iran has had significant results. It has encouraged Iran both to co-operate with the IAEA and to agree steps that will, when implemented, help build international confidence that its nuclear programme is exclusively for peaceful purposes. So I welcome Iran's decision on 15 November to support the agreement with the UK, France and Germany and to put in place a full, sustained suspension of all enrichment-related and reprocessing activities. It is important that this agreement be fully implemented, and I look forward to hearing that that has happened. For now, I hope that the IAEA inspectors will be able to confirm at the IAEA board of governors' meeting starting tomorrow that the full suspension is in place. I hope also that the board will achieve consensus on a sensible way forward.

As the agreement makes clear, we are at the beginning rather than the end of a process. If Iran's suspension is sustained and verified, we can look forward to discussions with Iran that are aimed at agreeing long-term arrangements. These will provide objective guarantees that Iran's nuclear programme is exclusively for peaceful purposes. The issues are complex and challenging, and will not be resolved overnight. We will do out utmost to make rapid progress. At the same time, and to support the work being done on the nuclear side, we intend to take forward discussions with Iran on political and security issues, and on co-operation in other areas. On these issues, too, I hope that we will see early progress.

In the same context, I welcome the November European Council's decision that, once suspension is verified, negotiations should resume on a trade and co-operation agreement between Iran and the EU. Iran wants to develop a stronger and more diverse economy with more opportunities for its millions of highly qualified graduates. We want to help it to do so, including by supporting economic reform and agreeing measures to protect foreign investment. I stress again that progress in our relations with Iran needs to be accompanied by efforts to address our areas of concern.

One of those concerns is human rights. Like so many other Members, I was very disappointed at the mass disqualification of candidates for the parliamentary elections this February. I am pleased that the hon. Gentleman enjoyed his visit to Iran and glad that he came away with such a favourable impression, but it would be wrong to ignore the significant human rights problems that continue to exist there. Iran remains a country where freedom of expression is under threat, where barbarous forms of execution still take place and where non-Muslim communities face widespread violations of their rights.

It is true that Judaism, Christianity and Zoroastrianism are recognised under Iran's constitution, but we continue to hear reports detailing the surveillance and persecution of these minorities. We have additional concerns about the situation of the Baha'i, a religious community not recognised under Iran's constitution. We have received reports that they face increased discrimination, including arbitrary arrest and detention, denial of free worship and disregard of their property rights.

I assure the House that we regularly discuss these issues with the Iranian authorities, including through the EU-Iran human rights dialogue, and have urged them to respect and protect the rights of all Iranian citizens. Last week, we and other EU countries co-sponsored a resolution on human rights in Iran at the UN General Assembly, which was tabled by Canada. I can assure the hon. Gentleman that we shall remain vigilant and active over this issue of our relations.

The hon. Gentleman referred to the Mujaheddin-e-Khalq. I welcome his strong condemnation of it. As he said, it has little support in Iran and deservedly so, given its history of involvement in brutal terrorist violence. The Government have proscribed it under the Terrorism Act 2000 and I assure him that we continue to regard it as a matter of high concern.

We also recognise the feeling in Iran about Camp Ashraf in Iraq. Responsibility for the camp has passed from the Americans to the Iraqi Interim Government, although, at the request of the Iraqi authorities, the United States continues to provide security. We will continue to support the efforts of the Iraqi Interim Government, the US authorities and others with an interest to find an effective and durable solution for the future of the camp and its residents.

We expect and encourage Iran to play a full role in the wider fight against terrorism. We have urged it to ensure that terrorists operating outside Iran cannot draw material or political support from inside Iran. I welcome statements by Iran's leaders condemning all terrorism in principle. We hope to see those words put into action and vigorous efforts made to combat all terrorist groups.

The hon. Gentleman and I have covered many important points in the course of the debate. I hope that I have conveyed the Government's genuine and strong commitment to engaging positively with Iran and that I have underlined the fact that our engagement is conditional and depends on progress by Iran in our areas of concern. I believe that this policy carries with it the greatest chance of bringing Iran into the international community and making it a positive influence in the middle east.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes past Seven o'clock.

House of Commons

Thursday 25 November 2004

The House met at half past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Business of the House

11.34 am

David Maclean (Penrith and The Border) (Con): As you are aware, Mr. Speaker, the shadow Leader of the House is not well. He has asked me to pass on his apologies to the House for his absence today. I am sure that hon. Members will wish to join me in sending him our good wishes for a speedy recovery.

Will the Leader of the House give us the business for next week, please?

The Leader of the House of Commons (Mr. Peter Hain): Yes, of course, but before I do so, I am happy to join in wishing the shadow Leader a full and speedy recovery so that I can get to grips with him at business questions next week.

Mr. Speaker, you informed the House on Tuesday of the subjects for debate on the Queen's Speech. The business for next week will therefore be:

MONDAY 29 NOVEMBER—Continuation of the debate on the Queen's Speech.

TUESDAY 30 NOVEMBER—Continuation of the debate on the Queen's Speech.

WEDNESDAY 1 DECEMBER—Conclusion of the debate on the Queen's Speech.

THURSDAY 2 DECEMBER—A debate on "fisheries" on a motion for the Adjournment of the House.I also remind the House that on this day my right hon. Friend the Chancellor of the Exchequer will present his pre-Budget report. My right hon. Friend the Minister for Local and Regional Government also intends to make a statement to the House on the 2005–06 provisional local government finance settlement for England.

FRIDAY 3 DECEMBER—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 6 DECEMBER—Second Reading of the Railways Bill.

TUESDAY 7 DECEMBER—Second Reading of the Serious Organised Crime and Police Bill.

WEDNESDAY 8 DECEMBER—Second Reading of the Commissioners for Revenue and Customs Bill.

THURSDAY 9 DECEMBER—Estimates [1st Allotted Day]. Subject to be confirmed by the Liaison Committee.

FRIDAY 10 DECEMBER—The House will not be sitting.

I should like to inform the House the business in Westminster Hall will be:

THURSDAY 2 DECEMBER—A debate on the Caribbean: supporting development.

David Maclean: I thank the Leader of the House for the business that he has just announced. Will he join me in expressing concern at events in Ukraine? I am sure that I am speaking for the whole House when I say that we all hope that democracy can prevail in Ukraine and that the situation does not deteriorate into civil war.

Last week there was a public outcry at the racism witnessed in Spain, and rightly so. We have heard Ministers condemn the racism and there have even been calls for the withdrawal of Spain's nomination to host the Olympics in 2012. Why, then, is it all right for an English cricket team to visit a country where racism, ethnic cleansing, murder, rape and starvation are the norm? Will the Leader of the House use his considerable influence to ensure that everyone in Government and the international community ostracises Zimbabwe until the evil Mugabe regime is no more?

The only piece of Foreign Office legislation in the Queen's Speech was not referred to in yesterday's debate. It was left to the shadow Minister for Europe to do so. May we have a full debate in Government time on foreign affairs?

The Leader of the House's outrageous remarks the other day about a safer Britain were condemned by colleagues and commentators on all sides, with the distinguished Labour lawyer Baroness Kennedy describing them as

"an opportunistic bid to feed public fear."

But I am a generous chap, Mr. Speaker. Let us take the Leader's words at face value. Will he tell us when we will see the legislation to which he must have been referring in his "safer Britain" comments? With one teacher being assaulted every seven minutes, when will we see a Bill to restore school discipline and to make our schools safer? With a gun crime being committed every hour and more than 1 million violent crimes last year, when will we see a Bill to put more police, with full police powers, on to the streets? In the Leader's safer Britain, 5,000 people die each year from infections that they pick up in hospitals. When will the Government introduce legislation to give us cleaner hospitals and to make them safe?

The Government want to control our families, our leisure time and what we eat, but they cannot control our borders. When will see action or legislation on the 250,000 illegal asylum seekers who have no right to be here and whom the Government have done nothing to deport? After 66 tax rises, with each household in the country paying £5,000 more in tax, what is there in the Queen's Speech to give hard-working families and taxpayers safety from more tax rises by the Chancellor of the Exchequer? The British people want better value for money for the huge amounts of taxes that they pay each year. The Government's programme is taking us in the wrong direction. That is why the country wants lower taxes.

Mr. Hain: Mr. Speaker, that was a rather better response to the Queen's Speech than the one given by the Leader of the Opposition earlier this week. Perhaps the right hon. Member for Penrith and The Border (David Maclean) and he should switch jobs.

The right hon. Gentleman asked a question about Ukraine, and I am pleased to agree with him. We strongly support the EU declaration criticising the conduct of Ukraine's presidential election. The Organisation for Security and Co-operation in Europe has stated clearly that the elections did not meet a considerable number of OSCE commitments, as well as Council of Europe and other European standards for elections. That is a matter for concern.

I agree that the behaviour of the Spanish fans who chanted racist slogans at the England team was outrageous. I agree also that the situation under Mugabe's tyrannical rule in Zimbabwe is outrageous and unacceptable. I have attacked it consistently, as have the Government.

I have made it perfectly clear that we are opposed to the cricket tour of Zimbabwe, and my right hon. Friend the Foreign Secretary said the same earlier today. We wish that the tour had not happened, but the England and Wales Cricket Board is not a Government Department and is free to make its own decisions. I understand that the Zimbabwe information Minister has now lifted the ban on the remaining British journalists. Obviously, that is welcome, but it is still the case that the tour will give comfort to Mugabe's murderous rule, and I do not believe that the England team should be going.

As to the debate on the Foreign Office, there will be a debate on Europe immediately preceding the European Council in a couple of weeks' time. As is normal, my right hon. Friend the Prime Minister will make a statement on the following Monday on his return from the European Council.

The right hon. Gentleman asked about Foreign Office matters. My right hon. Friend the Foreign Secretary is punctilious—almost more so than any other Cabinet Minister—about coming to the House and making statements when issues develop. I think that I am right in saying that Iraq and other Foreign Office matters have been debated in this House more regularly in the past year or two than almost any other foreign policy that I can recall.

On the question of a safer Britain, I think that the right hon. Gentleman and the Conservatives protest just a bit too much, and that all this phoney fury is a smokescreen to hide the fact that they have no plan of their own for the building of a safer Britain. Of course we believe that our policies and investment plans are making Britain safer, just as we believe in investment in the police, which the Tories pledged to cut. We also believe in a policy such as identity cards, which the Tories and the Liberal Democrats both oppose. Their approach is not acceptable.

I believe that Britain will be safer under Labour, just as I believe that it will be more prosperous, with more opportunities, jobs, hospitals and schools. It is a bit rich for the right hon. Gentleman to say what he did, given that he was a Home Office Minister for four years when crime rocketed and the number of police officers was cut. Crime rose faster under the Tories than it did in any other major western country. There was a staggering 166 per cent. increase in the total of recorded violent crimes, whereas the number of criminals brought to book fell by a third.

The Tory record is a shabby one, but Labour is creating a much safer and more secure Britain. We are pushing through policies on antisocial behaviour and criminal justice reform—as well as anti-terrorism legislation—against which the Liberal Democrats and many Tories have consistently voted. The electorate will judge their record for what it is; disgraceful. Their policies would have made Britain less, rather than more, secure.

On asylum, I am astonished that the right hon. Gentleman, as a former Home Office Minister, has the temerity to raise this matter. He knows that when we came to power we inherited an absolute shambles in a system that tries to cope with illegal human trafficking and illegal migration—*[Interruption.]*

Mr. Speaker: Order. The House must let the Leader of the House speak.

Mr. Hain: On taxation, the right hon. Gentleman knows that the Government have cut taxes for hard-working families and reduced to 10p the rate of tax paid by the lowest earners. We have also introduced working tax credits and child tax credits that have made work pay. Under the Tories—before there was a minimum wage and before there were tax cuts—it was more sensible for many families and individuals to stay on benefit. This Government have made opportunities available to people by rewarding work, and by encouraging them through tax credits and the minimum wage. We have ensured that work pays, and the right hon. Gentleman's charge against the Government is therefore entirely false.

Mrs. Anne Campbell (Cambridge) (Lab): My right hon. Friend will recall that the 2001 Labour party manifesto contained a promise to review electoral systems. When does he expect to make an announcement about that review?

Mr. Hain: There was such a review. *[Interruption.]* I agree with my hon. Friend the Member for Bolsover (Mr. Skinner); I do not support proportional representation and have never done so. I have always favoured electoral reform to introduce the alternative vote, but that is my personal preference and not Government policy. We did have a manifesto commitment and we are committed to a review, and that will be conducted.

Mr. Andrew Stunell (Hazel Grove) (LD): I remind the Leader of the House that he has an obligation to be fair to both sides of the House. He should perhaps turn over a new leaf to go with the new Session and remind himself that excessively partisan media statements are the province of the Chancellor of the Duchy of Lancaster, who has been specially appointed for that purpose. Will the Leader of the House now convene the round table meeting to discuss the timetable for this year's legislative programme, as recommended by the Modernisation Committee and approved by the House? Does he accept that, given the likely length of this Session, there might

be some strong reasons to see how far we can agree on the management of the Government's proposed business?

Will the Leader of the House arrange for motion No. 24, printed in the Remaining Orders and Notices today, on British troops in Iraq—it has been signed by all my right hon. and hon. Friends—to be debated in the House in the near future?

I note what the Leader of the House said about the police and local government settlement. Will he confirm that separate statements will be made and that separate opportunities to vote will be allowed on those two very important matters, which raise different and significant issues in many parts of England and Wales?

Mr. Hain: It is interesting that no sooner have I said that we will have a safer and more secure Britain, both shadow spokesmen get ill. I hope that that is not a consequence of my public statements.

On the issue of a legislative programme being planned by a round table, the hon. Gentleman knows that the Government always intend to do such things by consensus. We introduce Bills and decide on timetabling by agreement through the usual channels, so I do not see any need for a round table of the sort he proposed.

I will certainly look into the other matters that the hon. Gentleman raised, but I wish to take this opportunity to wish the Liberal Democrat spokesman a speedy return to health. I hope that he will be back next week.

Mr. John Lyons (Strathkelvin and Bearsden) (Lab): May I draw my right hon. Friend's attention to early-day motion 99?

[That this House congratulates Macmillan Cancer Relief on the successful launch of its exciting new Better Deal campaign to get a better deal for people dealing with cancer, especially from the benefits system; notes that three quarters of people surveyed by Macmillan who have had a cancer diagnosis say they suffered financially as a result; further notes that, for some people affected by cancer, money worries are second only to pain as a cause of stress; welcomes Macmillan's resolve to champion these issues and campaign with people struggling to meet the unexpected extra costs resulting from the debilitating effects of treatment, including travel to hospital, hospital car parking and higher heating bills; supports Macmillan's call for the Government to ensure that every cancer patient is offered specialist benefits and advice at diagnosis and to change the law to improve cancer patients' access to disability living allowance (DLA) and attendance allowance (AA); and calls on the Government to stop cancer spreading to people's finances and to act urgently to ensure that the DLA and AA schemes are fast, fit for purpose and fair for people dealing with cancer.]

The motion addresses not only the health effects of cancer but the serious financial problems—financial desperation in some cases—experienced as a consequence. Will he consider making time for a debate on the issue?

Mr. Hain: I understand the importance of the points that my hon. Friend raises and I will study the early-day motion carefully. As he knows, we have prioritised treatment for cancer and reduced waiting times, as a result of which people suffering from cancer have received a better deal under Labour.

Sir Patrick Cormack (South Staffordshire) (Con): Three weeks ago, the Leader of the House promised legislation that would deal with the mess in Parliament square. Indeed, you referred to that on the day of the State Opening, Mr. Speaker. When might we expect that legislation?

Mr. Hain: As the hon. Gentleman knows, the Serious Organised Crime and Police Bill has been introduced and will be debated before Christmas. He will have the chance to make his views clear on that legislation, which will deal with the problem.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Has the British Government raised with the European Commission the Spanish Commissioner's meeting with Hamas, which is labelled as a terrorist organisation even by the EU itself?

Mr. Hain: My hon. Friend may have heard the Foreign Secretary say on the radio this morning that he had not yet had a chance to speak to Mr. Solana about the issue. As she knows, Javier Solana is a highly respected international negotiator who has gained much credibility for seeking to bring peace to the middle east, as well as for his other work, notably in the Balkans. She will be aware also that Britain has proscribed the military wing of Hamas and that the EU has listed Hamas as a terrorist organisation. Javier Solana obviously will do all he can to try to promote peace in the middle east and we want to work with him on that. On the radio this morning, he was quoted as saying that he had talked to Hamas and been in contact with people who have been with Hamas. Obviously, we need to get the details directly from him.

Mr. Roy Beggs (East Antrim) (UUP): Will the Leader of the House arrange for a debate in the Chamber as soon as possible on the funding of education and library boards in Northern Ireland, all of which face serious financial difficulties? The Western education and library board predicts a shortfall of £23 million over the next three years. The Southern education and library board, based in Armagh, estimates a £28 million shortfall over the next three years. The Belfast and South Eastern boards are already the subject of a special inquiry into their overspending—more than £5 million each in the last financial year—and, to stay within budget, the North Eastern board has cancelled everything except emergency maintenance. That is happening despite the fact that £50 million of the Northern Ireland Department of Education budget was underspent last year and that a further underspend is predicted for the current financial year.

Mr. Hain: Obviously, I am not aware of the details of the issue that the hon. Gentleman raised, but I know that the Secretary of State for Northern Ireland will want to take careful note of what he said.

Lawrie Quinn (Scarborough and Whitby) (Lab): I thank my right hon. Friend for the announcement of the

[Lawrie Quinn]

debate on the fishing industry next Thursday. I am conscious that that will probably be a busy day, so will he assure the House, especially Members who represent fishing communities, that we will have sufficient time to give full consideration to important matters that currently affect many coastal communities? If necessary, will he consider moving a business motion to ensure that we have enough time for contributions from not only Front-Bench speakers, but Members representing coastal communities?

Mr. Hain: I am aware that the matter is of extreme concern to my hon. Friend. Fisheries policy is extremely important, not least for the many Members of Parliament who represent coastal areas. My hon. Friend will be aware that I have tabled a business motion, which will mean that the debate will be protected; there will be a full three-hour debate. I take this opportunity to say to Front-Bench spokesmen and women on both sides of the House that the shorter their contributions the better, to allow lots of Members to participate in the debate.

Sir Nicholas Winterton (Macclesfield) (Con): I know that the Leader of the House is concerned about truth and accuracy, so I am surprised at his earlier comments about my right hon. and learned Friend the Leader of the Opposition, who was the only Home Secretary under whom overall crime actually reduced.

My question follows that of the hon. Member for Scarborough and Whitby (Lawrie Quinn), who referred to fishing. Why will the debate on fishing be on the Adjournment and not a general motion on which the House could vote? Fishing is a controversial issue and there are major differences between the parties over the future of UK fishing rights and UK fishing waters.

Mr. Hain: As the hon. Gentleman knows, it is a convention that the debate to which he refers is on a motion for the Adjournment. He may try to persuade the House that it should not be so but, under successive Governments, that has been the case.

On crime, the fact is that it is down by a third under Labour but doubled under the Conservatives, especially at the time when the Leader of the Opposition was a Minister in the last Conservative Government. The chance of being a victim of crime is at its lowest for 20 years. Since 1997, burglary is down by 42 per cent., vehicle theft by 40 per cent. and violent crime by 26 per cent., and £1 million of the profits from organised crime are being seized every week. The Conservatives ought to be supporting Labour policies to make Britain even safer and more secure, and it is a measure of the extreme position that they have got themselves into that they are attacking Government policies to tackle terrorism, organised and serious crime, antisocial behaviour, drugs trafficking and illegal migration. They should be backing Labour's excellent policies to build a safer and more secure Britain.

Mr. David Watts (St. Helens, North) (Lab): My right hon. Friend will be aware that public expenditure in Northern Ireland, Scotland, London and Wales is much higher than it is in regions such as the north-west. Will he arrange for a debate in the House to allow us to discuss how we can have more equal funding of public services?

Mr. Hain: As my hon. Friend knows, the local government settlement will enable that debate to take place, and local authorities will see the resources they are getting. But I assume that my hon. Friend is talking about the Barnett formula and the way that it distributes resources. If I may talk about Wales, wearing my other Cabinet hat, although spending per head is higher in Wales than the average in England, rates of disability, industrial illness and ill-health are higher in Wales as well, and poverty has in the past decades been greater. The Barnett formula is designed to address that issue. In the end, Wales gets the same proportion of increases in spending as England; it is done on a per capita basis. That is the basis of the formula.

Mr. Patrick McLoughlin (West Derbyshire) (Con): During the year, more than 20 million visitors visit the Peak district, which is maintained and looked after by our farmers, who look after and maintain our countryside. When can we have debate on agriculture in the House? The dairy industry is in severe crisis.

Mr. Hain: I think that I am right in saying that the Peak district national park was created by a Labour Government, which I am sure the hon. Gentleman would welcome. I will obviously bear in mind his request for a debate on the dairy industry and agriculture, but we have a busy legislative Session coming up.

Mr. Tony McWalter (Hemel Hempstead) (Lab): As yet another strategically important science department is faced with closure—this time chemistry at Exeter—will my right hon. Friend review the arrangements by which we discuss science matters in the House? This matter arose because of an absurd ratio in terms of funding for science courses organised by the Higher Education Funding Council, which lowered the amount of funding available to science departments. That is just the sort of issue that should be tackled on the Floor of the House. Yet the Minister for Science and Innovation is in the other place, has the most junior Ministry of all and is unpaid, while the Minister with responsibility for culture is a Cabinet Minister. Is not this appalling, and should we not be doing something about it?

Mr. Hain: Obviously I do not want to see a chemistry course cut anywhere in Britain. We had the same problem at Swansea university, near my constituency, recently, which is why the Government are investing record amounts in science. We have trebled the science budget; an extra £1 billion is now coming in. Obviously, Exeter university is an independent, autonomous body and these decisions are being considered. The Department of Trade and Industry and the Secretary of State for Education and Skills are aware of this matter and I am sure will now be even more aware as a result of my hon. Friend's question.

Angus Robertson (Moray) (SNP): The worrying situation in Ukraine is fast-moving and there are grave warnings about civil order. When will the Foreign Secretary make an urgent statement to the House, so

that we can be fully apprised of developments and the Government's position, which will have to respond to events on the ground?

Mr. Hain: I understand the hon. Gentleman's concerns. I agreed with the Conservative spokesperson on the worrying situation, and I agree with him also. The Foreign Secretary is in the middle east, seeking actively to promote the peace settlement that we all want to see between the Israelis and the Palestinians. My right hon. Friend is also involved in the issue of Iran and other sensitive issues, so I am sure that the hon. Gentleman will not want to be critical of him. But I am sure the Foreign Secretary will bear in mind the point that the hon. Gentleman has raised.

Dr. Alan Whitehead (Southampton, Test) (Lab): Does my right hon. Friend agree with me that safety and security is not just about terrorism and major crime, important though they are, but about the safety, security, liveability and cleanliness that people observe in their immediate neighbourhood: the well-being of their daily lives? In that context, will he ensure that the Bill on clean neighbourhoods and environment that was announced in the Queen's Speech gets the earliest possible debate before the House?

Mr. Hain: My hon. Friend raises an important issue, and I will indeed seek to ensure that that occurs. The Bill will build on the antisocial behaviour legislation that this Government have also introduced, which was opposed by the Liberal Democrats. First, they said that the legislation was draconian. Then, they claimed that it did not work. Now, they say that they support it. Next, they will be saying that it was their idea all along.

The truth is that many in our local neighbourhoods, as we know as Members of Parliament, are very concerned about yobbery, fly-posting, fly-tipping, graffiti, noise pollution, abandoned vehicles and different ailments. I should have thought that the Liberal Democrats and the Conservatives ought to back the Government in trying to create safer, more secure local communities. That is precisely the point that I have been making the past few days—I am pleased to have done so—and I will continue making that argument, despite these phoney attacks from the Opposition.

Mr. David Wilshire (Spelthorne) (Con): Because of the Government's refusal to fund health care properly in Surrey, the Ashford and St. Peter's hospitals trust is facing financial meltdown. If it were a business in the private sector, it would now be facing bankruptcy, and its long-suffering and hard-working board is meeting today to try to sort out the mess that the Government have created in my constituency. Might we have a debate so that we can get to the bottom of the crisis, which is almost certain to lead to service cuts for my constituents and longer waiting lists for those who need treatment?

Mr. Hain: Obviously I am not aware of the details of the hon. Gentleman's local hospital. He quite properly raises the matter, but I would take issue with him about the Government's failure to fund health services properly. That is an incredible statement from a Conservative Member, when we had cut after cut in health care under the Tories. We have brought in 77,500 more nurses, 19,000 more doctors, 24 major new hospitals, 16,000 more general and acute beds in the past three years and 450,000 more operations a year. Waiting lists coming right down, compared with the situation under the Conservatives when waiting lists were sky high, hospitals were closing, nurses were losing their jobs and doctors could not be recruited; the dreadful legacy that we inherited.

Mr. Brian Jenkins (Tamworth) (Lab): The official Opposition spokesman, who did a very good job today, suggested that every family in the country pays an extra £5,000 a year in tax, but that would miss many families in my constituency; that is almost half of their annual income. The hon. Gentleman cited value for money, so will my right hon. Friend arrange a debate in Government time on the use of Short money? Are we getting value for money when figures like that are being chucked about?

Mr. Hain: That is a very interesting question. Perhaps the public and the House might take the view that the millions of pounds—I think that it is more than £3 million—that the Conservative parliamentary Opposition get in Short money is not being well spent. As such a poor, extreme and pathetic Opposition are being subsidised by taxpayers, those taxpayers might want to consider whether they are getting value for money from the Tory party.

Mr. Andrew Mackay (Bracknell) (Con): Returning to serious matters and to the quite dreadful situation in Zimbabwe, notwithstanding the fact that British cricket correspondents will now be allowed into that country, might I tell the Leader of the House that the overwhelming majority of people will share his view that the English cricket team should not be there? Might I also put it to him that it is a pity that his robust line has not been taken up by the Foreign Secretary and other Ministers? As the situation will unfold in a very difficult way during the next week or two while the team is there, may we at least have a guarantee from the Leader of the House that Foreign Office Ministers will be on hand constantly to come to the Dispatch Box to make appropriate statements as and when necessary?

Mr. Hain: As the right hon. Gentleman knows, we are at one on this matter, and I pay tribute to the way in which he has constantly drawn the House's attention to the abuses of freedom and the oppression in Zimbabwe. I will certainly bear in mind his point about Foreign Office Ministers, and I am sure that they will want to report to the House if there is any major development.

One of the things that I find most despicable, on top of the pile of horrendous acts for which Mugabe is responsible, is that he is now apparently banning food aid from the United Nations World Food Programme because he says that starvation is not happening and that people have enough food, when everyone knows that the people are destitute in Zimbabwe and that starvation is on the increase in a country that was able to feed not just itself aplenty, but the rest of southern Africa. He is responsible for a record of really awful rule.

Andy Burnham (Leigh) (Lab): May I urge the Leader of the House to make time available soon for a debate

[Andy Burnham]

on the important subject of public service broadcasting and, in particular, the threat to public service broadcasting in our regions? He may be aware that Ofcom is consulting on a proposal to cut by half non-news regional output—the requirement to do non-news programming in the regions—from three hours to one and a half. That will remove some distinct and popular programmes from the schedules and, for me, it would be a personal tragedy if "Granada Soccer Night" disappeared. May I therefore ask my right hon. Friend to urge Ofcom to come to the House to explain its proposals to Members? The issue is of genuinely high importance to our regions and their economic prosperity.

Mr. Hain: My hon. Friend makes his point very well and convincingly. I am aware, as I know the Secretary of State is, of the problems of regional programming, which is now being questioned by Ofcom's consideration. I know this from Wales where ITV Wales faces cuts in programming, and this is not acceptable. We want a high quality alternative to the BBC, we want variety, and we want ITV Wales to be available right across Wales. Indeed, we want ITV UK to provide proper regional programming, especially in news and current affairs.

Sir Sydney Chapman (Chipping Barnet) (Con): May I reinforce the point made by my right hon. Friend the Member for Penrith and The Border (David Maclean), the passing shadow Leader of the House? In the light of what happened yesterday, there really is a need for a debate on foreign affairs. Although I perfectly understand that the Foreign Secretary could not be here because he was conducting important business in Egypt and Israel, the fact is that the two ministerial contributions at the beginning and end of the debate did not, for example, deal with the European Union constitution referendum Bill, which is the flagship of the Government's programme for this Session. Will the Leader of the House consider whether such a debate could be granted before Christmas?

Mr. Hain: As I understand it, in that debate the Minister dealt with the European Union constitution referendum Bill, which appeared in the Queen's Speech and will come forward in due course. I think that the hon. Gentleman will be pleased to know that my right hon. Friend the Foreign Secretary has asked to make an early statement on his visit to the middle east, and that will provide an opportunity for a range of issues to be raised. I will certainly bear in mind the hon. Gentleman's point.

Alistair Burt (North-East Bedfordshire) (Con): Last week, the Prison Service ombudsman published a report in which he blamed ill-thought-through policies, the setting of unachievable targets and the design and construction of buildings unfit for purpose as the reasons behind the fire and serious incident at Yarl's Wood removal centre in February 2002, which cost £100 million and endangered scores of lives. As the Home Secretary did not consider it necessary to come to the House to make an oral statement about these accusations, could the Leader of the House arrange for an urgent debate so that the Home Secretary has a chance to come to the Dispatch Box and explain which part of this policy fiasco has contributed most to a safer Britain?

Mr. Hain: The hon. Gentleman has quite properly raised this matter, which affects a prison in his constituency. Obviously, consideration has been given to this important report and the Home Secretary will want to study carefully what the hon. Gentleman has said. I hope that the hon. Gentleman will want to join with Labour Members in welcoming the enormous expansion of the Home Office budget, which would be put at risk if the Conservatives were to be elected as there is a £1.5 billion cut in Home Office spending planned by the Conservatives in their first two years of office.

Mr. Nigel Evans (Ribble Valley) (Con): I believe in safer streets, safer villages, safer towns and safer cities, so can we have a full day's debate on policing in this country? I know that Lancashire constabulary is facing a £7 million shortfall this year and that violent crime in Lancashire rose last year by 47 per cent. Since 1997, we have seen the closure of, and reduced hours in, police stations in Lancashire, so I want the Home Secretary to tell us how many police officers will be taken away from chasing murderers, rapists, muggers and thugs and will now be chasing fox hunters after 19 February.

Mr. Hain: The situation affecting local police stations or resourcing has nothing to do with fox hunting, as the hon. Gentleman well knows. That question shows the obsession of Conservative Back Benchers with issues such as fox hunting, instead of concentrating on making Britain a much more secure and safe place in which to live. I hope that he and the Conservatives will back all the Government's legislation—measures on counter-terrorism and serious organised crime, the drugs Bill and the clean neighbourhoods Bill, which tackles antisocial behaviour. I also hope that they vote to support the identity cards Bill as well, because that will help to tackle terrorism, illegal migration, organised crime—

Mr. David Heath (Somerton and Frome) (LD): How?

Mr. Hain: Simply because when the police apprehend someone, they will know who that person is if he is carrying an identity card. That is the point—*[Interruption.]* I make the prediction, as I am being heckled by the Liberal Democrats—I encourage them to do more of it—that they will do a U-turn on identity cards, just as they did on antisocial behaviour, because they know that the measure is extremely popular across the country.

Rev. Martin Smyth (Belfast, South) (UUP): I draw the Leader of the House's attention to today's report by the Northern Ireland Audit Office on waiting times for treatment in hospital. Although I welcome the reduction in the past two years, since 1996 there has been an horrendous increase of 42 per cent. Some 3,235 people are on the waiting list for 18 months in Northern Ireland, compared with 552 in-patients on the waiting

list in England for 12 months and more. Can we have a statement that allows us to understand why the list has not been reduced to the same ratio as the rest of the United Kingdom?

Mr. Hain: I am not familiar with the figures in Northern Ireland, as the hon. Gentleman will understand. However, he is aware, as he just made clear, that waiting lists in England are plummeting. In a year or two they will be down to just 18 weeks from the time of the initial contact with the GP. Northern Ireland can learn from England's policy on waiting lists, as can Wales. The benefit of devolution is that we can all learn from each other's best practice.

Mr. Andrew Robathan (Blaby) (Con): The Leader of the House made a remarkable, and some would say ludicrous, speech the other day, commenting on how secure Britain was under this Labour Government, thereby revealing a central plank of the election programme next year—but by their works shall we know them! Will he arrange for a statement, with details placed in the Library, listing all the Cabinet Ministers and other Ministers from the Prime Minister downwards who were on the wrong side in the cold war, were members of the Campaign for Nuclear Disarmament, who voted against the prevention of terrorism Act and how many times they did that, and who took part in illegal activities such as disrupting rugby tours and digging up cricket pitches?

Mr. Hain: On the question of past records, surely the hon. Gentleman wants to keep quiet about that and pipe down, given the Conservatives' dreadful record on crime, which doubled as all manner of crime increased. He should support the new security measures to ensure that Britain is a safer and more secure place, as I believe it will be under Labour.

One of the things that we are doing, which I would have thought the hon. Gentleman would welcome, is doubling the capacity of Britain's security services over the next three years, with extra special branch anti-terrorism capabilities too. In total, we are investing more than £2 billion in new counter-terrorism measures and on developing new electronic border surveillance—all funding that would be put at risk by the Conservatives' reckless economic plans, extreme policies and planned cuts in Home Office spending of up to £1.5 billion in the first two years of a Conservative Government, as announced by the shadow Chancellor.

Mr. Julian Brazier (Canterbury) (Con): May we have a debate on mobile phone masts following the ruling by the Court of Appeal that Government legislation does not allow inspectors to take account of health risks, even in siting a mast next to a primary school near Harrogate? I urge the Minister to consider the matter because it seems strange that we have one group of scientists telling us that it is dangerous for children to walk around using mobile phones, but legislation saying that it is safe to put a mobile phone transmitter, millions of times as powerful, next to a primary school.

Mr. Hain: I am sure that the Secretaries of State concerned will want to look closely at what the hon. Gentleman has said.

Bob Spink (Castle Point) (Con): May we have a debate on house building targets in Essex, so that we can make it absolutely clear that the Government target for building in Castle Point is 4,000 more houses, which means consuming green belt, and that there is no infrastructure provision to meet the new demand for our roads, schools, doctors and dentists?

Mr. Hain: I do not think that the Government's policy is quite as the hon. Gentleman suggested. There is obviously a need to balance improved housing opportunities, for which there is a great demand, with sustainable development. I would have thought that he supported Labour's policies for more affordable housing and for investment in housing. If we win the next election, we intend to make that measure a major priority.

Mr. David Cameron (Witney) (Con): May we have a debate in Government time on special schools and the Government's policy of inclusion? Is the right hon. Gentleman aware that since my debate in Westminster Hall, I have had letters from parents throughout the country who have disabled children and children with very special needs and are concerned that their life chances will be cut off if special schools close? Is he aware that only yesterday a group of parents from Clacton in Essex, led by Douglas Carswell, came to see me because they are worried about the closure of their schools? Can we have a review of the law in that area and will the Government have a real look at what is happening on the ground? Above all, can we have a moratorium on further special school closures until that has been carried out?

Mr. Hain: I understand the point that the hon. Gentleman quite properly makes. There is a difficult balance to be struck between enabling children with special needs to come into mainstream schooling, with all the advantages that that brings, as he knows, and providing special schools in the right quantity so that children in difficult situations can have the necessary specialist attention. I will certain draw the attention of the Secretary of State for Education and Skills to the hon. Gentleman's point.

Dr. Julian Lewis (New Forest, East) (Con): May we have a statement from Labour's principal election propagandist—I beg the House's pardon; I mean the Chancellor of the Duchy of Lancaster—on the effect of the coming into force on 1 January of the Freedom of Information Act 2000 on accountability by the Cabinet Office? That would enable us to explore the strange fact that repeated questions to Cabinet Office Ministers about the cost, over and above the right hon. Gentleman's £137,000 a year salary, of setting up a separate Chancellor of the Duchy of Lancaster are met with the answer that the figure will be published in the Department's annual report. It just so happens that that will be after the general election. Under the Freedom of Information Act, can we expect the answer to that simple question a little earlier?

Mr. Hain: I am aware that the hon. Gentleman is a one-man anti-Chancellor of the Duchy of Lancaster band, and I think that he is being very unfair to Lancaster.

Mr. Peter Luff (Mid-Worcestershire) (Con): I know that the Government prefer spreading fear among people to letting them have fun, but I hope that the Leader of the House will look into his heart and share my concern that the impact of the Licensing Act 2003 on small touring circuses could be very serious, as I have been prophesying for the last year. Yesterday, I received the news of the first such circus to close because it is unable to face the burdens imposed on it by the Act. I urge the Leader of the House to have an urgent debate on the Act. If not that, will he at least go back to his colleagues in the Department for Culture, Media and Sport and ask them to reconsider the legislation, which threatens to destroy the good, honest, professional fun provided by circuses, which were invented, just across the road, on the other side of Westminster bridge, 200 or 300 years ago?

Mr. Hain: The Secretary of State for Culture, Media and Sport is aware of these matters, and the Select Committee has also made a number of points. On the other hand, I am sure that the hon. Gentleman would not want to oppose the extension of the licensing laws that allows us to have much more civilised drinking hours, as in the rest of the European Union and elsewhere in the world.

BILLS PRESENTED

RAILWAYS

Mr. Secretary Darling presented a Bill to amend the law relating to the provision and regulation of railway services; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Monday 6 December, and to be printed. Explanatory notes to be printed [Bill 6].

NATIONAL LOTTERY

Secretary Tessa Jowell presented a Bill to make provision about the national lottery: And the same was read the First time; and ordered to be read a Second time on Monday 6 December, and to be printed. Explanatory notes to be printed. [Bill 7].

Orders of the Day

Debate on the Address

[THIRD DAY]

Order read for resuming adjourned debate on Question [23 November],

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign,

We, your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom and Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament.—*[Mr. George Howarth.]*

Environment, Transport and Local and Devolved Government Affairs

12.20 pm

The Secretary of State for Transport (Mr. Alistair Darling): On Tuesday the Prime Minister set out our strategy to continue the reform of public services and to improve safety and security, all of which is, of course, underpinned by the economic stability and continued growth that have allowed low interest rates and high levels of employment—a huge change from 10 years ago—and we will return to that theme next week in the Chancellor's pre-Budget report. Today's debate is on transport and the environment, and for obvious reasons I want to concentrate on transport.

It might be convenient to remind Members that I will bring before the House measures that will build on the objectives set out in the Gracious Speech. The Railways Bill, which was published this morning, will streamline the structure and organisation of the national rail system. The road safety Bill will help further to reduce the number of people killed on roads each year, and the Crossrail Bill will pave the way for enhanced rail capacity across London. I will return to those measures during my speech, but I should also mention some other Bills that are relevant to today's debate. Measures will be introduced to improve the quality of life in local neighbourhoods through the clean neighbourhoods and environment Bill, and the animal welfare Bill and the commons Bill will also be introduced. My right hon. Friend the Minister for Rural Affairs and Local Environmental Quality will say something further when he replies to the debate.

Mr. Edward Garnier (Harborough) (Con): I am most grateful to the Secretary of State for giving way so early in his speech. It is apparent from the Gracious Speech and from his opening remarks that there is no reference to aviation and air transport. It is imperative that the Government get a grip on the environmental problems that are caused by increases in night flights—noise nuisance—and the discharge of aviation fuel, which concern a great many people in this country. Will he undertake to look into the question of designation, for example, of East Midlands airport under the Civil Aviation Act 1982, so that his Department and he personally can take a greater grip on the increase of

disturbance to my constituents that is caused by flights in and out of East Midlands airport, particularly at night?

Mr. Darling: If the hon. and learned Gentleman sticks around, he will hear me deal with one or two matters in relation to aviation. It is not mentioned specifically in the Gracious Speech, because the proposals in the White Paper that I published in December do not need primary legislation. He is right that noise control is of concern at a number of airports, and I am aware of the concern at East Midlands airport. As he will know, the Government do not have plans to designate that airport at the moment, but I and my ministerial colleagues are aware of the continuing discussions. If I can prevail on him to stay until the end of my speech, he is welcome to intervene again on that matter if he wants to do so.

Before I turn to the measures to which I have referred, it is important to remind the House of the context in which transport legislation must be seen. Obviously, an effective, reliable and safe transport system underpins a successful economy, because it allows people to travel and goods to be moved efficiently and cost-effectively. Our economy is growing and will continue to grow. Indeed, since 1997, the UK economy has been stronger and more stable than any other major economy, in contrast to much of what happened in the previous two decades, which saw two of the deepest recessions of the last century.

A strong economy means that people become better off and that they choose to travel more. As a country, we face two challenges on transport: decades of under-investment, coupled with pressures on the growing economy, means that the transport infrastructure—both road and rail—is coping with levels of use never anticipated when much of it was designed.

Norman Baker (Lewes) (LD): The right hon. Gentleman mentioned two challenges. I did not hear him say that climate change was a major challenge. He knows that there has been a 47 per cent. increase in carbon emissions from the transport sector since 1990. What does he intend to do about that?

Mr. Darling: Again, if the hon. Gentleman will bear with me, I intend to deal with the environmental impact of travel later in my speech.

The fundamental problems of congestion and the well documented difficulties on the railways both derive from the fact that our infrastructure suffered from a lack of investment under successive Governments. I am not making a party-political point. In the past, our Governments have not spent as much as they should have. On top of that, because our economy has been growing so strongly, which of course is a good thing—I think even the Liberal Democrats would concede that—it is putting pressure on the system. But the hon. Gentleman is right: the environmental impact of transport is important and I shall say something about it later.

Mr. Roy Beggs (East Antrim) (UUP): The Secretary of State mentioned under-investment in the railways. Will he confirm that it will be his policy to ensure that trans-European network rail links, as agreed between our Government and the European Commission, are completed? I think especially of the Cork-Dublin-Belfast-Larne line, which is still awaiting major investment.

Mr. Darling: If the trans-European network is agreed, the UK will be part of it. Part of the railway line to which the hon. Gentleman refers is the responsibility of the Irish Government, and we would probably do well not to offer to take it off them. In relation to Northern Ireland, perhaps I should write and let the hon. Gentleman know what the position is. That is dealt with by the Northern Ireland Office, rather than by my Department.

Both the problems that I identified need to be addressed, and we are addressing them. We have doubled rail investment since 1997. Obviously, there are no quick fixes for transport problems, but the long-term solution lies first and foremost in increasing investment and sustaining it over a long period, which we are doing; secondly, in managing the system effectively; and, thirdly, in planning ahead to meet the transport needs of the future. We are doing all these things.

The transport White Paper published in July this year set out how the Government will provide sustained investment and plan for and manage transport in a way that is consistent with our environmental objectives. The White Paper also outlined expenditure plans to 2015. That did not happen in the past. We now have long-term transport spending against which people can plan. Transport spending is more than 60 per cent. higher this year than it was in the last year that the Conservative Government were in office. Spending by the Department will rise by an annual average of 4.5 per cent. in real terms between 2005–06 and 2007–08. The level of spending will grow thereafter in real terms by 2.25 per cent. each year through to 2015

This sustained investment is allowing us to spend on the railways some £73 million each week, matched by a similar amount coming in from the private sector. That investment is making a difference. I make no apology for emphasising investment. Whatever this debate discloses about what is needed in transport, I am clear that the one thing it does not need is a reduction in transport spending. No matter what the hon. Member for South Suffolk (Mr. Yeo), who speaks for the Conservatives, says in the rest of the debate, he has one pretty formidable problem—the strictures of the shadow Chancellor, as a result of which he would have to lose £1.8 billion of transport spending.

Let me give the House an idea of what that means. It is equivalent to all the investment in and maintenance of our strategic road network. So when I read, as I did a few days ago, that the hon. Member for South Suffolk was promising on behalf of the Conservatives better maintenance and quicker repairs, I am interested to hear how he squares that with a commitment to remove £1.8 billion. If he tells me that it is all right and that David James has fixed it for him, I have to say to him—I read the James report with great interest, it being a Conservative report on how to be more efficient—that it is extremely interesting that the first thing that David James does is to acknowledge that most of the savings that he identified are already being made by the Department for Transport. The only way he gets the figure slightly larger is by, first, accepting that the way in

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which rail privatisation was put in place in relation to the rolling stock companies was not terribly effective. We are ahead of the Conservatives on that, too, because we have said that we are sorting that out.

Secondly, the Conservatives are offering to outsource the DVLA, which has made the Conservatives extremely popular in Swansea. I have read some of the cuttings in the local newspapers and I feel deeply sorry for the Conservative prospective parliamentary candidate.

Nearly a third of what the DVLA and the vehicle services group have done has already been outsourced. The idea that Conservatives can save more than we are already saving is pretty improbable. I remind the hon. Gentleman what he said the day after he was appointed to his present position in June. He said that the Tory policy is

"at a fairly undeveloped stage."

No wonder it is undeveloped. The hon. Gentleman's first big problem is that he does not have any money to spend. I look forward to hearing what he has to say. If he says that he will get the money from the private sector, he should be aware that we are already getting money from it. I suspect that if he goes to the private sector and says, "By the way, we will cut our public spending by £1.8 billion", the private sector will say, "If you don't have confidence to invest in transport, why on earth do you expect us to come and fill the gap?".

Mr. Mark Field (Cities of London and Westminster) (Con): Will the Secretary of State give way?

Mr. Darling: I will give way because no doubt the hon. Gentleman will want to explain how it is that cutting £1.8 billion from transport spending under the Conservatives can help. I look forward to hearing from him.

Mr. Field: The right hon. Gentleman may not be surprised that I am not going to explain in great detail. However, given the great success, apparently, of the economy and congestion, particularly the success in London, why is it that the Crossrail Bill that he is now proposing is not the green light that has been presented but a flickering amber light? It goes into no detail about the financing or funding of the project.

As the right hon. Gentleman well knows, we are currently in Opposition. We are looking to the Government to provide some answers. Given seven and a half years of a Labour Government, and given that the congestion problems in London are getting ever worse, Crossrail is an extremely important project. There should be a consensus among politicians, as there is among the business community. The business community has said that it would be willing to put up some money, but where will the Government's financing and funding stream come from?

Mr. Darling: That does not sound like an hon. Gentleman who imagines that he will be on the Government Benches in the foreseeable future. No wonder he does not want to try to explain away the £1.8 billion cut in spending that the Conservatives are promising. Whatever difficulties there may be in funding transport infrastructure or Crossrail, to which I shall come in a moment, it is pretty clear that cutting £1.8 billion from that spending is not the answer.

The Crossrail Bill will come before the House. It is an essential prerequisite before we can design the Bill that we need to work with the private sector because it has very much to be a joint venture. We will do that. Before the hon. Gentleman gets too excited about these matters, I should say that one of my earliest experiences in the House when I was elected in the late 1980s was a Crossrail Bill, which died a death, like so many other attempts to build the system. If I were the hon. Gentleman, I would be careful before going on too much about the failings of the Labour Government in this regard. There has been a long and tortuous process. I think that all of us know that. The difference is that I am more confident now than I have been for a long time that Crossrail will be built. Crossrail is needed by London because of the long-term pressures that it faces. The key is to get on with it. The hon. Gentleman should still reflect on the fact that cutting nearly £2 billion from transport does not help in that regard.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): On 15 November the Adjournment debate was set against the background of Crossrail, which had in east London one branch going to Stratford, and on the south of the river a branch going from Abbey Wood to Ebbsfleet. My hon. Friend the Minister of State, Department for Transport yesterday announced that the line would terminate at Abbey Wood and would no longer go on to Ebbsfleet. The only explanation that has been given to me as a Member whose constituency is affected consists of some unintelligible pages from a technical report that has been available for months. Will my right hon. Friend say what analysis has been undertaken over the past 10 days to justify this amputation?

Mr. Darling: I can do that. I can assure my hon. Friend that rather more than 10 days' work has gone into the analysis. There are basically two problems. The voltage of the lines in north Kent is different from the voltage that will power the Crossrail trains. If the trains were to run beyond Abbey Wood, they would have to be capable of running on more than one voltage, which would make them more complicated and more prone to breakdown. If my hon. Friend wants an example of such problems, he should look at the Eurostar trains, which are designed to run on three different supply systems and spend rather more time in the garage, so to speak, than one would wish, and I want to avoid that. The second problem is that at the moment it is intended that 24 trains an hour will run through the Crossrail tunnel, but if the line goes down to Ebbsfleet, analysis of the congestion in north Kent suggests that we will have to reduce that frequency to 18 an hour.

For those two reasons, it was thought best that the line should go to Abbey Wood in the first instance, although we are not ruling out a future extension to Ebbsfleet. It is possible for passengers to cross the platform at Abbey Wood, so I do not think that it will be that much of an inconvenience. What I would say, certainly to all those hon. Members who want to support Crossrail, is that if Crossrail is to be built, it

must be as simple as possible. The more complicated a railway project is at the start, the greater are the chances that it will run into difficulty. I, like so many others, want to see Crossrail built, but I want to ensure that it is as simple as possible. I am sympathetic to the point that my hon. Friend makes, but those, in a simplified form, are the two difficulties that led us to the conclusion that we reached.

Linda Perham (Ilford, North) (Lab) *rose—*

Mr. Darling: I was going to deal with Crossrail later, but we will finish it now; otherwise we will be here all day.

Linda Perham: I rise to draw a line under the matter at this stage. As chair of the all party group on Crossrail, I welcome the Bill, which my right hon. Friend will know is a hybrid Bill, showing the Government's commitment to it. He touched earlier on that in reply to the hon. Member for Cities of London and Westminster (Mr. Field). Will he confirm that the Bill shows the Government's commitment to finding the funding to realise the project, which will benefit not only people on my side of London but throughout London, and the UK economy?

Mr. Darling: My hon. Friend has done a great deal during her time in the House to advance Crossrail, and, as she says, she chairs the all party group, for which she deserves a great deal of credit. Yes, as I have said, the Government are committed to Crossrail. There will be much more discussion of financing, but I think that there is a determination all round to see the matter through, and from what I recall that certainly was not the case 18 years ago.

I have mentioned investment, which among other things allowed us to sort out the west coast main line, and despite one or two teething problems it is good to see the new trains running at 125 mph. We are renewing nearly a third of the rolling stock in this country, which has necessitated the renewal of the power supply south of the River Thames. I can also tell the House that in the last year, more than 850 miles of track have been renewed. That contrasts with the less than 200 miles a year that were renewed at the time of privatisation. Therefore, people can see that progress is being made.

There is one further aspect of change that was needed in the railways. The railways have paid a heavy price for privatisation and the subsequent drop in investment, so the other matter that needed to be addressed was the organisation and structure of the railways. In January last year, I said that I wanted to review that structure. In July I published a railways White Paper and today we are publishing the Railways Bill. Despite all those who spent many happy weeks over the summer saying that there would not be a Bill, that it was nowhere near ready and that we had got it wrong, the Railways Bill implementing the White Paper has now been published. It will allow the Government to take strategic direction of the railways and have clear agreements with each part of the industry, and it abolishes the Strategic Rail Authority. The office of the rail regulator will be responsible for safety, performance and cost, and there is greater devolution of power in Scotland, Wales, London and the passenger transport executives in England. Other changes that do not require legislative change will accompany the legislation, and they will give Network Rail greater powers to allow the track and train companies to operate more closely together. As I have said before in this House, we intend to reduce the number of franchises. We are also taking steps to make sure that freight has greater certainty about its rights on the national network, which the industry broadly welcomes.

On rail, I should bring two other matters to hon. Members' attention. First, the Rail Passengers Council is announcing its proposals today to restructure its organisation to be more focused and responsive to passengers. Secondly—for those who are anoraks—my Department is announcing a new structure to carry out its rail functions, taking account of the changes brought about by the abolition of the Strategic Rail Authority. Because poor Mr. James did not get this far, the Conservative spokesman may be interested to know that about 530 staff are currently employed by the SRA and the Department for Transport rail division. In the new structure announced today, that group will reduce to between 250 and 280 staff, which will be more efficient.

Norman Baker: The Secretary of State said that he recognises the failure of the Conservative party's privatisation proposals in respect of rolling stock companies. Will the Railways Bill address ROSCOs—and if not, why not?

Mr. Darling: No, because the situation requires negotiation with those companies rather than legislative change, and the discussions will continue over the next few weeks and months—negotiations cannot be reduced to primary legislation. I welcome the general support of the hon. Member for Lewes (Norman Baker) for the legislation. I presume that he speaks for all the Liberals, although one can never be sure.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): The Secretary of State can be sure that I do not speak for the whole of the Labour party. Will he deal with one problem that concerns me before he leaves the subject of railways? The Government intend to have fewer franchises—frankly, there is currently no competition between the franchises—and for the railways, the bus industry and other forms of transport provision to work together. How will that be possible when the Office of Fair Trading holds reactionary and unhelpful views about how to plan transport services?

Mr. Darling: My hon. Friend knows that I sympathise with her remarks. I understand why it is necessary to make sure that two companies do not enter into a cartel, to the detriment of passengers. However, I have come across cases in different parts of the country in which better transport services have been provided through co-operation on timetables, sharing information and so on. I have raised that matter with the OFT in a meeting with its director general and in correspondence, and I know that my hon. Friend has raised it too. If it becomes problematic, we will need to return to it. If one is standing in Manchester or Leeds on a wet night waiting for a bus, it is of little comfort to know that one is

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protected against action by a cartel, when all one wants to see is a bus, and one does not care which bus it happens to be, so long as it turns up.

I expect to discuss the railways at great length on Second Reading, so I shall say a word or two about the road network.

Mrs. Betty Williams (Conwy) (Lab): Will my right hon. Friend give way?

Mr. Darling: This is the last railway question before we move on to the roads.

Mrs. Williams: Naturally, I welcome the proposals for devolution. The return of the direct route between Llandudno and Euston is welcome. It is running for the first time since 1964, when the Conservative party demolished that service. However, the connections between local services and, for instance, the direct Virgin Trains service need urgent attention.

Mr. Darling: We can always see what can be done to improve such situations. As my hon. Friend will know, legislation is being introduced to give the National Assembly for Wales more power in relation to services that run predominantly in Wales. She is right that we must try to ensure that services come together. That is not always possible, for obvious reasons, but I am sure that the SRA will examine any particular difficulties over the next few weeks and months.

Andrew George (St. Ives) (LD): Will the Secretary of State give way?

Mr. Darling: I should like to make some progress, if only because I have been discussing the railways for a long time, but I give way.

Andrew George: I hope that the Secretary of State will forgive me for raising one last point on rail concerning the SRA's announcement on branch lines. Can he assure me that that was not merely a case of the Government giving branch lines a last-chance-saloon opportunity to save themselves, but a new dawn for branch lines, which are often an unrealised asset to which operators give the fag end of the available rolling stock and services; and that the proposed community rail partnerships will be properly supported?

Mr. Darling: I agree with much of what the hon. Gentleman says. The White Paper made it clear that the Government want to support, where possible, branch lines that may have a future, through being run by community rail partnerships, that they would not otherwise have had. That is supported financially, but it is important to get local support as well.

Generally speaking, the railways have had their difficulties, although more people are using them. However, let us be realistic. If some branch lines can be run more effectively and efficiently, we should do so, but that requires people's support. People can be sentimental about them, but if they will not use them, there must come a time when it is suggested that we should do something else. As I said on Monday morning, no Government can be in the business of carting fresh air around the country, but if railway lines are able to grow through continued use, they should be given the chance to do so. No one need doubt our commitment to that.

The hon. Member for St. Ives (Andrew George) represents an area where there are several branch lines. People need to realise, though, that saving the railway is one thing, but using it is another. It is important to use it; otherwise, sooner or later, problems arise.

I turn to the roads. Managing the roads system—ensuring that we get the most out of it to tackle congestion—is absolutely essential. I am glad that the Traffic Management Act 2004 was passed in the previous Session and is now on the statute book. It will better control the digging up of roads by utilities and others; and the traffic management officers who were appointed to begin to manage the network better by clearing up after incidents and accidents are now operating in the west midlands, which is already making a big difference by freeing up police to do other things. Generally, over the next few years, as we manage the road network better, we will reduce much of the congestion that causes so much difficulty. It is worth reminding the House that nearly a quarter of all the congestion on major roads is caused by accidents. If we could deal with some of that, it would make a big difference to the capacity that we have.

It is equally important to continue to make good progress in reducing deaths and serious injuries on our roads. Last year, there was a 6 per cent. fall in the number of people killed and seriously injured, and we are on track to meet our targets in that respect. However, as we discussed when I spoke to the House two weeks ago following the derailment of the train at Ufton, it is always worth reminding ourselves that nearly 10 people are killed on our roads every day. Would that we, as a country, gave as much attention to that as we do, for understandable reasons, to railway accidents.

The Bill that we will bring before the House introduces several measures that will help. It will increase police powers to tackle the problem of drink-driving, which is still responsible for more than 500 deaths a year. For example, it will allow for road-side breath testing and for drivers who repeatedly offend to have to retake their driving test. As I promised, we will introduce legislation for a graduated structure of fixed penalty points to ensure that the punishment better fits the crime in relation to speeding. I repeat that I believe that the vast majority of safety cameras save lives and reduce the number of injuries. Where that does not happen, we will of course investigate those particular cameras, as I promised in the summer. I am sure that the graduated fines that I propose will be fairer than the present system.

Bob Spink (Castle Point) (Con): Do the Government have any plans to review the drink-driving limits to bring them down to levels that are more typical on the continent?

Mr. Darling: No, we do not. We keep that under review all the time, but we have no such plans.

Interestingly, some countries on the continent have lower limits but, as I understand it, in this country there is a greater probability that a driver will be stopped. Our rules are enforced quite effectively, although I am bound to say that in the last couple of years there have been worrying signs of an increase in the number of people who have been breathalysed positively. Obviously, we and the police need to attend to that.

I want to draw the attention of the House to the problem of the one in 20 drivers who drive without insurance. The new legislation that we are introducing in the road safety Bill will allow us to create a database which will enable us to merge the DVLA data with that held by insurance companies. It is a sorry fact that it takes legislation to make that possible, but without it, someone would no doubt do us under data protection legislation. The police will be able to check the new database. In addition, the Serious Organised Crime and Police Bill, which the Home Secretary introduced yesterday, will not only allow the police to check whether the vehicle is licensed and insured, but to seize the vehicle if it is not. That will make a big difference to road safety and revenue protection.

Sir Sydney Chapman (Chipping Barnet) (Con): Do the Government's proposals include requiring an insurance disc to be displayed on a windscreen, along much the same lines as a DVLA tax disc? That might be helpful.

Mr. Darling: No, our proposals do not. Earlier this year, we asked Professor Greenway to look at that in his review. A lot of attention was given to it. His view was that it would not be particularly effective. People can have things on a windscreen that look like a disc that is up to date, but may not be. It was not felt to be reliable. Very shortly, with automatic number plate recognition equipment, it will be possible simply by checking a number plate to tell instantly whether they are licensed and insured. That is a more productive and better way, rather than having someone peer at a windscreen. In some parts of the country we have been trialling systems like this and the police have been able to use cameras and overhead gantries. They have picked up quite a number of people who are not licensed and not insured. Interestingly, people who are not licensed and not insured are also involved in other activities of interest to the police—there is a correlation. All hon. Members will welcome this. I am sure that we will return to that in greater detail when we discuss the road safety Bill.

Sarah Teather (Brent, East) (LD): I wish to take the Secretary of State back to his earlier points about drink-driving. Does he agree that it is an equally important challenge to make driving when tired as unacceptable as driving when under the influence of drink or drugs? A member of my family was seriously and permanently injured because somebody drove into him when they were asleep at the wheel. It is a common cause of accidents. All too often people do not realise the dangers in which they are putting other people's lives.

Mr. Darling: The hon. Lady makes a very good point. It would be much more difficult to enforce. It is easy to establish whether someone has too much alcohol in their blood, but tiredness is much more difficult to evaluate. It is clear from road casualty figures how many serious accidents involve cars where no other vehicle is involved—people just come off the road—or, again this is difficult to prove, the loss of control of a car or a lorry for no apparent reason. That is alarming and tiredness must be a factor. The road safety Bill will introduce places where a driver can draw up and rest, which are commonplace in France. That may help motorway driving. The hon. Lady is right and it is a reason why the Department for Transport road safety campaign looks at the question of tiredness regularly.

I have spoken rather longer than I intended to, but I want to say a couple of things about the environment and airports. Sadly, the hon. Member for Gainsborough (Mr. Leigh) has pushed off despite the fact that I said that I would return to his airport.

Bob Spink *rose—*

Gregory Barker (Bexhill and Battle) (Con) *rose—*

Mr. Darling: I want to make some progress, but I may give way if hon. Gentlemen will hold on for a moment.

A Liberal Democrat Member rightly said that environmental concerns are important. It is important to note that progress has been made in that our vehicles are about 50 per cent. cleaner than they were 10 years ago. The Government have introduced measures to differentiate the amount paid in vehicle excise duty to encourage people to get cleaner cars. We are investing a lot of money in public transport as an alternative. As I have made clear on many occasions, in the longer term we need to develop road pricing as an alternative. I am glad that the Liberal Benches welcome that. I want to take the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) slightly to task, however, because in July in a BBC interview he said:

"I actually think that the Secretary of State is being rather cautious because he talked about a timeframe of 10 to 15 years."

Right enough, I had said that it would be 10 to 15 years before that could happen. I very much welcome Liberal support for the measures dealing with congestion, but perhaps today's Liberal spokesman will explain why the Liberals are campaigning against the one congestion charge scheme proposed in Britain, in Edinburgh. I find it hard to understand. They have even been condemned by the Young Liberals, students in Edinburgh, for this attitude. On the one occasion when the Liberals have a chance to demonstrate their credentials on congestion charging, they are against it. No doubt the hon. Gentleman will want to take advice on the point, but during the afternoon he will, I hope, refer to this in some detail.

Gregory Barker: I hope to catch your eye a bit later, Mr. Speaker, but in case the Secretary of State is not in the Chamber then, may I make a plea for the Bexhill link road? The Department is due to make a decision on this within the next two weeks. It is vital to the town and for the regeneration of neighbouring Hastings. It requires money from his budget—it will be money extremely well spent—not just to improve traffic flow, but also to allow building in Bexhill and save building in the High Weald area of outstanding natural beauty. Please will he consider our plea for the link road?

Mr. Darling: Yes, I am aware of that. No doubt the hon. Gentleman will try to square his plea with the

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Conservative commitment to cut £2 billion from transport spending. Schemes up and down the country, to which hon. Members attach great importance, are affected by such things. Perhaps the hon. Gentleman can justify to the House why he will campaign for a £2 billion cut in transport.

Bob Spink: The right hon. Gentleman is most generous in giving way. I am not going to make a claim on his budget now. He talked about road pricing and tolls. Is he aware that there is a surplus of £60 million from the operation of the Dartford crossing and that that money is to be spent on local roads? Can we use some of that money to help Canvey get its third road?

Mr. Darling: The hon. Gentleman needs to come to terms with the fact, whether he likes it or not and assuming that he will be wearing a blue rosette at the general election—

Bob Spink *indicated assent.*

Mr. Darling: The hon. Gentleman says he will. In that case he will have to explain how on earth a Conservative Government could do anything on Canvey Island or anywhere else when they are committed to such drastic cuts. *[Interruption.]* Before the Liberals get too happy, I notice that it is their policy at the moment—I use those words advisedly because, rather like some railway timetables, they are subject to alteration at short notice—to stop the road building programme. That will come as some news to Liberal colleagues who frequently stand up and ask for a bypass or a relief road.

I want to speak briefly about the important subject of airports. The Government's policy was set out last December. At the International Civil Aviation Organisation assembly in September this country was successful in persuading the majority of countries not to introduce measures that would have prevented us from tackling aviation emissions. It was not widely reported at the time, but the United Kingdom took the lead on that and it would not have happened otherwise. It is important that we accept that while there will be an expansion in air travel because of well known pressures, we must be mindful of the pressures that that puts on the environment. That is why we set out a range of measures, including our determination to persuade the European Union to introduce an emissions charging scheme in the European Union from 2008. That is very important. I can also tell the House that the various measures on aviation that we set out in the White Paper are being pursued. As I said earlier, they do not require primary legislation, but it is important to note that we are making progress. I was interested to see that the Conservative spokesman on aviation included many caveats in his support for aviation expansion, all of which can be found in the White Paper. So I commend him for having read it and, if I can put it this way, supporting it.

Angus Robertson (Moray) (SNP): Will the Secretary of State give way?

Mr. Darling: The hon. Gentleman has sat here patiently and said absolutely nothing, since his party has nothing to say on the subject, so I will listen to him.

Angus Robertson: Today we are discussing, among other things, devolved government affairs and I am certain that the Secretary of State has plenty to say on that. While co-operation between law enforcement agencies is welcome, why on earth are the UK Government legislating for the Home Secretary to be able to order Scottish police forces around? Does the Secretary of State for Scotland agree that justice and policing are both devolved matters? Why is the proposal being made?

Mr. Darling: What the hon. Gentleman and his colleagues, if any of them were here, cannot come to terms with is that we are all part of the United Kingdom. Yes, power has been devolved to the Scottish Executive on matters such as crime, but it is necessary for us to co-operate. I know that the hon. Gentleman would like us to live in a world in which there was a tartan curtain from coast to coast, trains stopped at the border and no policemen ever ventured north; criminals going from one side to another would not have to worry. That is not the world in which the rest of us live. I suggest in the nicest possible way that the hon. Gentleman face up at some stage to the fact that at successive general elections the vast majority of the Scottish electorate have come to the same view as I come to on these matters. So the hon. Gentleman should have saved himself the bother, but at least he got to his feet to stretch himself.

The measures that we have introduced will enable us to carry on improving the transport system. The measures that the Government are introducing overall will continue to build the country; they will build on the economic reforms that we have made and ensure that we live in a fairer and far better country than we had seven years ago. I commend the Gracious Speech to the House.

1.2 pm

Mr. Tim Yeo (South Suffolk) (Con): I am delighted to respond to the Secretary of State. Before I do so, may I apologise to you and to the House, Madam Deputy Speaker, for the fact that I will not be here at the end of the debate to hear the winding-up speeches? My hon. Friend the Member for South Cambridgeshire (Mr. Lansley) will be here when my hon. Friend the Member for Meriden (Mrs. Spelman) winds up for the Opposition. I know that my hon. Friend the Member for South Cambridgeshire will pay particular attention to the comments of the Minister for Rural Affairs and Local Environmental Quality, whom I am glad to welcome to the debate.

On Tuesday we heard the last Queen's Speech before the general election. It was given after seven and a half years of a Labour Government. So it is fair to say that this is a time to pass judgment first on the Government's record and secondly on their intentions. I am genuinely sorry—because it matters very much to this country—to say that the Government's record is a bad one. Our transport system increasingly resembles that of a third-world country. The Government's failure to bring roads and railways into the 21st century is damaging business. The Confederation of British Industry has estimated

that the cost of congestion is £15 billion per year. It damages the competitive position of British firms and makes Britain a less attractive country for new investment.

Congestion does not hurt just business; it hurts families. Although Ministers like to talk about the work/life balance, they seem to have their heads firmly in the sand when it comes to transport policy. One simply cannot put a price on the time that mums and dads lose because the train has let them down again or the road is too congested and they are not home in time to say good night to their children.

Ms Joan Walley (Stoke-on-Trent, North) (Lab): Can the hon. Gentleman put a price on the problems that this Labour Government inherited from the privatisation of the railways?

Mr. Yeo: Yes, I am delighted to do so. The price is £4 billion of new private investment in the railway system this year, not a penny of which had to come from the taxpayer, and far more of which can be unlocked if some policy changes are made and if we can block the disastrous Railways Bill. The private sector is ready to invest more in the railways if it does not have politicians and bureaucrats poking their noses into how the railways are run at every turn.

Let us look at the facts. We will start with roads. In Britain, the proportion of road links that are congested for more than an hour a day is three times greater than in Germany and five times greater than in France. Our motorway provision per head of population is less than half the European average. We have a lower motorway density than any of our European competitors. That is despite the fact that motorists pay £8 billion more in vehicle excise duty and fuel duty than in 1997. Indeed, the Treasury now takes more than £40 billion a year in tax from road users, but the Government spend only £1.6 billion on new trunk roads and motorways and only £10 billion a year on all road infrastructure. Some of the extra tax goes to subsidise bus services. Although subsidies to buses have doubled to more than £1.4 billion a year, outside London bus use is falling.

The picture on railways is similarly depressing. Twice as many trains run late now as in 1997.

Mrs. Dunwoody: Before the hon. Gentleman leaves buses, has he noticed that outside London private bus companies are dealing with real problems of more and more elderly buses, and their services are unreliable? Buses frequently do not go to the places the general public want them to. As an example of private enterprise, bus companies are sadly lacking in imagination, efficiency or even, heaven help us, courtesy in some instances.

Mr. Yeo: The truth is that the long-distance bus services, which are run entirely privately, have been a conspicuous success, largely as a result of the deregulation that was introduced by the previous Government. As for more local services, I regret that so little imagination is applied to how they are operated. I believe that some of the subsidy that goes into local bus services could be more imaginatively used. In my constituency and other rural areas one sees a bus running once or twice a day almost empty between two fixed points. Parish councils could be more involved in making decisions about how very local services are run. There could perhaps be minibuses with volunteer drivers. That might need a bit more deregulation—not something we are likely to get from this Government, but it could be achieved without any cost to the taxpayer. More locally determined services would produce better value for money for the increased subsidy.

New rail schemes have been kicked into the long grass, even though rail subsidies have soared from more than £1 billion a year in 1997 to more than £3.5 billion now. Fares have risen faster than inflation, despite the Government's promises to the contrary. Nothing that we have heard in the Queen's Speech addresses those failings. The Crossrail Bill will have our support, but as everyone knows, and the Secretary of State acknowledged, it does not advance the starting date for that important project by a single day, because the Government are still dithering over the funding.

I will deal with the Railways Bill in detail in a moment, but let me say initially that it is hard to see what the Bill contains that will improve the lot of passengers. Its central feature and the reason why it is being introduced is the abolition of the Strategic Rail Authority. The House will remember that two years ago the Department of Transport's own review of the 10-year transport plan said that the SRA would provide the

"firm leadership envisaged for it: that of providing strategic direction and funding for the rail industry."

The Labour general election manifesto said that the body would provide

"a clear, coherent and strategic programme for the development of the railways so that passenger expectations are met."

Now, having consumed £237 million of taxpayers' money, that very body is being abolished. The Secretary of State's only strategy for the railways is one of utter incoherence.

To be fair to the Secretary of State and the Government, we should judge them according to the performance criteria that they set out. The 10-year plan launched with such fanfare four years ago by the Deputy Prime Minister—and I am sorry that he is not here to enjoy the debate—contained a number of commitments.

According to the plan, congestion on Britain's roads was to be reduced by 2010. In practice, it has got worse. According to the plan, trains were to be made more punctual. In practice, they have become less punctual. According to the plan, rail passengers were to increase in number by 50 per cent. In practice, the increase has been 5 per cent. According to the plan, bus travel throughout England was to grow by 10 per cent. In practice, outside London, it is falling. According to the plan, the maintenance backlog on local roads was to be eliminated. In practice, that target has been dropped.

According to the plan, Thameslink and the East London line were to be built by 2010. In practice, those targets cannot be met. According to the plan, rail freight was to increase by four fifths. In practice, the amount of freight carried by rail in the past two years has fallen. According to the plan, passengers were to travel by train more quickly and comfortably. In practice, as those of us who use the railways regularly will know, overcrowding has reached chronic proportions and is

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likely to get worse, while reliability is worse than in 1997. According to the plan, the east coast main line was to be modernised and capacity increased. In practice, that scheme has been put on ice. According to the plan, local roads were to be improved. In practice, the Freight Transport Association reports that their condition is worse than a decade ago.

Not one of those 10 failures was mentioned by the Secretary of State today, but they are what concern road and rail users every day. Their consequence is an economy whose competitive position is being steadily worsened by this Government's refusal to address them. Absolutely nothing in the Queen's Speech suggests that the Government have any idea about how to tackle those problems, or even any intention of trying to do so. Let us look at what the Secretary of State is proposing.

When it comes to new roads, the most decisive step that he can muster is more talk about road pricing, along with yet another consultation exercise about a possible extension northwards of the M6 toll road. Yet the Secretary of State told the House on 20 July that

"Doing nothing would be the worst possible option."—*[Official Report,* 20 July 2004; Vol. 424, c. 161.*]*

Yet that is the very option that he is pursuing.

A carefully argued study by the CBI, the British Chambers of Commerce, the Automobile Association, the FTA and other organisations identified the need for improvements to key motorways and trunk roads, but it is simply being ignored. The only certain consequence of this Queen's Speech and of the actions of this Secretary of State is that road congestion will get worse.

When it comes to the railways, now that the SRA has been condemned to death, power is shifting decisively back to civil servants in the Department of Transport and Network Rail. None of that bodes well for passengers, but I suppose that we should not be surprised that this Government should want to give more power to a body such as Network Rail, which is not directly answerable to anyone—least of all to its customers or the paying public.

There will be anxiety too among train operators about how decisions over the allocation of franchises will be taken under the new regime. Most alarming of all, however, is the Government's proposal to hand more power over the railways to Ken Livingstone.

Two out of three train journeys begin or end in London, so that proposal is worrying indeed, especially for passengers travelling to or from stations outside the area for which Ken Livingstone is responsible. Passengers may now find that it suits Ken to stop their fast trains on the edge of London to pick up a few of his voters. They may also find that their fares go up because Ken says so.

Just this week, Ken Livingstone's officials at Transport for London caved in to trade union demands for tube workers to be given longer holidays than anyone else in the country. That is a warning of what lies ahead. I wonder whether it was Ken's attitude to cost control that tipped the balance when Ministers in the Department of Transport were deciding about handing over to him a bit more say about how our railways are run. Giving Ken Livingstone power over how trains are run is a sure-fire way to discourage the extra private investment that railways need to attract.

Where will it all end? Will the local councils in Birmingham, Rugby, Milton Keynes and Watford all be given a say over the trains that run from the constituency of my hon. Friend the Member for Meriden to London? Will all those councils be involved, too?

The Railways Bill has exposed the Government's complete disarray over the strategic direction of the rail industry. It will increase the extent to which politicians and bureaucrats interfere in the running of the railways. For that reason, the Conservative party will oppose it.

Ms Ann Coffey (Stockport) (Lab): What about Conservative policy?

Mr. Yeo: I am coming to that, but we are debating the Queen's Speech and I shall deal with that first.

We look forward to the imminent publication of the road safety Bill. I welcome the Government's acceptance of many of the measures for which the Conservative party has been calling for some time. They include measures such as a crackdown on uninsured drivers—long overdue—and action to tackle the disappointing upturn in drink driving. Other measures include the introduction of variable penalty points to reflect the relative seriousness of different traffic offences.

I was not entirely surprised that the Secretary of State got on to the subject of money in his speech, but he did not mention the cuts that he has made in transport spending. They must be something of an embarrassment to him. The spending plans that he inherited were set out in the 2002 spending review. That document said that, in the current year, 2004–05, the Government would spend £11.2 billion on transport. In the 2003 public expenditure statistical analysis, that figure was cut to £10.75 billion, and in the 2004 spending review, there is a further cut in transport spending for this year. The figure is now down to £10.4 billion—a reduction of 7 per cent. from the planned total for spending in 2004–05 that was announced before the Secretary of State took over.

Breaking a pledge so spectacularly is not unusual for this Government, of course, but it is a reason why we cannot rely on any promise about future spending increases from this Secretary of State. It makes a total mockery of the right hon. Gentleman's attempt to attack the Conservative party's transport plans when he has personally overseen a cut of nearly £1 billion in transport spending for the current year.

In any event, almost everyone—and I suspect that that includes the Secretary of State—recognises that taxpayers alone cannot fund the improvements needed in Britain's transport infrastructure. The key to a modern transport system is more private investment. Unfortunately, even if he realises that, the Secretary of State is not taking the necessary action to encourage it. Instead of getting on with extending the M6 toll road northwards, he is conducting yet another consultation process. That is another example of how this Government are all talk.

The M6 toll road was first approved when my hon. Friend the Member for Christchurch (Mr. Chope) was a Transport Minister, and it took more than a decade to complete. The need for immediate action is therefore obvious.

On railways, the Government's insistence on short-term contracts for train operators is an obstacle to increased investment. The bungled renationalisation of Railtrack is another deterrent to private investors. At the same time, the potential to bring vastly more private capital into the railways by unlocking the huge development potential in and around our stations, which are adjacent to some of the most valuable brownfield sites in the country, remains shamefully unexploited.

Unlike the present Government, the next Conservative Government will have a timetable for action. That will include longer contracts for the best train operators and a major programme—*[Interruption.]* The Under-Secretary of State for Transport (Mr. Jamieson) appears to think that that is amusing, but he did not hear the earlier part of the debate. We will also have a major programme of investment in stations which will bring benefits to passengers without any contribution from the taxpayer or any increase in fares.

I turn now to the other subject for today's debate. It would have been too much to hope that the Queen's Speech would include a reference to farming. After all, the Secretary of State for Environment, Food and Rural Affairs could not bring herself to mention farming in her speech to this year's Labour party conference. Nevertheless, everyone involved in agriculture has plenty about which to be concerned.

We are at a potential turning point in the industry. The effect of the mid-term review is to break the mould of 40 years of supporting farming by linking payment to production. Now that link is broken. I am not against that change in principle, but the potential consequences for the industry are far reaching. We may not see the changes take effect until 2006, because the Government's incompetence in sorting out the rules under which the new arrangements will work mean that, for the time being, farmers have to operate in a climate of uncertainty.

The difficulty that the Minister for Rural Affairs and Local Environmental Quality had last week in answering my question about whether the Government have assessed the likely impact of the changes in the method of farming support on British agricultural production was revealing. Clearly, the Government have not assessed that. I ask again today: does the Minister agree that it is now possible that over the next five years farm output will fall dramatically? Are the Government happy to see Britain become more and more dependent on imports for more and more of its food needs? Does the Government regard farming as a strategically important industry. What assessment have Ministers made of what all that will do for jobs in the countryside, the effect on the rural economy and how our rural landscape will look?

John Mann (Bassetlaw) (Lab): The many farmers in my constituency are increasingly concerned that the work permit restrictions are getting tighter and it is harder to get immigrant labour in to work on farms and maintain production. Does the hon. Gentleman perceive that as an increasing problem and, if so, how would further restrictions on immigration affect it?

Mr. Yeo: If farm output fails sharply, it is unlikely that that would be a particular difficulty, However, if the hon. Gentleman is talking about seasonal workers who are needed temporarily for, for example, fruit picking, he is right that there will continue to be a short-term seasonal increase in the need for agricultural workers. That is why we have supported in the past increases in the numbers who can come in under the temporary agricultural workers scheme. That has been an important contribution to ensuring that certain seasonal peaks in demand for labour in the countryside can be met.

If we are to import more and more of our food, it is even more urgent that we require honesty in food labelling by law. British consumers are entitled to know where the food they buy comes from and how it was produced. British farmers are entitled to know that when food grown abroad—often to lower environmental and animal welfare standards—is sold in British shops, consumers will be informed of the differences between British methods of production and those overseas. Why are the Government so afraid of what Brussels might say that they continue to shirk their duty to consumers and producers alike on the vital question of labelling?

Will the Minister confirm that, because of the Government's failure in yet another computer project, farmers are likely to suffer severe cashflow problems? The Rural Payments Agency will be unable to make payments due to farmers when the single farm payment comes in, because of the Government's failure to complete the necessary preparations.

Why on earth have the Government not abolished the over-30-month scheme? Even the European authorities now accept without qualification that British beef is safe, but Ministers are unwilling to take the action that is needed to relieve our beef producers of a burden that could and should have been lifted a considerable time ago.

Will the Minister confirm the report in *The Daily Telegraph* today about the European Commission's refusal to allow two thirds of Britain's claim for help with the costs of foot and mouth disease? It appears that British taxpayers must pay an extra £600 million towards the £8 billion cost of foot and mouth disease because the Government refused to respond to the outbreak in a timely and prompt manner. The House will recall that in the last few days of February 2001 and the first three weeks of March 2001, my colleagues and I constantly urged the Government to take the steps, such as bringing in the Army, that were needed to bring foot and mouth disease under control. Because the Prime Minister did not want to admit the scale of the crisis in the run-up to the general election, he refused to act until forced to do so in the face of overwhelming evidence. That failure—those lost weeks during which I and others set out day after day exactly what needed to be done—cost our farmers, the countryside, the tourism industry and the country very dear. Today we learn that it will cost the taxpayer another £600 million on top of the billions of pounds already wasted. If the Minister says just one thing when he winds up, will he say sorry to all those people who suffered because of the way in which the Government bungled the handling of foot and mouth disease?

[Mr. Yeo]

The Government now propose an integrated rural agency. That proposal will weaken both the important statutory functions carried out by English Nature and the rural advocacy role performed by the Countryside Agency. I do not believe that making greater use of regional development agencies to deliver rural services will help the countryside or the people who live and work there.

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): The hon. Gentleman's suggestion is entirely wrong. The proposals by my right hon. Friend the Secretary of State will not weaken the work of English Nature or the advocacy role of the Countryside Agency: they will strengthen the service and the support given to rural people.

Mr. Yeo: That is an interesting assertion. When I met senior officials from English Nature recently, they said exactly the opposite. They were very concerned that their statutory role—an important role that has been carried out from time to time in defiance of ministerial wishes—will be weaker after the changes that the Government propose. For the reasons that I have mentioned, we have reservations about the proposed Bill and we hope that the promised pre-legislative scrutiny will provide the Government with the chance of a rethink.

We support the principles behind the animal welfare Bill, although we have some concerns about the extent to which it will give Ministers powers to act through secondary legislation. My hon. Friend the Member for Meriden will refer in more detail to the clean neighbourhoods and environment Bill when she winds up later. Those measures are certainly necessary. Fly-tipping has increased by two fifths since 2001, littering increased by 12 per cent. last year, and the number of abandoned vehicles increased by 39 per cent. in two years. Unlike the present Government, we will take environmental crime seriously and we will start by making fly-tipping an arrestable offence.

I now turn to what was not in the Queen's Speech. There was a serious omission from the programme, which I hope the Minister will address: the absence of a marine conservation Bill. Will he explain the reason for that extraordinary omission? Is it, as many people fear, that his Department has simply been outgunned by the Treasury and the Department of Trade and Industry? If so, it is another worrying sign that on environmental matters the Government are all talk and lack real commitment. The Bill is urgently needed and, if introduced, would have our support.

I pay tribute to my hon. Friend the Member for Uxbridge (Mr. Randall), who has worked tirelessly on that subject. His early-day motion 171 in the last Session attracted the support of about half the Members of the House. Both that early-day motion and his private Member's Bill in 2001 enjoyed all-party backing, as well as the endorsement of many outside organisations, including the Royal Society for the Protection of Birds, the World Wildlife Fund, the wildlife trusts and the Marine Conservation Society. It also enjoyed endorsement from the Select Committee on Environment, Transport and Regional Affairs. The absence of any marine equivalent to the sites of special scientific interest, despite the fact that more than half our biodiversity is in the marine environment, is scandalous. Furthermore, a marine spatial planning framework would enable rational decisions to be made about the priorities to be attached in different places to development, nature conservation, fisheries and so on. The Government's attitude to that Bill is a litmus test of whether they take environmental issues seriously. What the Minister for Rural Affairs and Local Environmental Quality says this afternoon will show whether the Government have passed or failed that test.

I turn to a subject that did get a mention in the Queen's Speech: climate change. I am pleased that the Prime Minister intends that to be a theme of both Britain's chairmanship of the G8 and our presidency of the EU, but I should be much more pleased if he backed his fine words with a bit of action. On climate change, so far the Government have been all talk. Let us consider carbon dioxide emissions, on which Britain is committed to a reduction of 20 per cent. by 2010. Up to 1997, under the last Conservative Government, carbon dioxide emissions were falling; over the first six years of the Labour Government, they have risen. Unless there is an urgent policy change, Britain has no chance of meeting its targets for cutting carbon dioxide emissions.

To make matters worse, the Prime Minister has failed to show the international leadership that Baroness Thatcher provided—[HON. MEMBERS: "You're joking!"] It is a very, very instructive response that Members on the Treasury Bench say that I am joking when I refer to Baroness Thatcher's contribution on the issue of climate change. The guffawing is a disgrace to the Minister and it will be an embarrassment to his right hon. Friend the Member for Oldham, West and Royton (Mr. Meacher), who played a distinguished role in trying to get the Government to take the issue seriously. These proceedings will be watched and listened to carefully outside this place and a number of the distinguished non-governmental organisations working in the environmental field, some of which I am about to quote, will have noticed what the Minister said and did a few moments ago.

When my noble Friend Baroness Thatcher was Prime Minister, she was the first Head of Government of any substantial country to take the issue of climate change seriously. What a tragedy it is that, 15 years later, the Minister whom the Secretary of State has sent to address the debate—the monkey sent by the organ grinder who is absent this afternoon—on these important issues, fails to recognise that.

The Prime Minister has failed, too, to use his unique relationship with President Bush to persuade the United States Administration to address the issue of climate change constructively. As Stephen Tindale of Greenpeace said recently:

"The Prime Minister can no longer be given the benefit of the doubt. So far his record on climate change is almost entirely a record of fine words and no action. His repeated failure on this issue is undermining his diplomatic efforts . . . Fancy speeches are not enough."

Tony Juniper of Friends of the Earth was equally forthright:

"The leadership position of the country is jeopardised by the position at home."

He went on to say that

"Britain's credibility is essentially derived from the policy choices taken by the Conservatives in the 1980s."

His predecessor at Friends of the Earth, Charles Secrett, summed it up when he said:

"Blair thinks he can get away with boosting his green credentials by making a big speech every year on climate change. When it comes to putting his own house in order it's always business as usual."

Dr. Alan Whitehead (Southampton, Test) (Lab): The hon. Gentleman appears to pray in aid the comments of Stephen Tindale of Greenpeace for the position of the Conservative party. Greenpeace has been strongly pursuing the issue of wind energy and the need for its increased supply both on and offshore. Does he accept that, as his party has been at the forefront in opposing any move forward on wind energy, off or onshore, his protestations about the Conservative position on global warming are rather hollow?

Mr. Yeo: If the hon. Gentleman had been listening, he would have heard that I was praying Stephen Tindale in aid as a harsh critic of the Government's complete failure seriously to address the question of climate change. We are not opposed to wind power or wind farms in principle; what we are opposed to is the Government's attitude that wind farms are to be imposed on local communities regardless of the wishes of the people who live and work there. We are concerned that through planning policy statement 22, a situation will arise that is analogous to the way in which the Deputy Prime Minister sits in Whitehall saying to one county after another, "You have to build x thousand homes, no matter what the local needs are and no matter how the local environment will suffer". Just as he sits in London making orders about where development should take place, so the Government plan to use a similar method for the siting of onshore wind farms, simply ignoring the concerns of local people.

The truth is that wind farms can appropriately be sited in some parts of the country where they will have the full support of local communities, and we are happy for them to be in those areas. However, we shall continue to fight against two things: first, the imposition, against people's wishes, of wind farms where they may be environmentally damaging; and, secondly, the Government's absolute fixation that onshore wind is the only form of renewable energy that is worth supporting.

Gregory Barker (Bexhill and Battle) (Con): My hon. Friend is absolutely right to point out the tremendous record of Baroness Thatcher on climate change, which is in stark contrast to that of the Prime Minister. We could also contrast the Prime Minister's record with that of my right hon. and learned Friend the Leader of the Opposition. He paid a significant personal role in persuading President Bush senior to sign up to the Rio convention, unlike the Prime Minister who has exacted absolutely zero—nothing—in return for his grovelling approach to the United States.

Mr. Yeo: My hon. Friend makes an important point, yet all we hear from the Labour Benches is laughter. I want to place on record the fact that the Under-Secretary of State for Transport (Mr. Jamieson) is guffawing at my hon. Friend's comments.

My right hon. and learned Friend the Leader of the Opposition paid a key part in getting the United States to sign the Rio treaty, from which a great many environmental benefits have directly flowed. Had he not taken the trouble to go to Washington and to spend time trying to bring the US into that process, the US would never have signed the treaty. That is in absolutely stark contrast, as my hon. Friend the Member for Bexhill and Battle (Gregory Barker) pointed out, to the Prime Minister, who, given his relationship with President Bush, has a unique opportunity to take steps to bring the US Administration into the process. He has utterly and completely failed to do so and it will be one of the biggest stains on a heavily stained record—when he eventually leaves office—that he did not take that opportunity.

In the transport sector, the Government's efforts to encourage greener practices are pitiful. The Conservative party is looking at how we can encourage a much faster switch to more environmentally friendly vehicles. We have already advocated colour-coded licence disks so that the public can instantly recognise which vehicles are environmentally friendly and which are not. We are now examining how the tax system can be used much more extensively to encourage the purchase and the use of greener cars. We want Britain to be in the forefront of the trend, which is already under way, for hybrid vehicles that do not run at all times on fossil fuels.

Aviation is the fastest growing single source of carbon-dioxide emissions in the transport sector. It is an area where international leadership is desperately required to move the world towards recognition of the need for an agreement on an aviation fuel tax—leadership which Britain could provide if we had a Government who took climate change seriously.

Progress in curbing emissions from aircraft depends on international agreement, and sadly the Government have neglected this subject entirely. One step forward would be the inclusion of aviation within the EU emissions trading scheme. Why on earth are the Government giving the go-ahead for further expansion of runway capacity in south-east England before agreement has even been reached on a robust European emissions trading regime for aviation? The Department for Transport's own survey in 2002 shows that only one person in eight is aware of the link between aviation and climate change. The Royal Commission on Environmental Pollution has commented that

"rapid growth in air transport is in fundamental contradiction to the Government's . . . goal of sustainable development."

On this issue, the Government are not even all talk; they are no talk. Surely it would be a start if air travel documents contained information similar to that which now appears in car advertisements, disclosing the emissions that the relevant flights caused. *[Laughter.]* Once again, let us just place it on the record that the Under-Secretary of State for Transport thinks that the problem of carbon dioxide emissions from aviation is a hysterically funny matter—*[Interruption.]* I have to say these things because I cannot be sure that *Hansard* will pick them up, but I am absolutely certain that those

[Mr. Yeo]

people who are concerned about this issue outside will note, not just with interest but with dismay, the frivolous way in which the Minister is taking this whole subject.

Home energy efficiency is another crucial aspect of the solution to climate change, and it is another area where the Government's approach has been lacklustre. The domestic sector accounts for a quarter of all UK carbon dioxide emissions, largely from heating homes and generating electricity for appliances. Households could cut their bills by one third through energy efficiency measures.

Under pressure from the Conservative party and others, amendments to the recent Housing Bill, now the Housing Act 2004, have finally forced the present Government to accept a target for improving domestic energy efficiency equivalent to that set under the last Conservative Government. The next Conservative Government will make it easier for homes to be powered by clean, green, renewable energy and to save on energy consumption. Fiscal instruments can promote those aims, whether in the form of lower stamp duty for energy-efficient homes—an option that we are now examining—or through council tax concessions for tenants and owners who have invested to make their homes more energy efficient. The scheme pioneered by Centrica with Conservative-led Braintree district council, under which householders who install cavity wall insulation can claim a £100 council tax rebate, is a good model that could be replicated elsewhere. More could be done in the social housing sector too, where faster progress is needed to bring all social housing up to an energy-efficient rating of 65, to reduce fuel poverty and to comply with the law.

Another area of Government neglect is micro-generation. To realise the enormous potential that that could make, changes to the distribution network would be needed, and discussions with the industry and with Ofgem about how to promote those changes should be under way now. The role that combined heat and power schemes can play has been well demonstrated in Woking, and it is disappointing that that model has not been more widely followed.

That leads directly to the topic of renewable energy. The Government's fixation, which I mentioned, with covering our countryside with onshore wind farms at the expense of encouraging other renewable energy technologies is undermining both our ability to raise the proportion of Britain's energy derived from renewable sources and our chances of gaining a commercial advantage by leading the world in the development of offshore wind, wave and tidal power. Our island status gives us a big natural advantage, which Ministers are busy throwing away.

Biofuels and biomass could also make a bigger contribution than they currently do, and at a time when farm output is likely to fall, biofuels could take up some of the slack. If that is to happen, more encouragement, whether in the form of a further duty cut or through a renewables transport fuel obligation, is needed. As usual from a Government who are all talk, nothing is happening.

There are other matters in the Queen's Speech with which my hon. Friend the Member for Meriden will deal in her winding-up speech. In conclusion, let me just say that the issues for which the Department for Transport and the Department for Environment, Food and Rural Affairs are responsible affect every family and every business in the country. They affect Britain's reputation abroad and the influence we can exercise, as well as our ability to attract new investment and to compete internationally. Sadly, the failure of Ministers, from the Prime Minister downwards, to tackle these challenges with the urgency needed is damaging our economy, our environment and the quality of life of every man, woman and child in the country. Instead of action, we have consultation. Instead of decisions, we have delay. Instead of leadership, we have posturing. This is a Government who are all talk, and they must be replaced at the earliest opportunity.

1.46 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): This Government have always accepted that transport is not only essential, but one of the foundations of an efficient and a growing economy. Because of the amounts of money that have gone into transport in the last seven years, noticeable changes are now taking place. I am sad to note, however, that the Queen's Speech is lacking some of the practical measures that we had rather hoped to see. Before my right hon. and hon. Friends on the Front Bench get unaccountably used to my telling them how marvellous they are, perhaps I might remind them that there are a great many things left to do.

One of the hazards that the Government encounter stems from the fact that they have a lot of energetic desires and good intentions but have frequently, after starting on a policy, shied away from exercising the required strength of enforcement. Let us look at some of the difficulties. Transport is not only highly complex; it is fragmented, it is confronted with all sorts of contradictory laws and it frequently seems to absorb large amounts of money for many years before it produces any practical or positive result.

The railways Bill is a long overdue acknowledgment that the Strategic Rail Authority was set up in the wrong way, was not given enough powers, did not have enough clean lines of policy to enable it to take action and, I am sorry to say, in many instances seemed to regard a certain degree of empire building as a substitute for clear and effective policies. The fact that the Department is now acknowledging that it needs to take direct responsibility for railways into the Department is not only very welcome but a clear indication that if taxpayers are going to continue to invest large sums in railways, they expect to see positive results.

We should pay tribute to those people working in the industry who have managed to bring about distinct improvements, certainly over the last 18 months, in running times and in the general level of safety. It is sad that the publicity that attends any terrible rail accident frequently gives a distorted view of how safe the rail industry is, and it is very important to emphasise that it is still the safest means of transport, and that many hundreds of thousands of people use it every day precisely because they have that confidence in it.

I hope that when we discuss the railways Bill we shall look rather harder at franchises, because at the moment there is no competition governing their award. In future, we must insist on much tougher enforcement of the standards that the passengers want.

My Committee has just returned from Korea and Japan, and it is chastening to see the high standards of efficiency in the rail industries in both those countries. The people who work in those industries are proud and immaculately turned out, the stations are immaculate and the tickets cost about a 16th of what we pay. I pay about 10 times more to go from Euston to Crewe than the cost of an equivalent train ticket on the Korean railways. Although the rolling stock was the same in theory, as it had been built by and bought from the same French company, no one would recognise the trains as equal in any way.

The Korean trains were immaculate, efficient and comfortable. All of them worked and they did not have stinking loos or galleys that refused to work so that the staff eternally face the difficulty of not being able to carry out their tasks properly, yet they were exactly the same product as ours in theory. The difference was that the Korean rolling stock industry had realised that defects existed in those trains and had taken them virtually back to the bogies and started all over again. The result was so impressive that I frequently feel that we ought to return to the days when British engineers could produce all our own rolling stock with the high quality of care that we need.

The railways Bill will give us the opportunity to match up the promises of those in the private sector and the constant cry that they are eternally investing in the railway industry with what actually happens. That is not the way that things are currently perceived by passengers, and the need to explain to some of those companies that they require to offer a much higher standard of commitment to their passengers and a very much higher standard of management is long overdue. The general level of management is not acceptable.

I want to deal with some of the lacunae in the Queen's Speech. Why is there nothing about ports? We are an island nation, and there is a very urgent need for new deep-sea container capacity in the south and east of England. The Dibden rejection sent shockwaves through the maritime and logistics industry, and major shippers have been agitating for certainty to give them confidence that new capacity will be added. When will we get the decision on Shell Haven? We cannot conceivably continue without one. The west coast of America is already suffering from the fact that its ports are so congested that they are unable to deal with the amount of trade coming in every week across the Pacific, and we will rapidly reach exactly the same stage.

I had the honour of opening two deep-sea berths at Felixstowe last week, and one of the parliamentary occasions that I shall treasure for the rest of my life is standing under a swaying gantry with a very large metal TEU container gently balanced over my head, to be told by the managing director that, for health and safety purposes, only he and I would be allowed to walk down the dock. However, that was an interesting example of the fact that those at Felixstowe recognise that we need a new generation of deep-sea berths to deal with the increasing size of the new container ships. At the moment, there is an astonishing lack of indication of where such space will be found.

Our marine industry competes on a global scale. It must deal not just with the snail-like pace of development in Europe, but the £7 million-plus subsidy that UK port users pay to maintain the Irish Lights, which may sound like an interesting bit of meat; but, in fact, as Ministers will know, we have recently got ourselves into negotiation with the Irish Government over the payments that we make to them for controls over the Irish Lights that, frankly, could be much more usefully used elsewhere and make an enormous difference to the cost of running our own ports industry.

Let us look very carefully at why there is no obvious master plan in relation not only to the movement of goods back and forth from ports, but to the provision of roads and railways, including gauges. There are practical, logistical problems that, before long, will push us into the situation where we will be unable to move goods at the speed that we require into and out of our ports system. That will have a direct effect on our economy throughout the United Kingdom, and it is not safe to leave matters until we are suddenly confronted by congestion. We need to take those decisions now, and we need to improve the situation.

We should also look carefully at some of the suggestions in the Queen's Speech about the passenger transport executives. The past few years have shown very clearly not only that PTEs are one of the few bits of the transport industry in which people are thinking ahead and putting in place efficient passenger transport, but that they are using their own money in a more much more exciting and imaginative way to develop rail services and to co-ordinate the various different kinds of rail system—light rail, trams and other facilities.

Of course, the PTEs will sometimes run ahead of themselves and find that they demand many millions of pounds of the Government's money without being able to justify the costs that they suddenly face, but they are one of the few groups of people in the country who are thinking ahead. Before we take away from them the right to decide what happens to the rail franchises in their own industry, we should examine carefully whether that will improve the system or make it worse. We cannot talk about devolving power to the regions, while saying that we will take away a very basic planning power from the PTEs. That is not sensible, and we will definitely be sorry for it in the future.

The railways Bill will give us the opportunity to talk about many of those things and the way that they integrate. When the Government get to the point where they could give a clear indication of their view, however, they frequently step back for fear of upsetting the general public, but that notion is not necessarily justified by what people say to their elected representatives.

When people talk about road safety, for example, they accept that road safety laws are directly related to the safety of the individual. They know that 10 people a day are killed on the roads. The general public will therefore become bewildered by the suggestion that some road safety laws on speeding should be relaxed. The faster a car goes, the quicker and more efficiently it kills people. That is not a difficult recipe to understand—most people can get it—but it means that someone who drives over even quite a basic speed limit is more likely to have a lethal effect. We ought to be prepared not only to defend our views on that, but to keep shouting them from the roof tops, even if doing so makes us extraordinarily unpopular with the motoring lobbies and the manufacturing industry. That is basic and important.

[Mrs. Gwyneth Dunwoody]

My Committee has made a number of recommendations on road safety, one of which stems from the fact that the Home Office has removed traffic enforcement from the core responsibilities of chief constables. Every county force should have as one of its basic tenets the responsibility to enforce the law. That includes traffic law, speeding and the general policies of road safety. At the moment, that is not the case.

The Home Office expects us to accept many encroachments on our civil rights—I will have something to say about identity cards on another occasion—but it does not seem to think it necessary to consider basic issues such as providing enough traffic policemen to make sure that it is safe to use the roads in urban areas and the motorways. That is not a small thing; it is a major failure. We should have specially trained motor vehicle policemen, and responsibility for this issue cannot be delegated. I trust that the Government will think carefully about it and talk harshly to the Home Secretary about his inability to see that the policies that I have described will transform the position on road safety and deal with the problems that we face.

I also want to say a little about buses. The majority of complaints that I receive in my postbag are about buses, but we rarely talk about them here because, after all, nearly all the people who write to me are women. They tell me, "I have a part-time job in a hospital and I am incapable of getting there on time or home in a civilised manner, because my local bus service is never on time and never guaranteed to turn up. It is not only becoming more and more expensive, but more and more irregular." We should therefore consider why we allow such problems to occur on a day-to-day basis.

The hon. Member for South Suffolk (Mr. Yeo) spoke about the success of the National Express system and about how deregulating it had produced such an efficient and high-quality service. Such a view can stem only from a party that never talks to people who use the service or never uses it itself. I shall cite one example. The National Express bus from Wakefield to London has, over the past five weeks on a Sunday night, been anything from two hours to five hours late. Its drivers change halfway along, but not in a service station but by standing in a lay-by. They do not allow any of their passengers to get off, although the drivers frequently leave the vehicle for a smoke. I am assured that, last Sunday, a 16-year-old who did not realise that she could not get off the bus and who went to buy a can of drink was refused entry back on to the bus by the driver even though she had no shoes on. He not only berated her in extraordinarily sharp terms but physically refused to let that child rejoin the bus until he was shouted at by the other passengers. That is the level of care that we are talking about for passengers. It is about time that we stopped talking in general terms about how efficient our transport industry is and recognised that we face real problems at every level.

I believe that the Secretary of State is not only strongly committed to a properly organised transport industry, but has been enormously successfully in obtaining the moneys to back that up. Frankly, however, unless that is equalled by an industry in which the staff are properly trained and there is research and development into improving safety and the way that the industry develops, we shall continue to look as though we are spending more and more money on a worse and worse service. That is not always the case, but that is the way that the general public perceive it. We should be worried by that.

Let us have a good railways Bill and a much more sensible discussion about transport, but let us also understand that, for the majority of the people in the United Kingdom, the provision of a decent, clean, prompt bus that meets an efficient, swift and reasonably cheap railway is not an indulgence. It is a basic fact of economic life. The sooner we get it right, the sooner the general public will thank us.

2.4 pm

Norman Baker (Lewes) (LD): It is always a pleasure to follow the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), who is an expert on transport matters and particularly the railways. As I listened to her experiences on the Korean railways, I reflected that my experience this morning was somewhat different. I benefited from what might be called heritage rolling stock on the way from Lewes to Victoria—slam-door speciality trains that are probably good for the environment in the sense that they were completely unheated and many of the lights were not working. To be fair to the rail industry and the Government, new rolling stock is coming along but some trains that are still running on our tracks should clearly have been phased out a long time ago.

This debate is one of the rarities in which we can talk on the Floor of the House about the environment. I am sorry to say that there are too few such debates because they are often shared with transport. Environment and transport are inextricably linked and that is one reason why I was disappointed that the Government broke up the Department of the Environment, Transport and the Regions, which was a useful innovation in bringing together interconnected parts of government. After the election, I hope that the Government will reflect on this issue and consider whether a department of energy, environment and transport would make more sense in tackling climate change in a co-ordinated and joined-up fashion. I have a lot of time for the Department for Environment, Food and Rural Affairs, but it is a minor Department. Although it has much expertise, if the Treasury and the Department of Trade and Industry decide that they do not want to go along with DEFRA, they will win. That is not always in the interests of the environment.

The Minister for Rural Affairs and Local Environmental Quality looks quizzical but, if he wants a list of examples in which DEFRA has been outvoted by the DTI, I am happy to provide him with one. The European Union emissions trading scheme is the most recent example. The Secretary of State for Environment, Food and Rural Affairs put out a press release welcoming the fact, on behalf of the environment, that we would increase the carbon emissions covered by the scheme.

There have been only two substantive debates about the environment on the Floor of the Commons this Parliament, and both have taken place in the very few

Liberal Democrat Opposition days. That is a very sad state of affairs. We were to have such a debate on one of the Tories' Opposition days but, at the last moment, they changed the subject from climate change to opposing wind farms, so we were not able to have a proper debate on that occasion.

As Sir David King has said, climate change is the most serious threat that we face. Indeed, the Prime Minister has endorsed that view. As Sir David pointed out, it is more serious than terrorism. However, the Queen's Speech contains many Bills that purport to deal with terrorism—I agree with the hon. Member for Crewe and Nantwich that some of them, such as that on identity cards, do not deal with it—but it contains nothing at all to do with climate change unless one takes the view that the Bill on Crossrail will do that. The Government seem to be creating a climate of fear rather than dealing with climate change.

Carbon emissions are up since 1997. The Government are clearly going to miss their 20 per cent. reduction target by 2010, and I say that in sorrow rather than anything else. There is still time, if they were to adopt radical policies, for the target to be met, but it is looking less and less likely. Indeed, the indicators for carbon emissions are going in the wrong direction.

The Prime Minister has said that he wants to make tackling climate change a priority in the British presidencies of the European Union and the G8. I very much welcome that statement, but it is important that it is followed up by specific proposals. The presidencies are not simply an international platform to make positive-sounding speeches about climate change let alone to lecture the rest of the world. Action must be taken at home to underpin the Prime Minister's statements on the international stage and the Government must have specific proposals for the EU and G8.

The Government have not stated publicly what their specific aims for climate change will be in the EU and G8 presidencies. I understand that they will be subject to negotiation; it would not bode well for the Government to say that other countries must come up with these outcomes. Nevertheless, some indication as to where they are going would be helpful. Perhaps the Minister in his reply will say something about that broad picture.

It would be useful to know whether the Government feel that they have to go back to square one because they feel that they have to get the Americans on board and accept the science of climate change. God help us. Everyone else accepts it; the Bush Administration do not. Or do the Government work on the basis that the US Administration have accepted the science even if they have not articulated that fact and that we move to reach outcomes from that? What outcome on climate change do the Government want from the EU and G8 presidencies? That is my most important question. The Minister is scribbling furiously. I hope that he is writing that down so that he can respond to it.

The sad fact is that we have a problem with the US Administration in particular. It is not sufficient to rely on a bottom-up approach to solve that. A great deal is happening in the US. I do not want to diminish that. Nine north-eastern states are coming together to consider emissions trading. They have been in touch with DEFRA for advice on how that can be carried out. That is an encouraging sign. A great deal of innovation is going on in the US with the hydrogen economy and so on. It is not the resistance of the US per se, but the resistance of the US Administration. The Prime Minister should make more of his so-called special relationship to make progress on climate change. If he does not, we will conclude that the relationship is special because we give everything and get nothing in return from President Bush.

Either the Prime Minister has not been raising climate change with President Bush, which would be a gross dereliction of duty, or he has been raising it constantly and has been rebuffed every time. Which of those is true? I fear it is the latter, which does not say much for the Prime Minister's influence with the American Administration on this key issue.

Sir Sydney Chapman: Does the hon. Gentleman agree that it is necessary to get the United States on board in meeting the Kyoto protocol if only because it has 5 per cent. of the world's population and is responsible for 25 per cent. of harmful emissions?

Norman Baker: Absolutely. The hon. Gentleman makes a good point. The US is key to any long-term international solution. Whether we like it or not, we cannot have a solution internationally unless the US is part of it. That is why the negotiations in the G8 and EU will be so important.

One of the ways forward is based on the principle of contraction and convergence—in other words, reducing overall greenhouse emissions while moving towards a situation in which there is parity per head of population across the world over a longer period of time. That is not only equitable but has the advantage of possibly bringing the US on board.

The US had two objections to Kyoto. One was that it might damage the US economy. The Government could make a fair case to the US that we can decouple emissions from gross domestic product. In fact, this Government over the past few years and, to be fair, the Tory Government in their last few years in power have demonstrated that it is not necessary to have an increase in energy or emissions to move forward economically. That link has been broken. The second objection was that some countries were left out. The principle of contraction and convergence has the benefit of getting around that as well. I hope that that will be part of the Government's negotiations in the months ahead in the G8 and directly with the US Administration.

The Government's record on the environment is patchy. I do not want to pretend that it is all bad; it is not. I might get into trouble for saying this, but if I were a fair and neutral observer I would judge that that record is preferable to the one that they inherited from the Conservative Government. However, there is one major way in which they are failing on the environment, as linked to climate change, and that is in the Department for Transport. Even more than the Treasury and the DTI, the Department for Transport has the capacity to deliver real progress on the environment and has singularly failed to do so.

Greenhouse gas emissions from the transport sector are up 47 per cent. since 1990. That is simply unacceptable and intolerable if we are to tackle climate

[Norman Baker]

change. We need reductions, not an increase of 47 per cent. Emissions from road transport are up 13 per cent. since 1990. Emissions from aviation are up enormously. The Government predict that between 2002 and 2010, there will be a further 33 per cent. increase in carbon emissions from aviation and an 83 per cent. increase by 2020. We simply cannot go on with that or with the Department for Transport's predict-and-provide approach to aviation. That has been discredited in other forms of transport and in, for example, waste management. Why do the Government not have a policy to limit aviation expansion rather than simply provide for what the industry says it thinks it needs in the years ahead?

We need a modal shift in transport, for example from air to rail. Short-haul flights cause more damage per mile to the environment than long-haul flights because of the fuel and so on used in taking off and landing and the increasing need for planes to circle over London waiting for spaces to land. We also need a modal shift from road to rail. We do not get that by unlimited expansions of the road network, to pick up a point made by, I think, the Secretary of State.

I take issue with the Conservative party and the hon. Member for South Suffolk (Mr. Yeo) in particular, who at the Conservative party conference said:

"To tackle congestion, I'll expand the road network."

Under his Government, the report in the early 1990s of the Standing Advisory Committee on Trunk Road Assessment demonstrated conclusively that expanding the road network encourages more vehicles to go more miles and therefore consume more resources and emit more pollution. During the Opposition day debate on wind farms, I challenged the hon. Gentleman on what he said at the conference. He replied:

"Technology opens the door for us to allow people to use their cars as they wish."—[*Official Report*, 25 October 2004; Vol. 425, c. 1210.]

To some extent, I agree that technology has a major role to play in reducing emissions. That is right, but there is no point making gains from technology on the one hand while on the other making matters worse by encouraging more vehicle movements by what seems to be an unlimited expansion of the road network.

Mr. Yeo: On the increase in traffic, does the hon. Gentleman accept that some evidence now suggests—I do not dispute the conclusions of the report to which he referred—that the growth in traffic was the result of more people getting driving licences? We have almost reached saturation point on that. A much larger proportion of women have driving licences today than 20 years ago, which means that some of that growth in traffic was the result of more people being qualified to drive.

Norman Baker: That is undoubtedly an element, and I am happy to accept that, but the more roads we provide and the more road capacity we produce, the more we encourage people to switch from rail to road or to make longer journeys. People now commute from Sussex to places like Watford because of the M25. They would not have dreamt of doing so before. It is possible to argue that that brings a freedom which was not available previously, but it has an environmental cost as well.

People in my constituency are clamouring for the dualling of the A27 between Lewes and Polegate—it is not a Government proposal—at a cost to the taxpayer of more than £100 million. A parallel railway service is underused. It could take up some of the slack. A parking scheme, which is not quite a congestion charge, has been introduced in Lewes. As a consequence of my negotiations with the rail company, season ticket fares between Eastbourne, Polegate and Lewes have reduced by a third. The second measure has resulted in a 35 per cent. increase in season ticket sales on that line. It is perfectly possible, using economic measures, to shift from road to rail when the conditions are right. The idea that we can simply build our way out of problems is discredited. We tried that for 100 years. It does not work. Traffic jams are worst in, for example, Birmingham, which probably has more roads per head of population than anywhere else. We need a different approach to roads.

Someone asked about Liberal Democrat policy on that. We are not in favour of a massive expansion in the road network. We are in favour of the budget that the Government have and accept that cases for expansion may be made, perhaps for bypasses when there is a particular environmental problem. We are not in favour of a big expansion of inter-urban roads. The days of that need to be brought to an end.

My hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) has rightly championed the issue of road user pricing. There is a debate about how quickly that can be introduced. The Secretary of State intervened when that matter was raised earlier. There is no doubt that in the longer term or even the medium term, charging motorists based on the environmental performance of their vehicle, where they are driving and when they are driving, which relates to the amount of congestion on the road, has to be fairer, more equitable and environmentally preferable. It means that we could eliminate the problems that we have at the moment; for example, people in the north of Scotland, who are dependent on their cars because they have no alternative, pay far more for petrol than people in Edinburgh or London, where there is competition. It does not make sense environmentally to have cheaper petrol where there is a public transport alternative, and very expensive petrol where there is not.

A road user pricing scheme would be able to factor in such information and come up with a more equitable system. Of course, that could—and, in my view, should—end up in the abolition not only of road tax but of fuel tax. My hon. Friend the Member for Caithness, Sutherland and Easter Ross would not forgive me if I did not use his soundbite: fair tax, not fuel tax. I will now be able to tell him that I have got that on the record.

In the short term we will need to look at the road tax bands. I pay tribute to the Government for basing road tax increasingly on emissions, but the bands at either end need to be widened. The top band does not reflect the damage done to the environment by, say, 4x4 vehicles, and there should be a greater economic incentive to drive cleaner, greener vehicles than there is at present.

One of the problems with transport over 30 years has been the signals sent out, on cost, to the public about the mode of transport that they should choose. Too many people see rail and bus services as the alternative for those who do not have a car, rather than their first choice. Part of the reason for that—I make no apology for raising this matter again—is that, according to the answer that I received from the Department for Transport on 16 June, at column 937W of *Hansard*, the cost of travelling by rail increased by 86.5 per cent. in real terms between 1974 and 2002; the cost of travelling by bus over that period increased by 68.5 per cent.; and the cost of motoring went down by 3.7 per cent. So much for the fuel protests in which motorists complained that they were being caned. It is actually the rail and bus users who have been caned over the last 30 years.

Train fares are still going up. This year, a 1 per cent. above-inflation increase will be allowed. We have to face up to the problem and link it with the development of infrastructure for the railways. At the moment, the railways are becoming congested. In a sense, that is a success story because it means that more and more people are using the railways; and I welcome that. The rail utilisation strategies being developed will give some extra space and make better use of the network, so we will get increased capacity out of that, but it is a short-term solution. I want to know from the Government what their strategy is for the next 10 to 15 years on the railways. They have so far failed to set that out. Is it to have further infrastructure investment, or are they going to price people off the railways, as British Rail sought to do in the late '80s and early '90s?

My party broadly welcomes the Railways Bill in the Queen's Speech. Many of its provisions have been advocated by my colleagues over the last two or three years. The Strategic Rail Authority spent a gigantic amount on consultancy fees over that period—one reason for its abolition, which we support—but if the Minister had simply read Liberal Democrat policy he could have saved all that money, because we made the suggestions, free of charge, which he has in any case taken up. He would have got better value from us than he got from the SRA.

We support the restructuring of the industry set out by the Government. That will deliver some benefits. I am not in favour of the mark 2 privatisation that the Conservatives appear to be advocating today for the railways: once bitten, twice bitten seems to be their way of approaching these matters. I do not think that that will commend itself to the public, but in the months ahead I am happy to argue with Tory politicians on political platforms—not railway platforms—the benefits or otherwise of reprivatisation, which seems now to be their policy for the railways.

I mentioned rail operating companies in an intervention on the Secretary of State, but he did not respond to that point except, obliquely, to say that discussions are taking place. Will the Minister of State say in his response exactly what discussions are taking place, with whom and about what? We all recognise that ROSCOs were the biggest rip-off in the Tory privatisation of the railways. They took a gigantic amount of money and have given very little in return. Talk about milch-cows—ROSCOs are the epitome of a milch-cow. If we are to get some value from the railway, we have to tackle that issue. At the very least, we ought to end that arrangement and let train operating companies buy their own rolling stock from now on. I would like the Government to come up with an innovative solution to the problem that we already have with ROSCOs creaming off lots of public money and giving very little in return.

On refranchising, it is right to move to longer franchises, a point that was touched on earlier. However, I draw to the attention of the Minister and Labour Back Benchers the example of South Eastern Trains, which, of course, is currently being run in the public sector and, it has to be said, is doing quite well. There is a value in keeping that franchise in the public sector, not least as a not-for-profit comparator, to allow some judgment to be made about how private sector franchises are doing. I do not know why the Government do not endorse that idea, particularly as South Eastern Trains is doing quite well and, I understand, about £100 million has already been spent on that refranchising exercise.

In principle, the Government's community rail strategy is sensible. It has to be right to try to encourage greater use of branch lines and it is right to involve the communities that those lines serve to try to increase patronage. The famous example is the Carlisle to Settle railway. There had, over many years, been an attempt to cut that line by closing stations and winding down the operation, but it was successfully turned around. Perhaps that is the model that the Government have in mind. I say to them, however, that I hope that this is not Beeching by the back door, a last chance for communities to demonstrate that their lines can make a fist of it economically. If it is Beeching by the back door, the Minister will face a mountain of resistance from local communities. This country wants an expansion of the rail network, not a contraction, and I hope that that message will be heard.

The community rail strategy should not simply be defensive, identifying existing lines and stations that might be boosted by being given greater patronage. A strategy worth its salt would also seek to reopen stations and lines. The Government ought to be identifying, say, 100 cheap schemes—cheap in railway terms—which could be implemented, bringing significant benefits to local communities. I can give the Minister a couple of examples from my constituency, with which, obviously, I am more familiar than elsewhere. There are three stations at Newhaven, all of which are run down, untidy and unwelcoming. They are an embarrassment for people who come from France on the Dieppe ferry. They have no car parking; they have no proper public transport interchange. It would be possible to have one brand new station, realised, to a large extent, from the disposal of assets from the other stations, so it need not even cost a great deal. However, our atomised rail industry seems incapable of delivering that. That is the sort of small scheme, which would benefit not many people but a lot of my constituency, that the Government should be promoting up and down the country.

There are many such schemes. There is a head of steam—no pun intended—building up for the reopening of the Lewes-Uckfield railway line, which is supported by the hon. Members for Brighton, Pavilion (Mr. Lepper) and for Brighton, Kemptown (Dr. Turner) on the Labour Benches, by the hon.

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Member for Wealden (Charles Hendry) on the Conservative Benches—he has been very active—by myself, for the Liberal Democrats, and by all local councillors, irrespective of political party. The scheme makes absolute sense.

An independent study commissioned by the county council recently established that the track bed has been largely maintained, so it would be very easy, comparatively speaking, to reopen that line. Yet it seems impossible to achieve anything with the rail industry that would make progress towards that end. Why is it so difficult to secure the reopening of a railway line which is supported by everybody in the local community, which is relatively low cost and which would bring tremendous economic, social and environmental benefits?

John Mann: I wonder whether the hon. Gentleman is intending from now on solely to use public transport in his constituency. Perhaps he could let the House know how many times he has travelled into and out of Newhaven station over the past few years.

Norman Baker: The advice that I give to Members is not to ask questions unless they know the answers to them, because the answer to that particular question is that I use the railway a great deal. I always travel by train to London; in seven years I have travelled by car once to this place. I use the local rail service to get to my surgeries in Newhaven and Seaford, so I am very familiar with Newhaven town station. I use the railway to get to my surgery in Polegate.

Keith Vaz (Leicester, East) (Lab): Is the hon. Gentleman going to give us the train timetable?

Norman Baker: I would be happy to read out the train timetable if the hon. Gentleman wants me to do so, but that might be an imposition on the House. I very strongly support my rail services.

John Mann: The hon. Gentleman suggests that one should not ask questions to which one does not know the answers, but I am sure that the House is keen to know the answers. How often in a year, then, does the hon. Gentleman go in and out of one of the three Newhaven stations?

Norman Baker: If the hon. Gentleman wishes me to go through my diary and give him a specific answer to that question, I will try to do so. I make it a policy always to use the train where possible. Nine times out of 10 I take the train to my surgeries in Newhaven, which are once a month. I use the train a great deal more than many. As I said, I managed to secure reductions in fares along that line, and there has been a big increase in patronage as a consequence. I do not know why the hon. Gentleman raises the point. I am sure that he could find something on which to attack me more effectively; I do use the railways in my constituency.

I want the Government to reintroduce the rail passenger partnership fund in order that they can consider some of the schemes that I have mentioned. That little pot of money for the Department for Transport was welcome, but it is now gone. The schemes to which I have referred could have been funded out of it, with match funding from local councils and, dare I mention it, from regional government.

I want the Minister to consider the environmental impact of rail. I raise that seriously. The Civil Aviation Authority has a duty to look at economic, safety and environmental matters in relation to aircraft. The Office of the Rail Regulator, which was set up by this Government, looks at economic and safety issues but not environmental matters. That is a big omission that needs to be corrected. Will the Minister give an assurance that, as the Railways Bill progresses through the House, the Office of the Rail Regulator will be given a clear environmental duty?

Mrs. Dunwoody: There is an absurdity in the CAA considering the environment and also being responsible for the aviation industry. If the hon. Gentleman does not understand that, I understand why his policies are so muddled.

Norman Baker: I am happy to say that my policies and those of my hon. Friends are not muddled. I was not holding up the CAA as some shibboleth, but there is a need, as with Ofwat, Ofgem or whatever, to impose on an independent regulator an environmental duty. The Office of the Rail Regulator does not have that; there is a need for it.

Rolling stock on the railways is far more energy intensive than it was. That is one reason for the need for a big upgrade of electricity supply for the southern region. There is now a much greater use of energy, which is bad. Air conditioning on trains—information on trains uses more energy, too—is responsible for a gigantic use of energy. One might say that air conditioning and information on trains are welcome, but there has been no attempt by the rail industry seriously to reduce energy use as well as provide improvements for passengers. The rail industry needs to grasp that nettle.

I strongly agree with the Transport Secretary and the hon. Member for Crewe and Nantwich—I shall be nice to the hon. Lady if she is nice to me—that our railways are very safe. It is highly disappointing, therefore, that the media portray rail accidents, however horrific and tragic for the individuals involved, in such a way as to imply to the public that railways are not safe. They are safe. It is almost certain that, on the day of the last terrible accident near Newbury, in which seven or eight people died, more people died on the roads. Yet, we hear nothing about that in the newspapers. I ask the media to report such matters in a more rounded context. The consequence of such reporting over the past 20 or 30 years has been to push politicians of all parties into driving up rail safety to a degree that, in objective terms, is possibly beyond what is necessary. Meanwhile, road safety has largely been ignored, and that needs to be corrected.

I mentioned aviation; I hope that the Government will take that seriously. Their predictions on emission levels are unacceptably high. We need to bring aviation within the European emissions trading scheme as soon as possible. I do not know whether the Minister has a deadline for that, but he ought to have. We ought to be considering taxing freight on planes, too.

The hon. Member for Crewe and Nantwich mentioned buses. I prefer the London model—under which there is a central public body that determines which routes are appropriate and then allocates franchises from there—to the higgledy-piggledy mess elsewhere in the country. It is instructive that bus use in London is going up while, Brighton and Hove excepted, it is going down in much of the rest of the country.

On the environment generally, we welcome the principles behind the safer, cleaner, greener neighbourhoods set out in the DEFRA Bill, but providing penalties is one thing. It is important, but it is also important to ensure that environmental crimes are properly dealt with in the courts. It is crucial to have viable solutions to dissuade people from erring in the first place. We are rather short of such solutions. We still have fridge mountains. *The Guardian* and the *Metro* carried pictures yesterday of a huge fridge mountain near Manchester. We have an abandoned car mountain. There has been a 37 per cent. increase over the past two years in the number of abandoned cars, which is mainly because the Government chose to interpret the relevant directive in an unhelpful way. That made the end-user responsible, rather than the industry. We have a hazardous waste problem and a large battery hill is in the making. An EU directive requires 44 per cent. of batteries to be recycled, but we recycle less than 1 per cent. and have no recycling facilities in the country. That is a big problem for the Government. DEFRA has a habit of being behind EU directives—finding out at the last possible moment that it has to do something and coming up with a panicky solution that does not meet the requirements.

I hope that the Minister will be able to answer some of my points. I welcome the fact that we are debating the environment and transport. We must make a lot of progress on transport, for social and economic reasons but most of all for environmental reasons. Climate change is the biggest issue facing us; the transport sector is the biggest problem in the UK's meeting its targets. I want to hear some strategy from the Government to stop that 47 per cent. increase in transport emissions to which I referred. I have not yet heard it from the Secretary of State; perhaps the Minister will oblige when he replies.

2.37 pm

Mr. Graham Stringer (Manchester, Blackley) (Lab): I want first to respond to a point made by the hon. Member for South Suffolk (Mr. Yeo), who rather surprisingly claimed that Baroness Thatcher when Prime Minister was a great advocate of good environmental policies and a campaigner against global pollution. In one sense and in one sense only was that right. When she was Prime Minister, she closed down most of the mining industry and destroyed much of the manufacturing industry in this country. That was one reason why the right hon. Member for Suffolk, Coastal (Mr. Gummer) was able to proclaim that this country had met its carbon dioxide targets and that, indeed, it would improve on them: so much of the basis of British industry had been destroyed.

Andrew Selous (South-West Bedfordshire) (Con): Is the hon. Gentleman seriously saying that the manufacturing industry has grown under this Government? All the jobs that have been created are in the service sector, not in our former manufacturing base.

Mr. Stringer: I was not saying that at all; I was pointing out that when Baroness Thatcher was Prime Minister it was the start of the end for the mining industry and it took until 1992 for capacity in the industrial sector to reach what it had been in 1979. That was the simple point that I was making. If the hon. Gentleman wants to praise this Government for creating a record number of jobs throughout all sectors, I am sure that hon. Members would be willing to listen to him.

I shall discuss four important strategic aspects of transport where the Government have not quite got the balance right, although I agree with my right hon. Friend the Secretary of State for Transport when he says that transport solutions are long term. They certainly are. Many of the decisions that are currently being made will be felt by people in this country and by the economy in 10, 15, 20, 25 or 30 years. It is important that we get them right. Politicians are not always used to thinking or acting over such long-term time horizons.

The first item that concerns me is aviation policy. For the benefit of the regions and the country, it is urgent and important that a third runway be built at Heathrow. The aviation White Paper neither rules it out nor rules it in, but explains that the problems of air pollution around Heathrow need to be investigated. A better approach would be to deal with the air pollution and build a third runway. As the hon. Member for Lewes (Norman Baker) pointed out, there can be no benefit in getting people from this country to take short-haul flights to Schiphol, Paris and other European hubs. That causes more pollution than if they used Heathrow.

It is bad for the regional economies of the UK not to have access to the capital city via Heathrow, and it is bad for London, as a major world city, that Heathrow is losing a number of destinations. Even with the fifth terminal at Heathrow, there will be fewer destinations in 2005 than there were in 1995. That is not the case with Frankfurt, Charles de Gaulle, Schiphol, Copenhagen or the other major European airports. It is bad economically and environmentally, and I hope the Government will look at the capacity issue and, with real determination, speed up the building of a third runway.

My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) said what I had intended to say about capacity in the ports. Again, it is bad environmentally not to ensure that there is capacity in our deep-sea ports for the largest ships that go around the world. Ships are probably the most environmentally friendly form of transport. What sense does it make to restrict the capacity in this country so that ships have to offload in Rotterdam, Antwerp or elsewhere, transfer their cargo to containers and continue on ferries or through the channel tunnel? That is environmentally bad. The decision on Dibden was wrong and the Government need to make a quick decision to ensure that we have deep-water capacity elsewhere in the country.

We also need to make sure that the railway lines for freight and cargo from the ports are good, because people transporting goods in this country want speed. If

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the railway lines are in a poor state of repair, as those to some of our major ports are, and the trains go very slowly and cannot get to where they should go, or there is not the required capacity, those goods will be moved on to the roads. That would be a mistake. I hope the Government will speed up sorting out our future port capacity.

Road capacity is more controversial, I expect. I apologise for knowing this—I would have thought that the hon. Member for Lewes was the only anorak in the Chamber—but when the hon. Member for South Suffolk said that we had the worst record in Europe for motorway density, he was wrong. According to the EUROSTAT definition, we come 12th. The three countries in the European Union before it was expanded where motorway density is worse are Sweden, because most people do not want to go to the north of Sweden, Ireland and Greece. Our position cannot be good when we are competing with Germany, France and other countries that have more motorways.

One can deal with the problems of congestion by means of extra taxation on fuel or on road usage, but will that deal with the capacity in the system to transfer people and goods? I do not believe so. If we are only 12th in the EU in terms of capacity, we must have a much better balance between new road building—only £1.5 billion is currently spent on new roads, out of about £42 billion raised from the motorist—and extra taxes, which is essentially what congestion charging, road user charging or fuel duty escalators are. We have not got that balance right. We need to increase the capacity, and there must be a better balance of those measures.

Rather than use arcane and difficult measures such as motorway density, one can simply look at interurban congestion. The UK's transport problems are markedly different from those elsewhere in Europe. Every major city that is successful has congestion problems. This is the only country, by and large, with interurban congestion problems. We need to deal with it through capacity measures and possibly taxation.

Incidentally, I think the hon. Member for Lewes was quoting the Rocasta report from 1992. It is often used, and it is used by Governments who are in economic trouble. The economy is not doing well so they look for a report and they become green as a way of not investing in the transport infrastructure. The Rocasta report did not say that roads create traffic; it said that where new roads are built over estuaries or where there has previously been heavy congestion, more traffic will be generated. If new roads are built elsewhere, they do not necessarily generate traffic. I recommend that the hon. Gentleman reread the report.

Finally, the problem of the railways is related to a capacity issue but is a major strategic issue. The Transport Committee, on which I serve, produced a report not long ago entitled "The Future of the Railway", in which we considered the costs and structure of the railway and came up with some direct recommendations. The Railways Bill is not exactly what the Committee recommended, but it is probably halfway towards the integrated control that we wanted applied to the railways. In that report, we considered the costs of the railways, which a number of hon. Members have mentioned. Those costs have been increasing dramatically. I am not referring to straightforward investment such as the investment in the west coast main line, which I support.

We could not establish why costs had risen by two and a half or three times over the past three or four years. We established that there had probably been gold-plating on the part of the Health and Safety Executive to the tune of £750 million to £1 billion, which would not have protected as many people as could have been protected with the same sum. I say to my right hon. Friend the Secretary of State for Transport, who lectures those of us who represent Manchester on getting value for money out of the system, that I am not impressed that nobody can tell us where the £7 billion that will not go into investment over the next three or four years is going in extra costs on the railways. Other parts of the transport system are damaged by that money being taken away.

If one works it out quickly on the back of an envelope, probably a quarter of the growth in the economy is going into a black hole in the railway system. That is not satisfactory. I hope that during the discussions that we have on the Railways Bill, we will be able to talk not only about structures, but about getting value for that money and getting the railways back quickly to the level of efficiency that they were at in 1999–2000. Not only is that huge amount of extra money going into the railway system, but we are getting probably 10 to 12 per cent. less out of the system when it comes to punctuality and reliability. That is completely unacceptable. It is the responsibility of my right hon. Friend the Secretary of State for Transport to explain to us where the money is going and how we can return to standards that we were not satisfied with in 1999, before 2009 or 2008, which seem to be the latest estimates.

I support the Governments proposals to transfer powers over rail expenditure to passenger transport executives. I think that PTEs are a good thing. Hundreds of millions of pounds are spent each year on the northern railway system and on commuter services in large northern cities, and it would be better if the PTEs could control that money. They could make rational choices between rail, light rail or buses. That is good local democracy in action, rather than supporting a system merely because it has always been in place and is in a national pot.

I have some concerns about the detail that applies to Greater Manchester, which I know best. One concern is that when money is transferred to the PTEs, they will lose their right to sign franchises and to be cosignatories with the franchisees when they take up new railways. If we want a good integrated system that is quickly responsive to what people need in the greater urban conurbations in the north of England and elsewhere, that is much less likely to happen if we exclude the PTEs. The Secretary of State has given us one example that did not stop anything. A PTE was being slow in signing a franchise, which really did not affect its area. I hope that my right hon. Friend will have another look at that.

The Government set out their proposals in the White Paper as a response to problems in the greater urban areas. That does not apply to London. Basically, the Government are saying that if a congestion charge is introduced, they will give some control over buses and they will allow there to be a quality contract with the bus

companies. It is not quite re-regulation, but they will allow more local control than at present. Passenger transport authorities and PTEs spend money supporting bus services over which they have no real control in terms of influencing services, and that is wrong.

My initial response is to welcome the Government's approach. The Transport Select Committee recently asked the Secretary of State whether section 124 of the Transport Act 2000 would be withdrawn. He said that it would not, although he might look again at the matter following further questions. Section 124 provides that before a PTA can introduce quality control—something approaching regulation of the buses—that has to be the only alternative. There has to be no other way. In effect, that leaves the real power in the hands of the private bus companies, which can say, "Yes, we will do this" and for a short period they can operate many more services in an area. That is not the only practical way of delivering services. It undermines the idea of having an integrated transport system.

Norman Baker: Will the hon. Gentleman share with the House his views of the Manchester metrolink? Does he share my despair at the way in which it has been handled and is not going ahead?

Mr. Stringer: I was about to mention the tram system in Manchester. I have said in Westminster Hall and in the Chamber that I think that my right hon. Friend the Secretary of State made the wrong decision in stopping the tram system in Manchester. Of course, it is reasonable to have concerns about costs. Any Secretary of State would be so concerned. Given that the costs had increased in November and December last year and that the detail of those costs was known in February of this year, it was not reasonable that no work was done in the Department for Transport. On 20 July, we were told that the tram scheme had not been approved. That was wrong. Some of the reasons for the increase in costs were entirely down to the Department and the Government. There were the Railtrack problems and the way in which the Government dealt with them. Other factors included the cost of borrowing, which increased the risk factors in any contracts. The way in which passenger transport authorities and executives were asked to tender was expensive. Regulations that the Government have signed have put too much power in the hands of the utilities, with the result that they can sign their own cheques. I accept that there is an issue about costs.

It is not the case—I respect my right hon. Friend the Secretary of State for bringing this up—that more work should have been done before we set up a working party, on which my right hon. Friend the Member for Manchester, Withington (Mr. Bradley) sits. I hope that the working party will arrive at a positive conclusion. I cannot say strongly enough that if we want a decent transport system in Greater Manchester, buses in a deregulated system will not provide the answer. They are moving more and more on to densely populated corridors and away from peak times. It is not possible for shift workers to use them on Saturdays and Sundays or early in the morning and late in the evening.

Even in a regulated bus system—right hon. and hon. Members cannot be expected to know this—there is not sufficient capacity within bus corridors in Manchester to provide the capacity that could be made available by a tram system. The tram system will provide more capacity than the buses could ever provide. The Government proposals do not allow regulation of the buses. If we want to improve the environment and support the economy, we need a tram system. Nothing else will provide that support to Manchester.

This debate is also about local and devolved government affairs. Great cities like Manchester and Leeds should not have to go to a Secretary of State to ask, "Can we have a tram system?". When Manchester and Leeds last had tram systems—they were put on the streets 100 years ago—those cities took the decision themselves and paid for the systems out of local taxation. There is something fundamentally wrong with the balance between local decision making and taxation raised locally and central Government. This is not a criticism of my right hon. Friend the Secretary of State. A constitutional issue is raised when it is the Secretary of State for Scotland not approving a tram system in Manchester, when he cannot take the same decision over tram systems in Scotland. That is not a criticism of him, but something deep down in the constitution has gone wrong when that happens.

The rejection of the regional assembly by the people of the north-east gives the Government an opportunity to consider devolution. Devolution was not on offer to the people of the north-east; what was on offer was centralisation of local government, for which council tax payers in the north-east would have had to pay more. Therefore, devolution was not rejected. Now that the Conservatives are saying things that they would have described as loony and extreme in the 1980s about the future of local government and the powers and resources that it should have—I welcome them back into the fold of supporting local democracy—we should try to build an all-party consensus to deal with the structural problems of local government, because the present situation is not sustainable.

Power should be given back to local government, but there is a bigger problem because that will still not deal with the problems of regional inequalities and regional diversity. It cannot be right, and it is not sustainable, to carry on with the Barnett formula, when the reasons for it, beyond the politically expedient—reasons of poverty—when it was introduced by Lord Barnett in the 1970s have gone. There is no reason to carry on paying more to Scotland when it is in a better economic position than the north-east. That is not a sensible solution. The problems of regional inequality in the north-east, the north-west and Yorkshire and Humberside will not be dealt with until the unfair spatial expenditure in this country is dealt with, as well as the governance arrangements in local government.

3.1 pm

Sir Sydney Chapman (Chipping Barnet) (Con): I am grateful to have the opportunity to speak in today's debate on the Gracious Speech, and it is a great pleasure to follow the hon. Member for Manchester, Blackley (Mr. Stringer). He obviously speaks with great experience and authority about transport matters, as does the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), but I shall not follow him down that path. He has made me realise, rather depressingly, that it is now 40 years since I first fought a parliamentary seat

[Sir Sydney Chapman]

not many miles from his constituency. I also remember using trams quite regularly in Manchester, so that dates me quite well.

I want to speak about two important issues—first, one of the greatest international challenges that we face, and, secondly, one of the most difficult national challenges that we face. The first is climate change and how we must reduce harmful emissions, and the latter is the provision of housing in our country and the environmental implications of that.

I want to begin, perhaps unexpectedly for the Minister, by congratulating the Government on one achievement. We may have to look around to find the one achievement, but as I understand it the Government have already met the Kyoto protocol commitment to reduce greenhouse emissions. They were asked to reduce them on 1990 levels by 12.5 per cent., and I understand that since 1990 we have achieved a 14 per cent. reduction. If I was a cynic, I would be tempted to ask the Minister by how much those harmful emissions were reduced between 1990 and 1997 when the Kyoto commitment was made.

Norman Baker: Before the hon. Gentleman is too complimentary about the Government, I point out that the Kyoto target relates to where the Government are between 2008 and 2012, and it is possible that they may go backwards before then.

Sir Sydney Chapman: The hon. Gentleman is quite right. I intended to add that caveat, and I will do so, but before I do, it is also fair to remind the House that the Government went further than the Kyoto commitment and pledged to cut carbon dioxide emissions by 20 per cent. by 2010, and last year went even further and pledged themselves to a 60 per cent. reduction by 2050, although I suspect that not many of us will be around to see if that latter pledge is realised.

Of course, as the hon. Gentleman, whose speech I listened to carefully, said, in the last year for which I have figures, 2002–03, carbon dioxide emissions in Britain increased by 1.5 per cent. I do not know whether the Minister has the figure for last year, but I would be interested to know it. I have to say—we must all try to make a political point if we can—that the levels of carbon emissions are greater today than they were in 1997.

I want to make one point on aviation emissions. There has been a significant increase, and it is very worrying, but in fairness to the Government there must be not only EU agreement on reducing aircraft emissions, but international agreement. If we acted unilaterally, all that would happen is that Heathrow would get into economic trouble, and most planes, particularly from across the Atlantic, would merely fly to Schiphol airport. Rather like the Kyoto proposals on harmful emissions, there must be international agreement, and I hope that the Government will work for that. I am sure that they will.

On renewable energy and the Government commitment to ensure that 10 per cent. of electricity comes from renewables by 2010, I do not want to be depressing or pessimistic, but it is unlikely that that will be achieved. I hope that even at this late stage they will try to do so. Basically, they must increase the renewable input into the total electricity output by 1 per cent. per annum if they are to achieve that. I share the view of my hon. Friend the Member for South Suffolk (Mr. Yeo) that there seems to be too much reliance on wind farms and wind power. I am for wind power, but we must consider its environmental consequences, and there are clearly many parts of the country where it would be quite wrong to erect large-scale wind farms. We must develop solar, wave, tidal and geothermal energy, and biomass and biofuels. My criticism of the Government, which I echoed when the Secretary of State for Environment, Food and Rural Affairs presented her White Paper, is that they should have targets for the different forms of renewable energy, rather than just relying on the global reduction.

Clearly, my next point is not the Government's responsibility, but what helps to deal with harmful carbon dioxide emissions is a plentiful supply and area of rainforests. The sad fact is that in the past 20 years the world has chopped down no fewer than 4.6 million sq km of rainforest, and we are really cutting off our nose to spite our environmental and ecological face. I know that this is not our problem, but the developed world has to help the developing world if we are to save our rainforests. I do not want to go further down that route, except to say that when I talk about having lost 4.6 million sq km of rainforest—and I am not metrically adjusted—I am talking about an area the equivalent of 11 times the size of our country.

On housing, I accept that whichever Government are in power, it is an intractable problem, which verges on the impossible, to provide the right land for housing needs. The nimby syndrome appears when Governments of whatever hue suggest that extra housing should be provided on site A rather than site B or site C.

The sad fact is—I do not want to exaggerate—that the housing market has almost collapsed in parts of the north of our country, while prices have rocketed in the south in general, and in the south-east in particular. The average price of a new home today in the northern regions of the country has broken into six figures—£100,000—whereas in London it is more than £250,000. Indeed, Barnet is not the most expensive borough—I think that that is the royal borough of Kensington and Chelsea—but the average price of a new house in my constituency is almost £300,000, and the average for the borough as a whole is more than £280,000.

The problem must be grasped. The extent of the problem is borne out by one of the most remarkable statistics that I have ever come across: I knew that the population of our kingdom had increased by 4 million over the past 25 years, but I did not realise that the number of households had also increased by 4 million, owing to the demographic changes that are occurring all about us. Sadly, more and more families separate and break up. When I first entered politics, the typical British family could be described as a man and a wife with 2.4 children—incidentally, the 2.4 children have decreased to 1.6 children. With all the separations, divorces and remarrying that is taking place, it is probably better to describe the typical British family today as a child with 2.4 parents—I wish that I had thought of that description, but I did not.

Andrew Selous: I am greatly enjoying my hon. Friend's speech. Does he share my hope and enthusiasm that it is possible to do something positive to prevent family breakdown, which the Government loosely refer to as "household formation" in the context of the need for more housing, particularly by using the voluntary and community sectors? We do not have to be fatalistic and accept that the situation will get ever worse.

Sir Sydney Chapman: I am sure that my hon. Friend is right. I admire the interest that he takes in that area, in which I prefer not to trespass—particularly in this speech. Family break-ups are not the only reason why the number of households—or, to use an awful statistical term, dwelling units—has increased. People are living longer, so there are more widows and widowers, and—I do not want to exaggerate this point—some people can afford home ownership at an earlier age than of yesteryear, but certainly not in my constituency, because of the huge cost of new housing.

I want to say a few words about the alternatives. I cannot speak with authority about the Government's plans to increase housing provision in particular areas of the south-east—I do not know enough about Milton Keynes and would not presume to discuss the merits of Ashford in Kent. I hazard the opinion that the Thames gateway is one of the right places in which to provide extra housing. In the past, it badly needed economic regeneration, and that regeneration is now taking place.

I part company with the Government on their proposal to increase the supply of housing in what they call "the M11 corridor", from Cambridge down to London. If that comes about, it will be a devastating blow to the green belt policy, which protects our great conurbations. I must declare an interest: I was president of the London Green Belt Council for many years—when I became a Minister, it kindly made me an honorary member, because I could no longer remain as president. For the past 60 years, the green belt policy has been one of the most dramatically successful post-war planning policies. If the rules on establishing green belts are altered, the system will break down irretrievably. Although I understand the problems, I hope that this Government's policy is like that of all previous Governments in my lifetime. Until a few weeks ago, the Government stated that green belts are inviolable and should be protected.

The green belt is not the same as greenfield sites, because many greenfield sites are not part of the green belt. Given the choice, most people would, if they could afford it, like to have a house with a nice green field behind it and live in a semi-rural, rather than suburban, prospect. However, it would be naive for anybody to state that we can provide all the housing that we need by using brownfield sites. That is clearly not the case and some building must take place on greenfield sites.

I want to talk about an issue that is not peculiar to my constituency—it causes great consternation in outer London boroughs and, doubtless, in the suburban areas of other great cities and towns. The character of some pleasant suburban areas is being changed for the worse by developers, who buy up rather nice Victorian or Edwardian family homes, knock them down and obtain planning permission to turn the quarter-acre gardens into off-street tarmacadam parking and blocks of flats. In fairness, developers do that because of the demand for extra households due to the British nation's changing demography, but, in my view, that practice has destroyed many areas. When such homes must be pulled down, we should employ more imaginative designs—incidentally, demand for such homes still exists, so it is not as if they will be left empty unless they are redeveloped.

It is sterile to argue across the Floor of the House about whether 60 per cent. or 65 per cent. of new housing should be built on brownfield sites. We must use brownfield sites where we can, but they will succeed only if two things are done. First, since brownfield sites are almost universally expensive to redevelop, financial help must be provided. I would like to see the Government use section 106 agreements for planning permission—I do not wholly agree with that concept, because it verges on the corrupt—to pay for the extra costs of developing brownfield sites. However, it is no use building on such sites unless people want to live there. Joined-up government is required to provide the right infrastructure, including not only roads and sewers, but schools. We must deal with crime, give people defensible spaces and make people feel safe in urban areas.

No simple, one-stop solution exists to the provision of sites for housing. We have to be imaginative and to use a range of solutions that very much depend on the site. The mistake that we made after the war, when there was a desperate housing shortage, was to think that we could have only high-density development with high-rise blocks of flats—Coronation streets turned on end. Generally speaking, that has been a social failure. We need to use architects and exciting and innovative methods to create comfortable high-density, but relatively low-level, development.

I want to make one further point that is intended to be a constructive suggestion. I cannot claim to speak with the authority that I might once have done about other great cities such as Manchester or Birmingham, but I can say that London is unique in this sense: it is the only city where more than 50 per cent. of people who come in to work use public transport. There is less need for someone to have a private vehicle in London than in any other city in the world. I am not campaigning for the next election—indeed, I am not standing—by saying, "You shouldn't have a car if you live in London", but I believe that sufficient numbers of people would welcome living in specially designed areas of our capital city where no cars are permitted, making it not only cleaner, but more environmentally friendly. Of course there must be provision for emergency services to come in. I am not only suggesting that all parking should be banned, but an area designed to have no cars and no through traffic—I am not talking about conventional pedestrianised high streets—could be a success. I ask the Government to consider that. It could be immensely popular, and if it took off, it could make living in our cities a much more pleasant experience.

The challenge is to meet people's needs in a cleaner, friendly environment. Parts of our cities are a disgrace to any nation that calls itself civilised. We must do something to bring people back into our cities instead of spreading ever further into suburbia.

3.23 pm

Keith Vaz (Leicester, East) (Lab): I am delighted to participate in this Queen's Speech debate and to follow the hon. Member for Chipping Barnet

[Keith Vaz]

(Sir Sydney Chapman). The hon. Gentleman said that he first fought a parliamentary election 40 years ago, but he spoke with all the passion of someone participating in his first Gracious Speech debate. I am sorry to hear that he will be retiring at the next election; I am sure that he will be greatly missed by his constituents and by Members on both sides of the House, because he has always shown us great courtesy. He spoke today with great knowledge and passion. I am sure that when he retires, and no longer has to declare an interest, he will be transferred from being honorary president of the London Green Belt Council to being once again its proper president.

The comments made by the Secretary of State for Transport are most welcome. I am glad to hear about the Government's proposals, which will surely make our transport better, if not solve the problems completely. I want to raise a couple of parochial issues that I hope that the Government will seek to address this year, if not as part of the proposed legislation, in other measures. I shall then turn to other aspects of the Gracious Speech.

I spend at least 10 hours of my week on the M1—in fact, I have worked out that I spend more time on the M1 than playing with my children. That may be a reflection of my sad life, but I think that it is more a reflection of the problems with our motorway system. I hope that the Government will ensure that more action is taken to ensure that traffic flows on our major roads are worked out much more efficiently. I still cannot understand why we are held in traffic jams on the M1 for several hours, get to the point where we think that the problem is, then find that there is nothing there. That is one of the great mysteries, and I hope that measures will be introduced to deal with it.

In Leicester, we have, only this week, gone some way towards reducing our transport and traffic problems. Leicester City football club—the Foxes—agreed to merge its ownership of the Walker's stadium with the Leicester Tigers. It is not quite Cardiff Arms park, but I hope that it means that on a Saturday we will no longer experience the congestion caused by two major matches taking place at the same time.

I welcome the Government's proposal to establish the commission for equality and human rights, which will bring together a host of organisations under one commission. I am glad that my right hon. Friend the Minister for Women and Equality has listened to the views of hon. Members and of the black and Asian community outside this House and altered her proposals accordingly. I remind the House that the Government had proposed to abolish the Commission for Racial Equality and to merge it with other bodies such as the Equal Opportunities Commission into one single equality commission. I opposed that, as did my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), many organisations, including the 1990 Trust, which is led by Karen Chauhan, and the chairman of the Commission for Racial Equality, Trevor Phillips.

There was a consultation period, at the end of which the Government produced a new set of proposals that are enshrined in the Gracious Speech. That means that we will have a single equality commission bringing together all the other groups, but the CRE will be left outside its ambit and is free to join, if it wishes to do so, by 2009. I have often heard hon. Members say that they have put forward proposals to the Government but they have not listened. This is a classic example of Minister—who has a great deal of interest in the affairs of the Asian community because she represents, as I do, the city of Leicester—having listened to the concerns of the community and of right hon. and hon. Members and put forward a new proposal. It will be welcomed by the CRE, as it has by other groups. Given that there is so much support for the new Commission I hope that the Opposition will support the Government's proposals, thus ensuring that they get through as quickly as possible. It is also part of the Government's commitment to a multicultural society.

That is why I also welcome the legislation to outlaw religious discrimination. It is long overdue. The Prime Minister made the announcement a few weeks ago and it is to be enshrined in legislation. That reminds us how precious our multicultural society is. I know that these days it is not fashionable to talk about multicultural Britain. Some people have suggested that the history of Britain over the past 30 years with its multiculturalism has been a mistake. I disagree.

Yesterday, I was in The Hague, Rotterdam and Amsterdam meeting with members of the black and Asian community, particularly the Somali community, and looking at what has happened in the Netherlands over the past couple of weeks. A particular individual made some awful statements about the Muslim community. His fate was to be stabbed to death on the streets of Amsterdam. His fate was then transferred to the fate of the Muslim community. Since that awful stabbing 11 mosques have been the subject of arson attacks.

It is strange in a mainstream European country like the Netherlands to have a problem like this. It has focused the attention of the people there and reminded the pro-Europeans among us of the importance of celebrating the different cultures in Europe. We take our multicultural system for granted here in the United Kingdom. It is extremely important that we are vigilant in protecting the rights of the minority communities. We have a leadership role in providing the rest of Europe with the knowledge, capacity and capability to show how it is possible to integrate communities.

In Rotterdam I asked why more than 20,000 Somalians with Dutch passports chose to come and live in Leicester and Birmingham rather than stay in Rotterdam. The Somali community answered that they felt much safer in the United Kingdom than in mainland Europe, particularly in a place like Rotterdam. That upsets the Dutch and they want to know what they can do about it. The Government's proposed legislation represents the right approach for the black and Asian community and for multicultural Britain.

These proposals need to be supported, but we have to be careful on issues, such as identity cards and the security measures that we are introducing, to ensure that we carry those communities with us. It is right that those who are a threat to national security should be the subject of intense inquiry. The police need to have powers to deal with people who behave in such a way. However, there is a perception among sections of the Muslim community and, indeed, immediately after 9/11, among members of the Sikh community, that they are

being targeted. It is important, therefore, that the police in exercising the new powers that Parliament will give them, should we pass the legislation, are able to work with the communities. Good police officers, like Sir Ian Blair, the Metropolitan Commissioner designate, understand the need to work with communities. In pushing forward legislation for identity cards and legislation that will increase police powers, we need to make sure that we bring the communities with us.

I turn now briefly to two other aspects of the Gracious Speech, one of which concerns the constitutional reforms that we introduced last Session. The Government are right to proceed with these and to ensure that legislation which did not pass last year is carried forward. We all accept that the way in which the office of Lord Chancellor was purported to be abolished in the reshuffle was done with haste. Even Lord Falconer agrees with that. He certainly said so when he came to the Constitutional Affairs Select Committee. Over the last year, by debating this subject, people have accepted the need for a modern, dynamic legal system. The senior judiciary—people like Lord Woolf and Lord Bingham—have accepted the need for a supreme court, the fact that we need a modernised system for the appointment of judges, that it is wrong for one person to appoint judges, and that we should have a judicial appointments commission. There remains a question over whether the title of Lord Chancellor remains. Lord Falconer has won everyone over to the argument for preventing the Lord Chancellor sitting as Speaker of the House of Lords, as a judge and in the Cabinet. He has fought a persuasive campaign. However, there is an attachment to the title of Lord Chancellor. I for one should like to see it retained, even though it does not have the powers that the old Lord Chancellor's Office had. So I hope that Opposition Members will understand what the Government propose to do on constitutional reform. We cannot have a constitution that looks back 500 years; we must have a modern constitution that is able to react to modern circumstances.

Another proposal in the Gracious Speech is to have a referendum on the European constitution. Obviously, before we have a referendum, a Bill has to go through Parliament and we will have to debate this important issue. Since the Prime Minister announced the need for a referendum, which we understand will take place in early 2006—no date or timetable has been set—there has been a lack of debate in the House and by Ministers on the role of Britain in Europe.

I welcome the fact that we shall have a referendum because it will be a unique opportunity for the House, for Ministers and for the people of this country to engage fully in a debate about what Britain is doing in the European Union. These are times of huge change in the EU. A new Commission has just been appointed. We have a European Parliament that is prepared to acknowledge and use its powers. We have a new initiative on the Lisbon agenda. The recent European Council has agreed to take the Tampere agenda forward. So great things are happening in the EU.

The Prime Minister's wish when he was elected in 1997 was to move Britain into the heart of Europe, and that is exactly what he has done in the past eight years or so. It is now essential that we tell the people of Britain what we are doing in Europe. If we do not, those who do not support our membership of the EU will use the referendum debate to call for our withdrawal.

When I was coming back from listening to the Gracious Speech delivered by Her Majesty, I walked with a Member of the House who can only be described as Eurosceptic. He is very principled; he has stuck to that position for all the 17 years that I have been in the House and the 20 or so that he has been here. I have not asked him whether I could mention his name, so I shall not because it would be wrong to do so, but he said that he welcomed the constitutional debate and the Bill because for the first time it gave countries the opportunity to withdraw from the EU if they chose to do so.

So the House never knows, it may be that Opposition Members who are against Britain even being part of the EU will support the Bill because for the first time it will give them a constitutional right to come out of the EU. Our Government have done great things in the EU. I want them to go out and campaign. I have gone through all the speeches of Cabinet Ministers since April this year on their websites and they have not mentioned Europe or the euro more than 12 times. We cannot win a referendum on the European constitution unless we are prepared to go out and fight for the principle of being in the EU. I hope that the debate on the Bill will give the House and the Government the opportunity to follow the lead that has been given by the Prime Minister in the past seven years and ensure that we have a strong and unequivocal commitment to being part of the EU.

I have spoken in a number of debates on the Gracious Speech. I am convinced that the package of proposals that have been put forward by the Prime Minister in the past few days and in the debate today are the right proposals for Britain. They are certainly the right ones for my constituents, who will welcome every piece of legislation that has been proposed. I hope that we shall have the parliamentary time to get all the Bills through the House and onto the statute book. I know that some people think that there may well be an election next year. Only the Prime Minister knows. I hope that we will have the time to debate these measures, all of which will help our country. All of them will ensure that the quality of life of our constituents and the citizens of Britain will be made much better.

3.40 pm

Mr. Robert Walter (North Dorset) (Con): I welcome the opportunity to contribute to this debate, following the valuable and informed contributions made by other hon. Members from all parties. I do not necessarily agree with all the points that have been made, but I think that they have been made with passion and wisdom.

Today's debate covers several topics—environment, transport and local government and devolved government affairs. I intend to cover all three, starting with the environment.

The question of climate change has been mentioned by a number of previous speakers, notably my hon. Friend the Member for South Suffolk (Mr. Yeo). My hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman) referred to the Kyoto protocol and said that Britain had committed itself to reducing greenhouse gas emissions to 12.5 per cent. below

[Mr. Robert Walter]

1990 levels. He said that the latest figures show that we are already 14 per cent. below 1990 levels. In the subsequent exchanges, it transpired that the progress to that level had been made under the previous Conservative Government, and that there has been some slippage under this Government. Perhaps we should be worried about that.However, we are also conscious that the Government have gone slightly further by setting themselves a target of achieving a 20 per cent. cut by 2010. I admit that I have a degree of scepticism about that.

I want to speak specifically about the role of renewable energy in achieving those targets. The renewables obligation demands that 10 per cent. of our electricity must be generated by renewables by 2010. The Government's energy White Paper contains an aspiration to achieve 20 per cent. electricity generation by renewables by 2020, with an interim target of 15 per cent. by 2015.

I have spoken in the House before about wind energy, which is a burning topic in my constituency. The Government are very keen on wind power as a source of the biggest growth in the use of renewables in the relevant period. The present Financial Secretary to the Treasury said, when he was a Minister in the Department of Trade and Industry, that it was clear that perhaps as much as 80 per cent. of the 10 per cent. renewables target would come from wind farms. He also stated that we would need 6,000 to 7,000 two-MW turbines to meet the 10 per cent. target by 2010. At present, there are about 1,125 such turbines in operation in this country.

I believe that wind has a role in achieving that target, but we will be deluding ourselves if we get fixated on wind as the only solution. Onshore wind turbines achieve only some 24 per cent. to 28 per cent. efficiency: in other words, they are not producing electricity for more than 80 per cent. of the time. Offshore wind turbines are about twice as efficient. However, on cold, frosty mornings—or cold and foggy ones like this morning—people want to put their kettles on, warm their houses up and cook their breakfasts. How can they do so if the wind turbines not going round because there is no wind?

Dr. Whitehead: Does the hon. Gentleman agree that for the House to be clear about the debate it is necessary to talk about efficiency not in terms of traditional power efficiency—a measure of what goes in and what comes out—but the amount of time the wind turbine is actually going round? With distributed generation and the presence of a large number of wind farms, both onshore and offshore, around the UK, the ability to develop a stable source of supply most of the time could be achieved. Putting the debate in that context advances the argument further than his measure of efficiency.

Mr. Walter: The hon. Gentleman tries to point me in that direction, but my real concern is that the turbines simply do not produce electricity at times of peak demand. The electricity generated may be distributed around the country and efficiencies may be thus achieved, but there are some consequent inefficiencies, such as the grid network that would need to be developed to support turbines that produce only limited amounts of electricity.

I spoke in the debate on this subject on 25 October, and expressed my real concern about the environmental damage done by wind turbines in areas of great natural beauty. In the past couple of years, my constituency has seen no fewer than four significant schemes proposed for the generation of wind energy to meet spurious regional targets. Some of those schemes were relatively small, but none the less environmentally damaging. The first was on the border of—literally feet away from—my constituency, in the constituency of the hon. Member for Somerton and Frome (Mr. Heath). I am glad that even though he is a Liberal Democrat—I shall mention Liberal Democrat policy shortly—he opposed the scheme. The local authority, which had previously been enthusiastic about wind energy, felt the weight of public opinion and, despite being Liberal Democrat-controlled, rejected the scheme.

The Winterbourne valley in the southern part of my constituency is a beautiful part of Dorset. It is sandwiched between two areas of outstanding natural beauty, but is not itself designated as such. Two schemes were proposed for the area that would have created 35 wind turbines more than 100 m high. The first scheme was withdrawn after the landowner decided that he could no longer put up with all the aggro that he was getting from his neighbours about allowing the turbines to be erected on his land. The second scheme, which was for nine turbines, by a company called Your Energy Ltd, eventually went before the development control committee of my local authority on 26 October, coincidentally only one day after our debate.

I am sorry that the hon. Member for Lewes (Norman Baker) is no longer in his place, because I intervened on him in the debate in October. He was very enthusiastic about onshore wind energy—I accept the merit of his argument—but I do not know whether he was expressing his personal view or the official view of the Liberal Democrats. As he is the party's spokesman, I suspect that he was expressing the official view of the Liberal Democrats in favour of the significant development of onshore wind energy. I asked the hon. Gentleman whether he could name constituencies represented by Liberal Democrat Members of Parliament where the MP had supported wind energy development. He did not reply immediately, but later in his speech, at column 1230, he told the House about not a wind farm development, but a wind turbine—a community scheme—in a remote part of Scotland in the Argyll and Bute constituency, of which the local Member had been in favour. That was the only scheme the hon. Gentleman could come up with.

That was significant, because on the following day, at the development control committee of the North Dorset district council, the leader of the Liberal Democrats on that council, who is a member of the committee, and three of his fellow Liberal Democrat councillors were mysteriously absent. It was the most important planning application in the district for many a year; 500 people were in the hall to observe the committee's proceedings, but the four Liberal Democrats were absent. I can but surmise that the Liberal Democrats' prospective parliamentary candidate had suggested to them that her share of the vote might fall even further

than it had at the last election if they were seen to be supporting that particularly unpopular scheme, although I would not want to suggest that they would operate in that way.

Sue Doughty (Guildford) (LD): I am sure that the hon. Gentleman will be continuing in that vein for quite a while, but as MPs from every party, on both sides of the House, have disagreed with local councillors about wind farms, it seems rather cheap to make such comments. Apart from anything else, wind farms are subject to planning laws and we must recognise the great difficulties involved when people want to put wind farms in places that planning committees would clearly not accept.

Mr. Walter: I thank the hon. Lady for her intervention, but I hope that I was not making a specific point about disagreement between Members of Parliament and local councils. When I referred to the hon. Member for Lewes, I was making the point that only one Liberal Democrat Member had actually supported an onshore wind farm scheme in his constituency. I then drew a contrast with the experience in my constituency in respect of the Liberal Democrat councillors.

Luckily for the local residents, the development control committee voted to reject the application and we are left with only one possible wind farm, again in the constituency of the hon. Member for Somerton and Frome, although it is so close to my constituency that I almost needed to point out the site to him. I hope that he will join me in opposing the scheme, as it is for nine turbines in the middle of the Blackmoor vale on the Henstridge airfield.

I now move on to transport, the second subject on our agenda. The Railways Bill contains nothing of any benefit to my constituents. My constituency has only one railway station, but it is well served by a direct link to London, Waterloo, operated by South West Trains on the Waterloo to Exeter line. Unfortunately, the line reduces to a single track at Salisbury, despite the fact that it provides a service between some quite important cities, so there is a capacity problem. It is not that people do not use the trains or that the trains are not consistently full. I give South West Trains its due; the company operates as many trains as possible on the track and the largest trains possible, but it simply cannot put any more trains on the track at times when people want to travel.

There are proposals, which have been in existence for some time, to increase the service to a dual-track operation, particularly on the busier stretches between Salisbury and Yeovil and between Yeovil and Honiton, just to the east of Exeter. When I last raised the subject in the House with a Minister, the then Minister of State, Department for Transport, the hon. Member for Pontypridd (Dr. Howells), suggested that perhaps we should be looking at longer trains, but unfortunately that is not the answer. We already have trains that are as long as possible, and passengers who want to alight at Tisbury, in the constituency of my hon. Friend the Member for Salisbury (Mr. Key), which can only take a three-car train on its platform, have to be told to sit in the correct coaches of the train; otherwise, they will fail to get off the train or fall on the track.

Longer trains are not the answer; the real answer is dual track. When the current franchise round started, the assumption was that dual-track operation in the foreseeable future would be built into the plan, and that was very much the basis of South West Trains' bid to get its franchise renewed. Unfortunately, that has now slipped out of the Government's—or the Strategic Rail Authority's—programme, and it looks unlikely that we shall get that dual-track operation. I find that sad and I wish that the Government would again look at the situation and try to see whether we can address it.

I shall end by looking at local and devolved Government affairs, particularly devolved affairs. As a number of hon. Members know, for a couple of years I spoke from the Conservative Front Bench on the subject of Wales, and although the devolution to Wales was not exactly popular at the time, with the Government only just winning the referendum by a bare 6,000 votes, there was a basic raison d'être for having a devolved Assembly in Wales, and it is now accepted that that Assembly is working.

Over the past couple of days, there have been extensive negotiations and talks on the Northern Ireland Assembly. I hope that we shall find a resolution to the problems. It is interesting and intriguing that the hon. Member for North Antrim (Rev. Ian Paisley) and the gentleman elected to represent the electors of Belfast, West are in discussion. I think it was yesterday on the BBC that I heard a commentator say, after the hon. Member for North Antrim appeared on the steps of the Irish embassy having just had breakfast with the Irish Prime Minister, that maybe at the age of 78 the hon. Gentleman had mellowed a little. We need to make progress, not only because of the raison d'être for a Northern Ireland Assembly but because of the urgent necessity to close the democratic deficit in the Province.

There was however clearly no democratic deficit in the north-east of England and certainly no raison d'être for a north east regional assembly, because in the recent referendum 78 per cent. of the people voting decided that they did not want that unnecessary and bureaucratic waste of taxpayers' money; and in the Queen's Speech we had no mention of referendums elsewhere.

I would like to go a little further and look at the South West regional assembly, which covers my constituency; it is a very expensive talking shop which serves no useful purpose. Some people in the south-west ask, "Where is the south-west?" Because, as my constituents are always asking, what community of interest is there between them, in north and east Dorset, and the people who live in Tewkesbury and in Truro? In fact the people who live in Tewkesbury and Truro probably ask what community of interest they have themselves, let alone with the people of Dorset. One has to scratch around to find some common interest that these people have. The people in Tewkesbury and Truro do have one thing in common, which I am sure is very important in Whitehall, which is that it is necessary to go to Paddington station to get to both places. Other than that, civil servants have drawn those lines on the map and people cannot take a train from Paddington station to Dorset, so even that does not work.

I should like to go further: the Leader of the House announced today that, next week, we will get a statement on the local government finance settlement

[Mr. Walter]

for next year, so there will be yet further pressure on council tax and the finances of our local authorities. If our local councils are looking for savings—some of the local authorities in my area will be looking for some savings to limit the rise in council tax next year—they might now consider, given the result of the referendum in the north-east, pulling out of their funding for and participation in the South West regional assembly. If there is one agenda that the Government ought to address if they really believe in devolution, it is that of devolving decision-taking and financing powers directly to local government, not to those unnecessary regional quangos, which look at the affairs of arbitrarily drawn areas of the country.

The Queen's Speech does nothing to address my constituents' concerns. If it is, as I suspect, a pre-election agenda, I suggest that it will be again rewarded with a pretty derisory Labour vote in the North Dorset constituency at that election.

4.1 pm

John McDonnell (Hayes and Harlington) (Lab): The history of Queen's Speeches over the past six or seven years in transport terms has been one of the Government trying to unpick the inheritance of the privatisation of British Rail. The two problems that the Government have sought to address are the lack of strategic co-ordination and the chronic underfunding of the system. I pay tribute the Government for the spectacular way in which they have addressed the underfunding. There is no doubt that additional funds have been found and that investment has increased significantly—most hon. Members have seen that—but the success in identifying the resources has not been replicated in the strategic co-ordination of the railway system.

The reforms proposed in the Railways Bill will continue to avoid the central problem of fragmentation and the resulting cash leakage, which we have heard about in the debate. In my view and that of many others, the Government need to take courage and adopt the option of bringing the railways back into public ownership, which is supported by more than two thirds of the electorate, the Labour party conference and many hon. Members.

We need to move away from the inane economic debate that has taken place about public ownership of the railways. It has been argued that it will cost—figures have been suggested in recent months—anything between £2 billion and £20 billion to bring the railways back into public ownership, but that can be done cost free: as the franchises of the train operating companies run out, we simply bring them back into public ownership, as we have done with South Eastern Trains.

We must stop using spurious arguments about the damage that public ownership would do, given the loss of the mythical £70 million a week investment that is claimed to be delivered by the private sector. Recent independent analysis by Modern Railways shows that almost all that amount is effectively Network Rail's borrowing, underwritten by the Government, and ROSCO investment, indirectly subsidised by the Government.

My view, which is shared by many hon. Members—certainly by many members of the public and now by the Labour party—is that direct public ownership under a unified agency would offer clear accountability and better value for money for the taxpayer. I and many others accept that that cannot happen overnight, but there are clear stepping stones to public ownership, and we have taken one of them only recently. The evidence of the success, for example, of bringing rail maintenance back in-house tells us that doing the same with track renewal could have a huge impact on the efficiency and cost-effectiveness of the railways and be a major step in reversing the fragmentation wreaked by Conservative privatisation.

As we heard earlier today, and as we have heard in several transport debates in recent months, there is no justification for the franchising of train operators to private providers that are now operating successfully within the public sector. South Eastern Trains has shown us that the service can be provided just as well by the public sector without the extra costs and without disruption. It is beyond reason to expend money now on franchising and privatising South Eastern Trains when it is operating so effectively in the public sector.

Devolution of planning and control is important, and many of us have welcomed it to ensure that local transport systems meet social and economic need, but it should not be used as a device for letting private companies off the hook for the financial mayhem that they have caused. Nor should it be used to allow wrong choices to be made locally that will lead to cuts in rail services. We need an integrated transport network that complements rather than competes with itself.

Independent safety regulation should be maintained. The public will fail to understand why the Government are ignoring the recommendations that Lord Cullen made after the disasters on the railways. If fragmentation means that safety standards are expensive to meet, the response to fragmentation should not be to subordinate safety concerns to economic regulation, as many now suspect of the Railways Bill. In addressing the issue, the Government will be aware that, this year alone, eight track workers have been killed—a 13-year high. Incidentally, all those tragedies have occurred under the eye of private railway contractors.

In the context of rail safety, the Government will be aware of the huge disappointment of transport workers and the families killed in the tragic accidents on the railways that, years after corporate manslaughter legislation was first mooted following the Southall tragedy, it still appears a long way off in terms of being effectively legislated for and the culprits of corporate negligence being brought to book. We look forward to early implementation of legislation and to debate on the time scaling of that.

Public ownership is working, and it is working in our industry now. South Eastern Trains has operated successfully in the public sector for just over a year. Trains arrive punctually and passenger complaints are down by 1,000. The company has employed and trained hundreds of additional staff to improve the environment of its stations. Why cannot the Government simply accept that passenger services are now being run more efficiently and punctually than when the private

operator Connex operated the service? In fact, for every quarter that it has been in the public sector, South Eastern Trains' punctuality figures have improved.

There is almost universal support for keeping South Eastern Trains in the public sector—not only from the TUC, the rail unions, the Labour party conference and the overwhelming majority of the public, but from the Transport Select Committee. More than 100 of my colleagues on the Labour Benches have signed early-day motion 254 tabled by my hon. Friend the Member for Eltham (Clive Efford), which called for South Eastern Trains to be maintained in the public sector.

The Government have said to us time and again that the issue is not whether a service is public or privately owned but whether it works. In the case of South Eastern Trains, the service clearly is working and, given the support for retaining passenger services in the public sector and the growing support for a wider role for the public sector in the rail network, I hope that the Government will accept, even at this late stage, that there are compelling reasons for maintaining this service, in particular, within the public sector. As has been said, it could be used in the future as a public service comparator by which one could test in the short term the operations of some of the train operating companies.

It is important that we recognise the role of our hard-working and dedicated railwaymen and women who keep the industry working seven days a week, 365 days a year. Little has been said about the work force in this debate so far, and we need to pay them the compliment that they deserve for their commitment and dedication to their industry. We must recognise that their employment conditions were undermined by privatisation, and that they continue to be undermined by privatisation.

The open, transparent and accountable industry-wide collective bargaining of the public railways was shattered by privatisation, and industrial relations were worsened as a patchwork of competing interests among the railway companies opened up pay differentials between employees of the same grade working for different companies. In many cases, there was a difference of thousands of pounds between different grades of employees doing the same job. The Government should be aware that that has created disputes within the industry which could have been avoided.

The differentials have been compounded by the travel facilities offered to a two-tier work force. Those who were employed prior to privatisation receive full travel concessions, yet those who joined later do not. There are also widespread differences in annual leave entitlement, pension contributions, London weighting and associated allowances. It is understandable that grievances within the industry give rise to disputes if men and women who work alongside one another are on such different rates of pay and work in different conditions, receiving different travel facilities and other concessions, while doing exactly the same job. Having given a commitment to address the two-tier work force within local government, health and public services generally, the Government should consider tackling the two-tier work force that arose as a result of the privatisation in this public service—the railways themselves.

There is also a concern that the failures of rail privatisation are being experienced on the London underground. Network Rail stated that the decision to bring maintenance in-house on the mainline railway would ensure greater consistency of maintenance and improvement in standards, which would help to deliver efficiency savings far more quickly than would otherwise have been possible. The company explained that the move would mean that

"in future there will be a single management structure with clear lines of accountability and a simplified relationship between operations and maintenance",

with work carried out

"by a permanent workforce of well-trained individuals committed to a strong safety culture".

In the light of those statements about maintenance arrangements, it is untenable that we have a fragmented privatised maintenance on the underground. We even allow the same companies that have been removed from maintenance contracts on the national railways to continue to make profits on the tube. The Government should reconsider the rationale of the public-private partnership on the London underground, with a view to introducing legislation that will allow the Mayor to create a flexible, unified, streamlined, publicly owned and accountable underground network. I look forward to amending legislation to enable that to happen.

The bus industry has been discussed. The warning signs were there for us all to see when the Conservative Government privatised our bus industry. Yet the radical action that is needed to bring the buses back into regulation has not been taken by this Government. Recent Government statistics reveal that the decline in use of deregulated bus services outside London has accelerated. Bus usage outside London declined by 2.5 per cent. in 2003–04, while usage of the regulated London buses increased by 10.4 per cent. overall. The decline is clearly caused by the fact that the passenger transport executives and local authorities outside London have fewer controls over fares, networks and service quality, and are unable to offer the integrated quality bus service that would stem the decline.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend agree that we should also press for something else? The Government have done much to ensure that concessionary fares are available in parts of the country. He represents a London constituency. Should we not have a similar generous scheme throughout the country for people who live in constituencies such as mine?

John McDonnell: I welcome that intervention. Just eight months ago we presented to Parliament a petition calling for a national system of concessionary fares. One of the most popular things that the Greater London council did—I say this as a former Greater London council member and chair of its finance committee, which paid for the scheme—was to introduce the concessionary fares scheme for retired people in London, which had cross-party support. That popular policy endeared the GLC to people and has been maintained by the London Mayor. Not only would that be a wonderful investment in terms of improving the quality of life of many older people, but it would also help to maintain the bus service overall because the increased usage would attract other members of the

[John McDonnell]

family on to the buses as well. I would hope that that would have cross-party support, and I wholeheartedly support the proposal.

It is disappointing that there is no primary legislation to cover the maritime industry. Some references have been made to ports today, but no overall direction was given in the Queen's Speech on future legislation on the industry. As an island nation dependent on shipping for over 90 per cent. of our trade, the UK needs to maintain its maritime skills, but over the past 20 years the number of seafarer ratings in the UK has declined from 30,000 to 10,000. That decline represents a significant threat to our future prosperity, our trade and, given the role played by the merchant navy in any military action in the past, our security. The experience and expertise of British seafarers is respected worldwide, and we must not allow the skills base to be further eroded or the decline in that traditional native industry to continue.

The tonnage tax, part of the programme of assistance to the shipping industry which we all welcomed in the House, was a significant concession to the industry. Shipping companies that enter the tonnage tax regime pay a notional tax levy according to the size of the company fleet, as opposed to the normal form of taxation based on company profits. So far, the concession has been worth at least £70 million to the industry and, as I said, has been broadly welcomed by us all. At the time of its introduction, it was the Government's hope that the granting of such favourable concessions would improve the economic climate for UK shipping so that increased numbers of UK ships would enter the register, which would in turn generate increased employment opportunities for UK seafaring officers and ratings.

Unfortunately—this matter was raised in an Adjournment debate earlier this month—despite those measures the increase in employment for UK seafarers has not materialised. The companies have received the tax concession and it has been at least double the amount originally predicted by all sides, including the Government, yet the jobs have not been forthcoming. UK seafarers continue to be dismissed and replaced by low-cost foreign nationals on what can only be described as exploitative pay and conditions. I welcome the fact that in recent months the Government have given a commitment to consider whether a firm employment link for seafaring officers and ratings should be introduced as a condition for qualifying for the tonnage tax concession. I firmly believe that the shipping companies should play their part in ensuring that the UK can retain the skills that will help to protect our future security and prosperity and our seafaring and maritime industry.

The maritime unions strongly support a firmer link between the tonnage tax and employment and training for UK seafarers. As a substantial taxpayer concession, that tax must now be used to help to achieve the increase in UK seafarers' employment originally spelled out in the "Charting a New Course" White Paper.

A sense of urgency has been created by the actions of P&O, which has just launched a major cost-cutting exercise, with 1,200 seafarers facing redundancy and many of those who will be left threatened with cuts in pay and conditions or adverse changes to their working practices. Cross-party representations have been made to the company, and I am grateful for the work that has been done by all political parties to impress on P&O the importance of engaging in proper consultation and negotiation with the trade unions. However, the devastating job cuts are being threatened in what is already a very precarious situation for UK seafarers, especially ratings.

Despite receiving substantial concessions from the taxpayer in the form of the tonnage tax, P&O has made a decision that means that it will withdraw from virtually all its existing western channel routes, leaving a monopoly position for Brittany Ferries. It will also significantly cut its operations at two other ports. The dismissals are accompanied by cuts in pay and conditions for many existing seafarers and a crude attempt by P&O to force some employees out of the industry on redundancy terms lower than their current contractual entitlement. We need to join forces across the House to condemn the company's actions. The Government must intervene and raise the matter directly with the company and the employers' organisation, the Chamber of Shipping Ltd. We desperately need a long-term strategy for the future of the UK ferry industry—particular account should be taken of the fact that the French Government provide support to secure their interests in the cross-channel trades.

I should like to raise one further matter with regard to shipping, which I regret was not addressed in the Queen's Speech, although there was opportunity to do so. The Government must address the fact that they still permit discrimination on the ground of nationality in the shipping workplace. UK seafarers working on UK ships are still excluded from the full provisions of the Race Relations (Amendment) Act 2000. Astonishingly, the Government's explanation is that the only aspect of a person's employment on which there may be discrimination is pay, and the only ground on which there may be discrimination is that of nationality. Ship owners can therefore continue to discriminate on the basis of race and colour, for example. An ethnic Indian worker recruited abroad to work on a UK ship will not be able to claim discrimination on the basis of race or colour, because the employer is legally able to argue that discrimination is on the basis of nationality. For that reason alone the moral argument for outlawing discrimination on the ground of nationality is clear.

Ministers will be aware that the European Commission is examining that practice. It recently stated that it believes that European Community law may not allow for the payment of lower wages to fellow European citizens on EU-flagged vessels, and the Government should adopt a similar view. There is a moral obligation to end such exploitation and discrimination against seafarers, and we call on the Government to include all seafarers in all employment and equal rights legislation. It cannot be appropriate in this century that people can be discriminated against in such a way—doing the same job for different rates of pay and under different conditions just because they come from a different country.

. There are real opportunities in this Queen's Speech to look forward to an integrated, fully funded transport strategy, but I do not believe that it can be undertaken on the basis of the railways in private hands, by giving concessions to ship owners to which they do not respond by ensuring the employment of seafarers, or given the exploitation of workers on grounds of discrimination and nationality. I hope that the Government will consider amending the proposed legislation and introducing new Bills that will put our transport system on not only a well-funded basis, but a fair basis that serves the general public and the interests of the country.

4.22 pm

Andrew Selous (South-West Bedfordshire) (Con): There can be little doubt that, of the three subjects for debate this afternoon, the environmental problems facing this country—indeed our planet—are by far the most serious. It is on that subject that I wish to begin.

We must note with great concern that carbon dioxide emissions have increased over the past six or seven years, in contrast to the last six years of the Conservative Government, when emissions fell. It is sad that this country has not managed to exert the influence that we might have expected over the United States of America on the subject. I hope that the Government may yet be able to do so. I am proud to serve under a Leader of the Opposition who was influential in getting the United States to sign the Rio treaty. More recently, those of us on the Conservative Benches can be proud of the pressure that we, among other groups, brought to bear on the Government on the Housing Bill, to ensure that homes become more energy efficient. That is a very important part of a proper, integrated environmental strategy.

There has been some debate this afternoon about wind farms. My party is certainly not opposed to them, but it is worth noting that offshore wind farms are twice as efficient as onshore wind farms. We must allow local decision making on the siting of wind farms on land. Local communities should have the final say on matters of great significance that will affect them. I am pleased that the electricity in my London home is supplied from offshore wind capacity. I was able to arrange that through my electricity supplier, npower. I commend the company's initiative in offering consumers wind power-generated electricity through the national grid. I hope such initiatives will expand.

Like other hon. Members, I reacted with great concern to the pictures of fridge mountains that we saw in our papers over the past few days. I gather there are pictures of car mountains as well. It is extraordinary that we have yet more European Union regulations coming into force in the United Kingdom. We in all parts of the House can agree with the purpose of those regulations, but we do not have the capacity in place to cope with them. We must make sure that the recycling plants are available in this country before we introduce the regulations, or we will see more fridge mountains, more car mountains, more battery mountains and so on, across the country.

Aviation emissions are a subject of close interest to my constituents, as my constituency is situated close to Luton airport. It is clearly right that we seek international agreement to ensure common practice among the world's airlines and to make sure that a country that takes a lead in the matter does not end up losing out. I hope the Government will undertake to ensure that there is broad international agreement.

On the international front, I was astounded to learn from my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman) that we have lost some 4.6 million sq km of rainforest in the past 20 years. We know that the rainforest is essential to deal with the carbon dioxide emissions that we continue to pour out. Such an area of rainforest may be hard to visualise but I understand that it is 11 times the size of the United Kingdom.

On environmental matters more directly related to my constituency, fly-tipping continues to be a subject of enormous concern to my constituents in both the rural and the urban areas of my constituency. We often think of fly-tipping as happening only in the countryside, but it happens in towns as well and is a great blight and eyesore which brings down the communities affected by it. I am delighted that my party has said that it will make fly-tipping an arrestable offence. I should like to see the police working alongside local authorities and the Environment Agency to tackle the problem. The odds are so heavily stacked in favour of the fly-tipper that we need all available agencies to do something about the problem. I cannot help reflecting on the fact that the Government see fit to give the police the duty of policing the Hunting Bill, which we have just brought in, yet they do not ask the police to deal with fly-tipping, which is an extremely serious everyday problem faced by many of our constituents throughout the country.

Transport matters are of great concern to my constituency. After some 80 years we have at last had an assurance that the extension of the A505 to the M1 or the Dunstable and Houghton Regis northern bypass will be built. That is a committed project for which I am grateful. I presented a petition on the Floor of the House signed by some 25,000 of my constituents, which gives hon. Members some idea of the strength of feeling on the subject in my constituency.

I am concerned to note that the Government's proposals to build about 43,000 extra houses in my constituency mean that there will be about 10,000 extra houses built in the constituency before this essential bypass is built. I worry that that will turn an extremely serious problem of transport congestion into one of total gridlock. When the bypass is built, I hope that the Government will agree through the Highways Agency to ensure that there is a lorry ban on the A5 as it passes through Dunstable. One of our respected local GPs, Dr. O'Toole, of the Kirby road surgery in Dunstable, recently drew attention to the fact that children in Dunstable suffer considerably higher levels of asthma than do the children whom he sees from the surrounding villages and other areas.

We should not forget that traffic congestion and diesel pollution especially have an adverse effect on people's health, particularly children's health, in built-up urban areas. It is a transport and health priority that we should try to get freight moving along roads that are properly designed for it and not moving through built-up urban areas where it does not need to do so.

In south Bedfordshire we face a threat to the structure of our local democracy in that the Government are intent on building a guided bus system at a cost of about

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£85 million between Luton, Dunstable and Houghton Regis, even though the scheme is bitterly opposed by my constituents. We understand from the Government's projections that the scheme will cost about £85 million, as I have said, and other projections suggest that it could go as high as £106 million.

I am sad that the alternative proposals put forward by Chiltern Rail, that would have led to a light railway with feeder bus services, which could have been produced far more cheaply at a cost of about £35 million, I think, has been withdrawn. It seems to me that Chiltern Rail has been, at the very least, leaned on by the Government to withdraw the scheme.

Even more worrying for my constituents is that we have been told that Luton borough council will have the ability compulsorily to purchase large amounts of land within south Bedfordshire, the area that I represent, to establish a transport scheme that is bitterly opposed by many of my constituents. That is extremely worrying from the point of view of local democracy. I will certainly be opposing it when the public inquiry sits early next year.

The last transport issue that I shall mention relates to the proposed flight path change that Luton airport is requesting. There are understandable reasons for the airport wanting to do this, given that the current flight path is not an easy one to fly—it is a slightly complicated S-bend. No doubt the proposed flight path would be slightly safer for the pilots and passengers when using the airport. However, the flight path is scheduled to pass directly over the largest town in my constituency, Leighton Buzzard, where about 38,000 people live. It would be quite easy, however, for the flight path to pass round the town on a slightly larger loop.

I am aware that with any flight path that there will be winners and losers, but surely it is the role of the Department for Transport and the Civil Aviation Authority to minimise the environmental impact in terms of flight path noise. That is clearly not possible on the proposed option 3a flight path. I have already raised the matter with the Department; I have had a meeting with the Minister; and I have been to the CAA. Before Christmas, I will be presenting yet a further petition signed by many thousands of my constituents. I want the Government to realise the seriousness of the issue, which they may well need to call in, depending on the CAA's decision.

On local and devolved government affairs, in my constituency the Government propose to double the number of houses, primarily on green belt. We welcome some of those houses; my district council had plans to build 7,000 to 8,000 additional houses that are vitally needed and I yield to no one in my desire to see the housing needs of my constituents met. But the Government's decision to ram such massive amounts of housing into only four areas around London where there are simply not the jobs for the people that such housing will attract is bitterly opposed by my constituents. Some 17,000 of them, led by leading Labour, Liberal Democrat and Conservative councillors, again signed a petition that I presented in the House under the banner headline "Local homes for local people".

I ask the Government to think again because everywhere that I travel in the wider south-east I find that local authorities, local councillors and local people say exactly the same thing. There is massive resentment about such Government imposition on matters that are essentially local. It is really quite outrageous that such local matters have to be debated here in the House of Commons, because the decisions have been taken out of the hands of the local authorities—the local housing and planning authorities—whose proper responsibility these functions are. Those authorities have a say only in the final stages when all the major decisions have been taken. That is a serious threat to local democracy.

We ask why the numbers of people voting in local elections go down and down, but if the real power and responsibility to decide such matters is taken out of the hands of local councillors, that will be the result. If local councillors do not make the right decisions and do not provide the local housing that is needed, local people will vote them out and will vote in councillors who will provide the housing that they need. I say to the Government, trust local people to make the right decisions for their area and do not take those powers away.

In that regard, I am delighted that my hon. Friend the Member for Meriden (Mrs. Spelman) has said that we will scrap the wretched regional assemblies that again are siphoning powers upwards and away from the people. One ODPM Minister described the regional assemblies not quite as the plaything of the Deputy Prime Minister, but something to that effect. They were described as having to implement the plans of the Deputy Prime Minister.

It is a source of huge resentment in my area that councillors from outside the area are taking decisions that are massively significant to south Bedfordshire. It is no good for the Government to say, "Oh yes, but there are some Conservative councillors on the regional assembly." Conservatives will sit on any body that is set up by the Government to try to do the best that they can under the structures that have been created. But all Conservatives want to see real local government exercised at the truly local level, and that is what we are committed to. I say again that I am delighted that the East of England regional assembly will be no more under a future Conservative Government.

As I have already said, we would be faced with this tremendous number of extra homes and a severely worsening road system, but rail problems would also become more serious. We already have problems on the Silverlink line from Leighton Buzzard to Euston. I have received increasing numbers of complaints from my constituents about the service, and the greater strain that would be placed on that service with the projected housing for my area does not bear thinking of. The services that that number of people coming into my constituency would require are a cause for concern, and concerns also exist about sewerage, water, access to green space and pollution.

Leighton Buzzard is the largest town in my constituency, and it has been trying to obtain a community hospital for about 20 years. It is one of the largest towns in the UK to have no hospital facility and

it is much larger than towns in Buckinghamshire, Bedfordshire and Hertfordshire that have community hospitals. Last week, I tabled a written question asking whether Leighton Buzzard will get a community hospital as part of the sustainable communities plan. The answer is no; I was given general figures about increased spending on health in the so-called sub-region that the Government have devised, but I was not given a clear commitment. Even on infrastructure, my constituents have nothing to look forward to.

On planning law, my constituents face the difficulties caused by a large number of unauthorised or unofficial Traveller sites—we have between five and seven such sites. The sites are bought by the Travellers concerned, who actually own them. They subdivide the title to the land at a great rate and, before you know it, arable land intended for growing crops or for grazing livestock has become a mini-encampment. Some of those sites have street lights, tarmac roads and curbed pavements. They have sprung up without the knowledge and with the complete opposition of the local authorities concerned.

It is not good enough that the Government have tolerated that situation for so long, and I wonder why they have been so negligent for so long. The problem affects many Labour Members' constituencies, as it affects my constituency. It is impossible to describe the many planning difficulties that arise as a result of those unauthorised Traveller encampments. Large numbers of settled families are removing their children from schools in my constituency. I have visited the teachers at those schools, and it is incredibly difficult for the local education authority or a local village school to cope with a vast, unplanned influx of children. For that reason alone, the Government must ensure that planning law applies to everyone.

Frankly, the current situation discriminates against the settled community. Again, I praise my hon. Friend the Member for Meriden, who has worked hard on our policy. The next Conservative Government will have policies, which local authorities will be able to enforce straight away, to stop unauthorised encampments springing up in the first place, and I thank her for that.

My constituents are concerned about the environment, transport and local government, and I am pleased and encouraged by the way in which my Front Benchers are developing policy in those areas.

4.43 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): I was delighted to hear the acknowledgement in the Gracious Speech that the Government will, in holding the G8 presidency in 2005, include work on climate change as one of their priorities. This afternoon, we have heard a substantial debate on what climate change may mean for the legislation in the Queen's Speech. I remain bemused as to why our other opportunity to discuss global warming in this Chamber was removed and replaced with a debate bemoaning the presence of wind farms across the country, but I shall let that pass.

The Conservative party's late conversion to the idea that global warming is real and that all hon. Members need to take urgent measures to combat it is important. I say that in the context of what my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs recently said at the Labour party conference—that

"the scientific evidence suggests that the world community has only until 2020 to begin to reverse"

climate change. Unpacking that statement, it means that the measures that will get us to the target that we need to arrive at by 2050 need to be in place by 2020. That is a time scale that is probably not only in the lifetime of most hon. Members in this Chamber, but in our political lifetime. That means, in effect, that we need to think about, decide on and put into action the measures that will make any stabilisation or reversal of climate change possible by 2050, and we have to do it by 2020—in other words, after no more than three general elections.

I hope, and am confident, that we will have Labour Governments for that entire period—it will be a grave responsibility on the shoulders of those Ministers—but it is just possible that we will not. We therefore need to achieve a consensus in the House whereby the necessary measures on dealing with global warming and moving to a low-carbon economy are taken, agreed to and adhered to. The conversion of the majority of Conservative Members to achieving that consensus is genuinely welcome. If a Government were to come to power and to decide for populist reasons, or because they found it too hard, that they wished to reverse all that had been done to move towards a low-carbon economy, the damage that that would do to the trajectory that is necessary in order to move forward would be immense and immediate, and would undo the long and hard work that will be necessary over a long period.

Although I welcome the Conservative conversion, it has come with a number of loudly quacking canards, one of which—we heard it this afternoon—is that the reduction in CO_2 emissions proceeded faster under the previous Government than it has under the present Government. The hon. Member for Meriden (Mrs. Spelman) nods. I was about to agree with that, but to point out that the reduction happened solely as a result of the dash for gas. Virtually no other measure made any significant difference to the amount of CO_2 emissions during that period. There is no second dash for gas in view—although, given the wobbling of the Conservatives in relation to nuclear power, we may have a dash for nuclear.

Gregory Barker: I am afraid that I must tell the hon. Gentleman that part of the reason why the last Conservative Administration was able to reduce carbon emissions was that we embraced cleaner technology. One of the main reasons why emissions have gone up under this Labour Government is that when they came into office they halted—purely for ideological reasons, because they were still in hock to old industries and trade unions—the conversion to cleaner gas and went back to coal, thereby embracing dirty, old-fashioned technology.

Dr. Whitehead: I think that the hon. Gentleman will find that the overall reduction in CO_2 emissions was almost solely the result of the dash for gas, and that several other measures that have come on stream since are beginning collectively to make an impact. Because

[Dr. Whitehead]

we do not have the option of another dash for gas, the measures that now need to be put in place—I trust that they will be—are much more diverse and difficult to achieve immediate results from, and therefore need support and consensus beforehand. It is sad that in the last few years that consensus has not been there as I would have hoped.

We need to concentrate on actions, rather than action plans. We do not necessarily need immediately large amounts of new legislation to take action on climate change, energy and the environment. Many measures that could make a difference are in place. They may need to be amplified or taken much further, but they are in place. We have in place measures ahead of the EU on carbon trading in the UK, renewable obligations for energy supply, the carbon levy on carbon emissions in industry, and the implementation of the landfill directive and other such directives. I am sorry to say that the Conservative party opposed all of those measures when they were first raised in this House.

This afternoon we have heard of action plans, some of which I wholly agree with. I have raised some of them in the House myself, for example on the need to develop much greater use of biofuels, on the benefits that that would bring in terms of energy crops, and on the relationship that that has with sustainable agriculture. I am delighted to see that clothes have been stolen in that respect. At least stealing clothes reflects on the good taste of the person who bought them in the first place. I am saying, not that I thought of those matters first, but that a number of hon. Members from all parties have an honourable record on raising these issues about energy crops and the use of renewable fuel. It is good that that is now a live issue in the Chamber.

I spoke of canards earlier. It was mentioned that it might be a good idea to have a renewable fuel obligation. We have in energy legislation a renewable fuel obligation. That is on the statute book. The Secretary of State has powers to bring in a renewable fuel obligation. Yet it appears that certain Opposition Front Bench spokesmen have not noticed that. Those measures are already in place, but need to be amplified and taken further.

I want to mention two of the actions that need to be taken on global warming and the environment. Over the next 20 years it is not a question of thinking up wonderful Acts which may suddenly make a change in our CO_2 emissions; it is a case of mainstreaming our actions in Parliament in terms of including in all the legislation that we pass a sustainable and environmental context, which ensures that that legislation works. In that context we have heard this afternoon the canard that wind farms do not work and are not efficient, that it would be a good idea if we had something other than wind farms and that the Government have only wind energy as their weapon for achieving immediate goals on climate change. Any perusal of the Energy White Paper will show a timeline of a number of different forms of renewable energy and any perusal of recent investment figures in renewable energy technologies will show that a number of different technologies are funded and coming to market. For wind energy to work, it has to be possible to install it and make the necessary changes in the grid. It is not sufficient to will the ends but not the means. Wind energy is the key element for moving towards renewable targets. It is not sufficient merely to state that one is in favour of wind energy and to have a planning policy that favours wind energy, but does not favour it anywhere in particular. That seems an abdication of the real actions that we need to take.

Mrs. Dunwoody: I do not find anything to disagree with in my hon. Friend's exposition of the need for wind farms, but does he agree that if they are to go offshore it would be wise not to put them in heavily used shipping lanes?

Dr. Whitehead: I agree. It would be unwise were we to find that large tankers were mowing down wind farms as they traversed the sea. I am delighted that discussion has enabled that problem to be avoided in the case of the London Array and the Blackpool wind farm sites. Siting is an important element in the development of offshore wind farms. We are grateful for the work of the Transport Select Committee on the issue. It has looked into how sites might be signposted.

I want to pay a little attention to two Bills that will integrate the concept of sustainability into the everyday lives of our people and the work of the House. The first is the Railways Bill. It is important that we take measures to get passengers and freight on to rail and move our railways forward in an integrated manner. The Bill will substantially do that. The Transport Act 2000 gave overall authority to the Strategic Rail Authority when it said that the purposes of the authority were:

"(a) to promote the use of the railway network for the carriage of passengers and goods,

(b) to secure the development of the railway network, and

(c) to contribute to the development of an integrated system of transport of passengers and goods."

It further suggests that the SRA should contribute to the achievement of sustainable development. I hope that the Railways Bill will transfer those requirements to the new organisation for securing the strategic future of the railways. They sum up the way in which the long-term future of the railways should be secured.

I am delighted to hear from my right hon. Friend the Secretary of State for Transport that there will be further securing of freight on the rail network. It is a more sustainable method for transporting goods around our country.

My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) mentioned the difficulties that may arise in the strategic development of ports and the efficiency of ports for the transit of goods. We may face difficulties if we do not ensure that our ports have the capacity that they need in the coming years. I am sure that my hon. Friend will agree that the operation of the land side of ports is as important as the sea side. We must make sure that freight can get to and from ports and is not squeezed out by the requirements of the passenger network. Those issues are very important in terms of sustainability and the environment. In that context, it is important that containers can be carried on our trains without colliding with bridges. That is the

land equivalent of ships colliding with wind farms. Prevention of such accidents reinforces the need to implement the rail upgrades necessary to ease the passage of freight, and that should be part of our sustainable planning.

I want to draw attention to the clean neighbourhoods and environment Bill, My right hon. Friend the Minister for Rural Affairs and Local Environmental Quality has worked very hard on the consultation process for that measure, and in the discussions that have led to the proposals in the Bill, which I hope will soon be debated in this House.

I am particularly interested in those elements of the Bill that deal with the disposal of contaminated waste, and fly tipping. Also, provisions in the Bill will serve to switch off part of the Environmental Protection Act 1990 so that local authorities will be able to develop partnerships to develop new methods of waste management, minimisation and disposal. That would represent a substantial step forward in the management of waste, and in the ability of local authorities to deal with it in a way that adds to the sustainability of the process.

I hope that the Bill will also switch off other elements of the 1990 Act. If it does not contain such provisions at the moment, I hope that Ministers will consider making the appropriate changes. I am thinking in particular of section 55, which requires local authorities to collect all domestic waste placed outside front doors, regardless of what it is. Section 55 of the 1990 Act prevents the development of variable charging systems for waste by local authorities. Such systems can incentivise waste reduction and render more efficient the transformation of non-biodegradable waste to biodegradable waste. Moreover, they can make waste collection more efficient, with the result that local authorities can deal more effectively with waste management problems.

Many local authorities would like to be able to do that, as would the people who live in their areas. Although no system need be imposed nationally, those authorities who would like to avail themselves of such powers should be able to do so. That can all be achieved through the simple expedient of switching off the relevant provisions of the 1990 Act. I hope that my right hon. Friend the Minister will bear that in mind when the Bill comes to the House for Second Reading, and in the subsequent Committee stage.

I have listed some of the actions that I believe need to be taken in respect of achieving environmentally sustainable management for our economy and our communities, but I shall end by presenting the House with a puzzle.

The House has heard a number of proposals on environmental management today, especially from Opposition Front Bench Members. One of the Opposition proposals is to remove £4.2 million from loca government expenditure over two years by means of freezing budgets at 2004-05 levels. That proposal was put forward in the middle of February by the shadow Chancellor. If it were to be implemented, it would lead to very high council tax levels in those local authorities that wished to maintain their budgets, and impact disproportionately on district councils' environmental protection and cultural services budgets. Those are the councils that are attempting to grapple with the issues of waste management and, in many instances, are trying to develop more imaginative and comprehensive methods of waste disposal. They would be grievously penalised by the removal of such funding. I am sure that Opposition Front Bench Members would agree that as the escalator for the landfill levy increases, so the money has to come out of the same budget for paying the landfill levy. If local authorities do not have the resources to divert waste, the consensus on the necessary measures to make progress will not lead to action. We need action, and the Queen's Speech contains several measures that will ensure that action is taken towards reaching our common goal of a low-carbon economy that is both efficient and effective.

5.6 pm

Sue Doughty (Guildford) (LD): The Gracious Speech contains several legislative proposals that relate to the subjects for debate today, and some that affect my constituents. I could not be here at the beginning of the debate because I was talking to the supporters of Spinal Research, and that subject leads directly to the road traffic Bill because many people suffer spinal injuries in road accidents. Spinal Research, a charity based in my constituency and which I strongly support, is undertaking some excellent research, with welcome and much appreciated Government support.

We are all deeply conscious of the damage done to people and their families by road traffic accidents. Another charity based in my constituency is Headway Surrey, which also assists the victims of road accidents. It continually struggles for money, but its existence is a poignant reminder of why we need stronger action on road safety. Some of us attended the RoadPeace service last week and I attend each time with an increasingly sinking heart, because life has been so tragic for each member of the congregation. Each of them has lost a family member who was killed on the roads, but they have not come to terms with their grief. The services are organised by RoadPeace, which works tremendously hard to address the scourge of death on the roads.

One in three people are directly affected by fatal road accidents. In 2003, 3,500 people were killed on the roads—no small number. Compared with the number killed in railway accidents, it is horrific carnage. The Government's proposals for improvements in legislation to put the responsibility on those who cause death is welcome for the families involved. We need to ask how we can change behaviour. At the moment, people may go to prison but they are released very quickly. What sort of message does that send? We must have sentences that reflect the great damage that any one of us can do to others if we misuse our cars.

Bad driving is not the only cause of road accidents. In many accidents, no other driver is involved. Many occur on badly designed roads, and I hope that the Government will be able to work with county councils, unitary authorities and the Highways Agency to identify those roads with severe accident blackspots. I live close to the A281, south of Guildford, which has a huge number of accidents. The county council has to rebuild its signs constantly—there are not enough of them—but there is no apparent reason for the accidents. We need to find out the reason, because there has been an accident every fortnight or so recently. Although the

[Sue Doughty]

Government, through legislation, will rightly go for people who cause accidents through bad driving, that will do nothing to ensure that those who are responsible for roads design out accidents.

It is incredibly difficult for people who live next to an accident blackspot, because they know that whenever they hear a crash they will be first on the scene. In Clay lane in Burpham, people have been impaled on railings because of bad road design. On the A281, people have been thrown into trees. It is unacceptable not to put more responsibility for accidents on to those who design our roads. We need to do more about that.

By and large, we support a safer and cleaner communities Bill. No one could fail to support such a measure, as it would affect the quality of all our lives. Such matters account for much of our casework. People want to live in an area of which they can be proud. They want to know that if others are defacing the area, by fly posting, littering, dropping chewing gum, behaving badly or noisily, or being firework yobs, someone will deal with the problems, so of course we support the measure. That is not up for discussion.

We must consider how we should actually deal with the problems, however. We need to consider the penalties so that we do more than just give people a slap on the wrist. The Government should look into the things that spoil our quality of life; for example, for my constituents in Bellfields, where people have been throwing fireworks, setting light to trees, knocking on doors and dropping litter. There are all sorts of problems, some of which are due to a dispersal order imposed two estates away. The kids are not allowed there, so they move on to the next estate, causing mayhem, and then end up in Bellfields where they make everybody's life a misery.

We need to look not only at what is going wrong but at some of the remedies. If kids are making a nuisance of themselves, it is not enough simply to tell them off. As their parents say to me, "What else are they to do?" My local police have been doing some good work with youngsters, their parents and community members, so that the offenders have to meet their victims and cannot think of them only as anonymous people behind closed doors. However, much more needs to be done and we should consider how to deal with such problems in the legislation.

We have the problem of neighbours from hell. Sadly, some of them have children from hell, but that hell may start in their own home, so they go out and cause problems for other people. People may complain that they do not like living next door to a particular family, but sometimes the council cannot move the family because the children need to be settled in a school. We need to do much more, not only by telling such families that their behaviour is unacceptable but also by working with them and their children to get some stability into their lives so that they can change their behaviour. We have to invest in people, as well as criticising and punishing them.

Mr. Andrew Love (Edmonton) (Lab): Does the hon. Lady agree that we need to use the carrot as well as the stick? One way of improving the situation would be to re-engage with local youth services so that young people have an active outlet for some of their energies and do not get involved in the type of activity she described.

Sue Doughty: I thank the hon. Gentleman for that useful intervention. Yes, I agree. Kids need different things nowadays. The days are gone when every child wanted to be a member of a youth club. We need to find different ways of engaging with youngsters; for example, investing in sport and football pitches and finding other things for them to do. Many people are trying to do such work, but in a county such as Surrey where there is next to no expenditure on youth services, it is difficult and lonely for those who are trying to make a difference, but that needs to happen.

I have some other concerns about how we are to deal with and punish offenders under the Bill. The newspapers report that there will be more powers for community support officers. On 22 November, *The Independent* suggested that town council staff might levy on-the-spot fines. We have discussed those fines previously. We have heard the idea that the man who cuts the grass in a village and spots kids leaving rubbish in the park will get them by the collar and march them to a cash machine to pay a fine. But what if there is no cash machine in the village? It is not going to happen. There is potential, particularly in the clean neighborhoods and environment Bill, for a lot of confusion about how we are going to enforce measures. On the major issue of fly-tipping, the Liberal Democrat proposals for an environmental court, which would really get specialists to understand the law on that issue, could go a long way, but we must decide how we are going to deal with some of the minor bad behaviour.

As has been said, we are all faced with a large influx of housing, particularly in the south-east, including my area, and yet we do not seem to have clarity about whom we are trying to house. In Guildford one needs to earn £74,000 a year to buy a house at today's average price. People in all sorts of normal careers—including town planners, and the head teachers of some schools—find that housing is beyond their reach. So we are envisaging lots of housing but we have a lack of clarity about who it is needed for.

I have problems trying to get housing for people in my constituency who will never get enough points to live in one of the very few three-bedroomed houses available, and yet they cannot get housing on the open market because they are on benefits. The council sends them to the open market, but the open market says, "Our buy-to-let mortgages will not allow us to give you a mortgage if you are going to let the property to someone on housing benefit." So what do these people do? We need a lot more clarity on what we are going to do to provide Government support for key workers. The money that has come is most welcome, but it will not go far enough.

When we have denser housing, we shall have more stress. People living cheek-by-jowl have a lot more problems; noise is a key issue. But there are other areas where we also have noise, which will not be dealt with in the clean neighbourhoods and environment Bill. We really have not got to grips with the dreadful, noisy train horns that make people's life a misery, preventing them from sleeping at night, waking them up early in the morning and making them a nervous wreck. I have been trying to get something changed on this for months and nothing is happening.

As a result of changes in traffic flow, noise on roads is reaching a level that is unacceptable on health and safety grounds, yet we cannot get anything done if a road has been in place for a long time. Traffic movement has changed but the road has not. In that situation there is nothing in law to make people's life better, so we cannot make any headway in relation to the A3 in my constituency, which is much noisier than it has ever been.

On sustainability, the Government need to look at their own behaviour. How much are they doing at the Department of Health to increase sustainability? How are they moving forward on their sustainability agenda in all areas? Very little is done in hospitals to reduce heating and air conditioning bills. If more were done, it would save the national health service a lot of money, which I would like it to spend on lots of worthwhile activities. The Government, rightly, have concentrated on cancer and other areas and made great strides, but now it is time for them to start looking at large-spending Departments, such as the Department for Education and Skills and the Department of Health, and draw up real sustainability agendas in the buildings that they own, in the buildings administered for the Government, in universities, in hospitals, in schools and in colleges, and require much more work to be done at board level to combat climate change, to deliver sustainability and to deliver better agendas. The Gracious Speech contained a lot of legislation, and it will be a challenge to get it through. However, I hope that we will have time to discuss some of those areas.

I should like to touch on one or two minor areas. All Members of Parliament spend an awful lot of time on casework dealing with solicitors who have let clients down. We know that self-regulation is not working but we still need some solution for ordinary people who throw good money after bad trying to get justice.

On mental health legislation, I welcome the consultations—we need to make progress—but I want to see legislation with funding, because it is one of the great scandals that there is so much more we can do with modern work, modern techniques and modern medication that is not happening because of changing requirements.

I return to one of the charities that I mentioned, Headway Surrey, which helps road traffic victims. I recognise that some voluntary sector funding is not delivering money any more, and with changes in mental health funding, in health funding and in local authority funding, some of these charities that do so much good work to get people back on the road cannot operate as they used to.

Today is very much about the environment. We are heading for the G8 presidency, and I am very supportive of the fact that the Government have climate change as No. 1 on their agenda. I hope that the House will have an opportunity for a full debate on the environment with a full team of Ministers. We want to see where we are going on this issue. My hon. Friend the Member for Lewes (Norman Baker) asked earlier what the Government expect to achieve as a result of their G8 presidency in respect of climate change. That is the right question to ask because we must set the targets high, and we need real outcomes from doing so.

5.20 pm

Gregory Barker (Bexhill and Battle) (Con): I am delighted to be able to make a small contribution to the debate on the Gracious Speech today, when we are discussing the environment and transport, and particularly to follow the hon. Member for Guildford (Sue Doughty), with whom I serve on the Environmental Audit Committee. I associate myself with her remarks about road traffic accidents and the many, often silent, victims of death and injury on our roads.

Although I would normally choose to major on the environment in such debates because it is a cause that is very close to my heart, I particularly want to focus on transport today. Before doing so, I wish to say that I was disappointed that there was not more of substance in the Gracious Speech that we could get our teeth into and that would in real terms and with obvious action match the Government's rhetoric on the environment.

Sadly, when the Government came to office seven years ago, they pledged to make great progress in the environmental field. They began well—it would be churlish not to admit that they made some significant reforms—but they seem to have petered out as the years have gone by and the environment has consistently slipped down their list of priorities. It is welcome that the Prime Minister should talk about trying to make progress on climate change next year, but the Government's record to date on matching their rhetoric with deeds if very poor indeed, so I hope that the Gracious Speech is not an indicator of the relatively empty words that we have normally come to expect when the Prime Minister makes those great pronouncements.

We do not normally associate the Gracious Speech with jokes or humour, but whoever inserted the words

"Proposals will be published to protect the nation's rural heritage"

into a Gracious Speech that comes just four days after the Government used the Parliament Acts to enact a Bill that will sound the death knell of fox hunting throughout England and Wales truly had a deep sense of irony.

I particularly want to turn my mind to transport in the next few minutes, especially to three key issues that very strongly affect my constituency: the SRA's proposed cuts in the rail service to London from Bexhill; the impending announcement of the Government's decision on whether or not to fund the Bexhill link road, which will link the A259 to the A21; and the Government's continuing vacillation and delay on the improvements to the A21 between Flimwell and Robertsbridge.

First, on the SRA's proposals, it was with great shock just a few weeks ago that my constituents learned, along with me, that the SRA—the Government's rail supremo—was planning to end a direct train service to London, as part of the Brighton main line reorganisation. The associated document contains several proposed benefits to Brighton and the close vicinity, but as a disbenefit in the executive summary, it proposes that the direct link to London should be axed, so that my constituents would have to change platforms at Eastbourne or Polegate in future—something that is of profound concern to the business community, local residents, tourists and visitors.

[Gregory Barker]

My constituency of Bexhill has one of the highest age profiles of any area in the country. I think that we have the highest number of over-80s in the country and the second oldest population in a constituency along the south coast. My constituents are dependent on the train service—I am sorry that nobody on the Government Front Bench is listening to this—to get to Gatwick or to London. The prospect of having to change platforms is profoundly worrying to them.

Bexhill is a major town of 45,000 people and it is 60 miles from London. Not to have a direct train service to the capital city seems preposterous in this day and age when we should be looking to increase the use of trains and to encourage people off the roads. To cut the service and to propose that it should become a local link along the south coast is absolutely ridiculous.

The proposal also flies totally in the face of all the regeneration proposals on which I have been working on a cross-party basis with the Labour Member for Hastings and Rye (Mr. Foster) and with Labour-controlled Hastings borough council. I refer to the Hastings and Bexhill taskforce proposals to regenerate the area. Critical to that have been the proposals—*[Interruption.]* Through you, Mr. Deputy Speaker, may I ask those on the Government Front Bench to keep their voices down? They are clearly not interested in a word that I have to say and are not listening. I would be grateful if I could at least make myself heard. I am afraid that it is only the usual discourtesy that we have come to expect from the so-called Minister for Rural Affairs and Local Environmental Quality.

As I was saying, it is a great travesty that the proposal from the SRA is even being considered. Some good work has been done on a cross-party basis to regenerate Hastings and Bexhill, an area that is in dire need of regeneration. The regeneration project was born out of the Government's decision just after this Parliament was convened not to go ahead with the Hastings bypass. I am a strong supporter of the regeneration proposals, but the proposition that we should now lose a direct rail link is absolutely bizarre. I hope very much that the Minister responsible for transport will use all his good offices to intervene with the SRA to argue against that.

Norman Baker: May I suggest two alternative propositions that the hon. Gentleman might support? The first is the reinstatement of the link between Polegate and Pevensey, which would speed up journey times along the south coast and could be achieved at little cost. The second is direct train services on a regular basis from Ashford through to Brighton and beyond.

Gregory Barker: I certainly agree that opening up the link between Polegate and Pevensey would be extremely welcome. The Ashford proposal sounds interesting, although it is not one that I see heavily promoted locally. It certainly is an interesting and constructive idea, and we are in the market for them.

My area also awaits the decision from the Department for Transport on the proposal for the A259 link road. I am not instinctively a road builder; I do not believe that we need lots more roads. The new proposal is a much smaller lighter-touch proposition than the old Bexhill and Hastings bypass. It is a smaller road that avoids all the sites of special scientific interest and the areas of outstanding natural beauty that the previous road did not. It has been designed with much greater sensitivity to environmental concerns.

Of course, any road building involves an environmental price to pay, but there is also an environmental benefit from the building of the road, which all my constituents are aware of even if they do not agree with it. This road, if constructed to the north of Bexhill, will allow the release of land, which is in a strategically important place behind the town, for the construction of about 1,500 new homes that would otherwise be pushed into the rural areas of my constituency in the AONB in the high weald.

The proposal would also allow for the construction of a commercial business park that would provide valuable space to create new jobs for local people. That space is not simply available elsewhere in the greater Hastings area. Without that commercial space, the very good work of the regeneration partnership will be in vain. There simply will not be the physical possibility of creating new businesses to provide sufficient jobs to attack the social problems in the Hastings and Bexhill area.

We desperately need that road to improve transport facilities and air quality. People in Bexhill who live on the A259 have had substandard air quality, with high levels of pollution, for the past nine years, when it has been below the national minimum requirements. There are strong environmental benefits from building that small section of road and efficiently linking the A259 to the A21.

Finally, please can we have a decision on the Government's proposals for the A21 between Flimwell and Robertsbridge? The consultation began in 2003. The decision was supposed to be announced on four occasions, but it has always been deferred. The last time was in the summer, when we were promised an announcement in the autumn. We are now nearly into December.

The reality is that the Government's indecision and vacillation, which are important to the people who live along the road, means that dozens, if not hundreds, of families are living with severe planning blight. They cannot get on with their lives. They need to move, but they cannot make plans because whole villages are blighted by their lack of decision. Either way, there is huge impatience in that rural community for them to get on and make a decision. We need the A21 decision now. We need the A259 link road. We certainly do not need our direct rail link with London severed.

5.31 pm

Mrs. Caroline Spelman (Meriden) (Con): We have had a wide-ranging debate on the themes of environment, transport, and local and devolved government. I commend all hon. Members who participated in it—I think that the number of contributions made by hon. Members on either side of the House matched, which shows the interest in the subject.

I commend my colleagues for their commitment to raising environmental issues. The hon. Member for Guildford (Sue Doughty), who missed the opening

speeches, will be pleased to hear that there was a consensus on welcoming the road safety Bill. The hon. Member for Lewes (Norman Baker) asked the Government a good question about their expectations in terms of the environment at the forthcoming EU and G8 summits. We also want that answered.

My hon. Friend the Member for Bexhill and Battle (Gregory Barker) commendably put in requests for his constituents. However, he made one observation from a sedentary position. He did not recognise the rose-tinted description given by the hon. Member for Hayes and Harlington (John McDonnell) of the excellence of the train services that serve his constituency. So we had a balanced view of that, with one Member expressing satisfaction and the other expressing his dissatisfaction with that service, which is good thing.

We always greatly respect what the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) says on transport. She has great experience and wisdom on the subject. We take seriously the candour with which she said that there are problems at every level of transport. No politician would dispute that those problems are not easy to solve. What I particularly liked about her contribution, which was echoed in the excellent contribution by the hon. Member for Manchester, Blackley (Mr. Stringer), was that she stressed the importance of tackling some serious omissions.

Both hon. Members identified the lack of anything forthcoming on ports and the difficulty of deep-berthing facilities. The demise of manufacturing in the United States has led to a huge increase in the importation of manufactured goods, causing the balance of funding problems that it faces. There is the capacity for things to go the same way here and to aggravate things in this country, and they are right to raise the issue of ports.

I echo the remarks of my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman). It is 40 years since he first fought a by-election, which is remarkable, yet the youthful spirit with which he engaged in a forward-looking view on our need to do something about climate change for the benefit of not only our generation, but most importantly, future generations, is commendable. He also talked about housing, and I pray in aid his name when I say that we had hoped for an affordable housing Bill, but unless it is under "other measures" it does not appear to be forthcoming. The Government are ducking their responsibility for tackling the affordability crisis in housing, and my hon. Friend was right to point out that omission.

The hon. Member for Leicester, East (Keith Vaz) ranged more widely than the subjects for debate today, as hon. Members are entitled to do. I am not my party's official spokesman on Europe, the subject that he evoked, but he made an important point to which I want to respond. He commended the Prime Minister for moving this country closer to the heart of Europe, but I would love to be able to put this question back to him: has the Prime Minister moved Europe any closer to the heart of this nation? It is a shame that the hon. Gentleman is not here to answer that question.

My hon. Friend the Member for North Dorset (Mr. Walter) did an important cost-benefit analysis of wind energy: on the one hand, the environmental impact of wind turbines and on the other, the energy gain that they could bring. It is important at this point to record the problem posed by wind energy. My hon. Friend also spoke about our democratic deficit, and I support his view that we would like to see a positive outcome from the present talks about an agreement in Northern Ireland. He pointed also to the problem posed by the outcome of the regional referendum in the north-east, about which I shall have more to say later. I can tell my hon. Friend that I received today a letter from the Deputy Prime Minister about future referendums, simply saying that there would be no more at this time. I think that the people of Tewkesbury and Truro, to whom my hon. Friend referred, need to look out.

My hon. Friend the Member for North-East Bedfordshire (Alistair Burt) spoke of a guided bus system that is strongly opposed by local people. I underline to the Government the extent to which they have so often dictated to local people plans and decisions that they do not want. I shall come on to say more about accountability.

We have had a wide-ranging discussion, but what links those themes is the whole architecture of decision making to which the Government are doing terrible damage, and this Gracious Speech is no exception. It does not contain a Bill that is specifically about local government, but its role comes up in several other Bills. Obviously those have not yet been published, so it is hard to be sure, but the School Transport Bill, the disability discrimination Bill, the animal welfare Bill, the new integrated crime agency and the drugs Bill, definitely the safer, cleaner neighbourhoods Bill and possibly the family law Bill will all clearly have an impact on local government.

I am increasingly coming to the view that this Government want to bypass local government because they do not trust it to do their bidding. I fear, for example, that the clean neighbourhoods and environment Bill will be another example of Labour heaping yet more burdens on local government without the commitment to fund them properly. That is why we would oppose any new stealth rubbish tax. Already the council tax has been loaded with so many unfunded burdens that people are taking to the streets to protest about the unfairness of it all.

We see the same pattern repeating itself whereby the Government embrace one new European environmental directive after another without thinking through the consequences for local government. That is one reason why they are having to introduce a Bill for cleaner neighbourhoods; it is because of the need to clear up the consequences of the other directives. No other European country is having a sweep-up operation. Thanks to forward thinking, they have the capacity to recycle as required under the directives.

The end-of-life vehicles directive puts the onus on the last user of an old vehicle to pay for it to be scrapped, with the result that the number of abandoned cars has risen by nearly 40 per cent. since the directive's introduction. The waste electrical and electronic equipment directive is likely to exacerbate the problem of old kitchen appliances littering the countryside. The impact of the directives has coincided with shrinkage in the number of landfill sites that are licensed to accept hazardous waste, and it can only be a matter of time before something very hazardous is dumped in the countryside as a result of the deterrence of the sheer distance to the nearest licensed tip. Who gets to clear all

[Mrs. Caroline Spelman]

this up and who pays? The answer is the council and the council tax payer. It is no wonder that 78 per cent. of people polled by MORI blamed central Government for the rise in their council tax.

The electorate are savvy; voters understand when it is worth going to the polls and when it is not. The undermining of local government by a centralist, dictatorial Labour Government has resulted in much lower turnouts at local elections than at general elections, which has not been helped by other parties campaigning on national or international issues at what ought to be elections on who runs the council. The Government seem to have forgotten that what makes us electable is our willingness to be accountable. We have jobs from which we can be removed without recourse to tribunals and warnings if voters do not like what they are getting. That is what democracy is all about, but now the Government are actively undermining that democratic link.

A notable absence from the Gracious Speech is the regional assemblies Bill. The drubbing that the Government received from the region thought to be most in favour of regional government has stilled the infant in the cradle. We are left with an incoherent mess of unelected regional bodies, which have no prospect of ever receiving a democratic mandate. Accountability has been lost, or, as Sir Jeremy Beecham, Labour leader of the Local Government Association, put it:

"we have regional government conducted in piecemeal fashion by civil servants, quangos and next steps agencies with minimal accountability to the regions they serve."

The Deputy Prime Minister's refusal to give up on the regional agenda gives away the secret desire to bypass local government. The failure of this Government to trust local government gives the lie to the fake devolution that they were attempting to set up with the regional assembly in the north-east. The fact is that the Deputy Prime Minister tried and failed to prise powers away from his colleagues here in Westminster, with the result that the assembly could not put one more nurse, teacher or policeman into service. Instead, powers on planning and housing were stripped from local government in exactly the opposite of devolution. The truth is that this Government see local government only as mere "agents of central Government", as the Secretary of State for Education and Skills so unfortunately put it.

I hope that, as the Minister for Rural Affairs and Local Environmental Quality sits here about to defend his Government's devolutionary record, he will have cause to reflect long and hard on whether his colleagues are centralists or decentralists at heart. If in doubt, perhaps he need look no further than the Secretary of State for Health stepping in to grab the reins when the chips were down over the actions of a hospital in Wales at the weekend.

For further evidence of the half-hearted approach to decentralisation, we have the Welsh transport Bill, which has been gutted by the White Paper proposal to abolish the Strategic Rail Authority. The Government are now using the White Paper as an excuse not to answer several questions on the Bill; they are saying that a memorandum of understanding between the Assembly and the Department for Transport will answer them. What a fudge! That means that Whitehall Departments still call the shots—there is a Welsh transport Bill only if Whitehall says so.

The Government have dismissed concerns about the power of the Assembly over English rail policies affecting Wales adversely as a point to be addressed in the memorandum. They also passed to the memorandum the governing relationship over franchise functions in Wales. The memo looks set to be longer than the Bill. Memo to Government: less talk, more action.

I begin to wonder whether the Government understand what accountability really means. They have got it wrong with many measures in the Gracious Speech. For example, the Railways Bill would give the Mayor of London and the London assembly more power over our railways. That is fine for the electors of London, who have the means to express their satisfaction or dissatisfaction with the service, but what about the commuters from the home counties and places such as Birmingham, Manchester or Leeds?

The cynic in me says that that suits the Government fine. We see that demonstrated in abuse of the council tax, the pursuit of regionalisation, the establishment of the quangocracy that is the Labour establishment, and summed up in that irritating little phrase with which hon. Members are so familiar—that no data are held centrally. When it all goes wrong and people are let down, their criticisms are met with a nonchalant shrug and the line, "Not me, guv."

6.45 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): We have covered an enormous amount of ground during the debate. I shall respond as fully as I can and write to hon. Members on any points that I do not have enough time to deal with. I could just go through the achievements of the Department for Environment, Food and Rural Affairs in the past three years, which are considerable, from the completion of the Kyoto negotiations to common agricultural policy reform and the strengthening of rural economies and communities, but let me first dwell on the topics raised in the debate.

I welcome the hon. Member for Meriden (Mrs. Spelman) to her work. Hers was a straightforward and practical speech for most of the time. I particularly welcomed her remarks about the road safety Bill and I agree with her about the value of consensus on that issue. Where she went totally off the rails was when she went on to defend the Conservative record. Has the Conservative party forgotten the centralising influence of Mrs. Thatcher and her Government, and the actions that took place over the 18 years preceding the Labour Government? The hon. Lady had the unmitigated cheek to refer to devolution to Wales. For the Conservative party to take any interest in devolution is amazing. There is not a single Conservative Member of the Welsh Assembly.

Devolution of money and power to the regions of England is an initiative that the Government have taken. I work with local government in my role. I chair jointly with a representative of the Local Government Association the central local partnership meeting on rural local government. It is very productive. We have

just completed work with my right hon. Friend the Minister for Housing and Planning on defining the terms of sustainable communities, because sustainable development is important to us in central Government and to people in local government. It would be nice if the Opposition started to take some interest in those issues.

During the debate we heard some well-informed speeches, starting with the seminal contribution from my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), who set out with clarity and passion her vision for high standard rail transport and looked forward to the contribution that the Railways Bill will make. I can tell her that my right hon. Friend the Secretary of State for Transport looks forward to her contribution when that Bill is debated before the House.

My hon. Friend the Member for Manchester, Blackley (Mr. Stringer) made a thoughtful speech about transport in his area, particularly in respect of bus transport and the strategic approach which, I know, is important to Manchester. He referred to the importance of devolution and equity, and I agree that regional government is a reality for the future, though I thought he was a brave man to go on to speak of abandoning the Barnett formula. My experience of changing any formula—I have been involved in several over the years—is to avoid doing it if possible, because the unintended and unexpected consequences of changes in formulae can often cause a severe headache.

My hon. Friend spoke about regional economic performance. The Government's approach is to ensure that in every part of the United Kingdom the institutions and resources are in place to allow regions to fulfil their economic potential. I particularly value the work of the regional development agencies, with which I am engaged, along with colleagues, particularly at the Department of Trade and Industry and the Office of the Deputy Prime Minister.

My hon. Friend the Member for Leicester, East (Keith Vaz) made several points about a number of issues, including race equality and Britain's future in Europe, which I am sure will be read with interest by ministerial colleagues.

My hon. Friend the Member for Hayes and Harlington (John McDonnell), as well as speaking about rail services, welcomed the proposals on corporate manslaughter and underlined the hopes of many Members in referring to the need for early legislation.

The hon. Member for Chipping Barnet (Sir Sydney Chapman) made a thoughtful and well-informed speech. He made the general and correct point that we need to meet our commitments in terms of energy and conservation, and that achieving change in terms of air travel requires international agreement and delivery rather than unilateral action.

The hon. Gentleman also spoke rightly of the responsibilities of the developed world to help the third world if disaster is not to befall our environment. On one of the specific points that he made from a position of considerable experience, I am happy to assure him that we are firmly committed to protecting the green belt and its functions, including preventing towns from joining up. We have added—*[Interruption.]* Hon. Members who grunt might like to take this point on board. We have added 19,000 hectares to the green belt since 1997. Any land taken out will be replaced. Our policies are delivering—

Andrew Selous: Will the Minister give way?

Alun Michael: Would the hon. Gentleman do me the courtesy of listening to a few words before he gets over-excited?

Our policies are delivering more brownfield developments and greater conversion of existing buildings, up from 57 to 67 per cent. since 1997. The new proposals for the east of England, for example, will affect less than 1 per cent. of greenfield land in that region.

Andrew Selous: Does the Minister realise that in the overcrowded south-east it is no consolation to be told that green belt has been added to in the wilds of Norfolk or the north of England whereas it is under attack in the desperately overcrowded south-east?

Alun Michael: That is a false caricature. We have talked about replacement. It is important for the hon. Gentleman to realise that the development and health of his region, and especially the hopes of young people, make it important that we should achieve the balance between housing need and housing provision. That presents serious challenges, which my right hon. Friend the Deputy Prime Minister has shown the willingness and determination to tackle.

The hon. Member for North Dorset (Mr. Walter) referred to devolved matters. That gives me the opportunity to celebrate the fact that this weekend we shall see the opening of the millennium centre in Cardiff bay, at the heart of my constituency, in Europe's youngest capital. I congratulate Sir David Rowe-Beddoe and his team on creating a world-class landmark building. Nearby that building we see another landmark building under construction, which is the new Welsh Assembly Chamber. I celebrate the developing work of the Assembly, in whose birth I am proud to have played a part.

I was surprised by the cavalier dismissal of the hon. Member for North Dorset of devolution to the regions of England. Ostrich-like, he wants to withdraw from the South West regional assembly. That gives me the opportunity to quote the following words:

"Despite the north-east vote, there will still be a requirement for effective regional planning functions, provision of democratic mandate for the regions and effective scrutiny of other regional bodies—a role in which the assembly and other voluntary chambers have shown themselves to be extremely competent."

Those are words with which I agree. They are the comments of Sue Sida-Lockett, the Conservative chair of the East of England regional assembly. Referring to Conservative criticism of regional assemblies, she said that it

"demonstrates a crass misunderstanding of the role of voluntary regional chambers."

In respect of the South West regional assembly, there are about 51 local authorities contributing £490,000 in total towards the cost of that assembly. Also involved are the regional and local government associations and the regional employment body that supports local authorities in skills and learning.

[Alun Michael]

The hon. Gentleman failed to mention the Rural Pathfinder for the south-west— it may be to the benefit of those in the Chamber to know that it is Dorset. When we met the representatives of the Rural Pathfinder in the past 10 days, I was pleased at the enthusiasm of the county council and the other partners in Dorset to be engaged in improving health and delivery in rural areas. I am sure that it will be a suitable pathfinder for the south-west, and it might even persuade the hon. Gentleman to celebrate that in future.

My hon. Friend the Member for Southampton, Test (Dr. Whitehead) reminded us of much of the history of environmental issues and dealt thoughtfully with the need for consensus and actions in that respect.

The hon. Member for Guildford (Sue Doughty) rightly emphasised the personal and tragic consequences of road deaths, and I join her in paying tribute to the work of RoadPeace. She rightly connected, as we should in this Chamber, policy with the personal impact of policies. I was pleased that both she and the hon. Member for Meriden welcomed the road safety Bill. However, I say to the hon. Member for Guildford that it is unwise to mock the contribution of parish councils. They have a growing role, and I pay tribute to the National Association of Local Councils, with which I have been working closely. It has helped, along with the parish clerks, to promote the quality parish council scheme, which is lifting the quality and performance of parish and town councils throughout the country, and whose developing competence and leadership at the local level is recognised in the clean neighbourhoods and environment Bill, whose provisions hon. Members will see shortly, as well as by DEFRA, the ODPM and the Prime Minister himself.

John Mann: Will my right hon. Friend listen in particular to the demands of those of us who say that we should go further and give parish councils an even greater say, not least in some of the planning processes, in terms of controlling their own community?

Alun Michael: I am delighted at the way in which the Local Government Association is engaging with us and with the National Association of Local Councils, particularly in rural areas where we would otherwise be reinventing the wheel by creating additional local partnerships. NALC is represented on the central local partnership to which I referred earlier, and we are making real progress in this area, as is being recognised throughout the country. I encourage my right hon. and hon. Friends, and members of other parties too, to recognise and support the work that is being done at the most local level of our democracy.

The speech of the hon. Member for South Suffolk (Mr. Yeo) was characterised by low-key absurdity. His policy on transport appeared to be to demand actions that have already been taken by the Government, and otherwise to list problems to which he failed to offer constructive solutions. On farming, he seemed to have read the Secretary of State's speech at the Labour party conference, but somehow missed the fact that the Labour party is the first political party in Britain to have a national conference devoted entirely to rural issues. This is the first Government to treat farming as a strategically important industry since the days of my predecessor, Lord Callaghan.

The hon. Gentleman referred to the article in *The Daily Telegraph* today, which was quite misleading. On the refunding of compensation by the European Commission, the most that the UK could have expected back was about £0.96 million under EU rules, which allow a 60 per cent. maximum reimbursement of any claims. It would have been best, before making his criticisms, if he had discovered the facts. The settlement is much higher than the 23 per cent. originally proposed by the European Commission, and that is a result of successful representations by DEFRA. The settlement is almost three times as much as other countries have received in the past.

The hon. Gentleman asked about the over-30-month scheme. The Government are considering the Food Standards Agency's advice on replacing the OTMS rule with BSE testing for cattle born after August 1996. We all want to see the rule ended, but we would not be thankful if that consideration were rushed, given the imperative or protecting public health.

Our policy towards farming is both positive and vigorous, removing production-related subsidy, reforming the common agricultural policy—actions not words, and a great success for the Secretary of State—and helping the industry to be modern, competitive and diversified, not least through the strategy for sustainable farming and food.

But the greatest absurdity was to say nothing of substance about the wider concerns of rural people. The Government are modernising rural delivery, focusing the work of regional development agencies, building on the strengths of modern quality parish and town councils, and supporting the voluntary and community sector.

On education, we have halted the slide of rural schools under the Conservatives and the rural services review, which I commend to members, cites a school in Cornwall that demonstrates the future—the extended school in a rural setting. I pay tribute to my right hon. Friend the Secretary of State for Education and Skills, who is an exemplar in building rural delivery into the policies and delivery of his Department and its agencies. Rural transport is now receiving not only increased investment but flexibility. Affordable housing is a difficult and challenging issue that we are tackling with a sense of importance reflected in the recent remarks of my right hon. Friend the Prime Minister. The Government have put climate change and Africa at the top of the agenda for their presidency of the G8 next year. That reflects our priorities, on which this Government are delivering.

Debate adjourned.—*[Mr. Heppell.]*

Debate to be resumed on Monday next.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Thursday 2nd December, proceedings on the Motion for the adjournment of the House in the name of the Prime Minister relating to fisheries may continue, though opposed, for three hours or until Six o'clock, whichever is the later, and shall then lapse if not previously disposed of.—*[Mr. Heppell.]*

United Nations Industrial Development Organisation

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Heppell.]*

6 pm

Mr. Tony Colman (Putney) (Lab): May I thank Mr. Speaker for allowing this Adjournment debate on the work of the UN Industrial Development Organisation? It seems to me that that organisation is key to world development, which we all want, and yet it has languished in the shadows of media and parliamentary coverage. It rated a mere 18 lines on page 54 of the recent Foreign and Commonwealth Office Command Paper 6325 on "The UK in the United Nations".

I have recently returned from a brief visit to India with the International Development Committee, and it was heartwarming to see the rapid changes deliver on jobs and prosperity for the Indian people, not only in the usual areas of rural livelihoods, which we discuss so often, but in urban livelihoods with industrial development, which is strongly supported by UNIDO-Indian Government partnerships.

My background before coming into the House was in private and public sector business. I believe strongly that private enterprise, with the private finance initiative and public-private partnership, can deliver prosperity across the world. The private sector and development report to the Secretary-General of the UN, titled "Unleashing entrepreneurship—making business work for the poor"—it is otherwise known as the Zedill-Martin Report—was published earlier this year and makes that point. It particularly emphasises the need not only for transnational corporations to invest in developing countries, but to support the development of small and medium-sized enterprises.

The vast majority of jobs in the UK, and everywhere else, are generated within the small and medium-sized sector, which often provides outsourced services to larger companies or serves the public directly. UNIDO serves SMEs' huge need for help. The global compact reports directly to the Secretary-General of the UN, and it concentrates on the obligations and needs of transnational corporations. UNIDO meanwhile serves developing countries and their needs.

UNIDO was set up in 1966 as:

"the UN specialised agency helping developing countries and economies in transition to pursue sustainable industrial development."

UNIDO's overarching development objective is to eradicate poverty by contributing to the promotion of environmentally sustainable economic growth and productive employment, which are known as the "UNIDO three Es". As we can see from the answering Secretary of State, the sponsoring UK Department is the Department for International Development and not the Department of Trade and Industry. I thank the Secretary of State for International Development for coming to answer an Adjournment debate this evening—which is how it should be. I pay tribute to the DFID desk team, led by Brian McLeish, who work with UNIDO; no doubt, they have helped the Secretary of State with his speech.

I asked to become a parliamentary addition to the UK delegation attending the 29th meeting of the industrial development board, which overviews UNIDO, in Vienna earlier this month. I thank Ambassador Jenkins, who allowed the cuckoo—me—in the nest and particularly Graham Clough, his No. 2, who guided me through the UNIDO agenda.

I also praise the work of Dr Marianne Moscoso-Osterkorn, the international director of the renewable energy and energy efficiency partnership, which was launched by the UK at the Rio plus 10 UN Johannesburg conference in 2002 and now co-located with UNIDO in Vienna. That UNIDO partnership should lead to the considerable expansion of REEEP, and I was particularly interested that Carlos Magariños, secretary-general of UNIDO, wished to take that partnership further forward.

The industrial development board consists of 53 of the 171 member states, but of those 53, 33 are from developing countries. Sadly, the United States withdrew a few years ago and, as with other UN institutions, it beggars belief that it does not support institutions such as UNIDO, which accelerates industrial development. Clearly, the US subscription would be welcome, but its expertise is used through numerous consultancy contracts.

UNIDO does not work alone. The board has agreed proposals for joint working in several countries out of United Nations Development Programme offices, where, for example, UNDP has facilities that could house other members of the United Nations family. The UNDP-UNIDO agreement signed on 23 September 2004 thus extends the UNIDO presence to some 80 countries from the current number of 30. The Secretary-General, in his report to the industrial development board, proposed four key areas of specialisation for UNIDO in which it could offer help that is not available from other UN agencies: private sector development; trade capacity building; energy and environment; and post-crisis industrial rehabilitation and reconstruction. I remain to be convinced of a lead role for UNIDO on the last point, but fully accept it on the first three.

While I was in Vienna, a pilot project was launched jointly by UNIDO and UNDP to promote corporate social responsibility in Croatia through public education and technical assistance to Croatian businesses and other stakeholders. That project will be based at the UNIDO Croatian centre for cleaner production, with the pilot starting in Croatia but quickly covering the Balkans and eastern Europe. Further CSR pilots are being set up to reflect local needs in other UNIDO centres across the world.

I said that UNIDO is the unknown UN agency—until now, that is. Even more of a secret to us in London—but not, of course, to the local MP—is the location and work of UNIDO-ITPO. ITPO—the investment and technology promotion office for UNIDO in the UK—is based in Warrington, core funded by the Northwest Development Agency on behalf of other RDAs in the UK, and headed by the charismatic John McFadzean. In December, it will have a meeting of its advisory group, chaired by the noble Lord Wade in the other place. UNIDO-ITPO acts as a marriage-broking exercise bringing together UK companies—often small and medium-sized enterprises—that wish to joint-

[Mr. Tony Colman]

venture or to develop with developing countries. Some 247 companies have taken that up, and the work is expanding rapidly.

An example of the consultation work has been a UNIDO-funded Ethiopian textile project, which has a tie-in back to the north-west and the west midlands, where I understand that some eight companies are interested in buying excellent-quality textiles from Ethiopia. As I know from my experience on supply chain development, the most successful industrial development in developing countries comes from such joined-up working. The flower and vegetable industry of Kenya is a further example.

I should also mention the Warrington office's work with Manchester business school, where comparative analysis between 19 selected developing countries and eight sectors, involving 90 MBA students, is being carried out and is due to be completed in March 2005. That work should be invaluable to UNIDO's work worldwide, as well as to UK companies that will be able to utilise a clear planning tool for developing-country investment. Other areas—I pick at random because there are so many—are in China, where there are some 30 live projects; in biotechnology, where a lot of work has been done with Cuba; and in energy and environment in Russia and eastern Europe, where UNIDO-ITPO is working out of St Petersburg.

Before anyone thinks that UNIDO support is north-south, I must correct that impression. South-south cooperation was laid down at the Tokyo international conference on African development—TICAD—and was followed up at the Marrakesh conference of December 2003. That is the key to UNIDO activities, and it is backed by the group of 77. The emphasis is on triangular co-operation, with use of the expertise and institutions of emerging economies paid for by developed countries in favour of developing countries. In that way, the Asia-Africa investment and technology promotion centre, which is largely financed by Japan, has been successfully launched. China and India have been working with UNIDO in delivering technology transfer to the group of 77 countries in areas such as renewable energy, biomass and low-cost housing. UNIDO also works in the important area of the delivery of the Montreal protocol and other world environmental agreements. Clearly, it would be involved in how we work through the important elements of the Kyoto protocol.

Secret no more, UNIDO backed by DFID is outed this evening. Its work is essential and does not duplicate that done elsewhere in the UN system. The United Nations Conference on Trade and Development, the International Trade Centre and UNDP were not set up to support industrial development in developing countries. Nor can they help provide in the same way the well paid jobs by the million that could help to stem the hunger of millions in developing countries. UNIDO is set up to do this and

"has a clear comparative advantage".

If the Doha round of the World Trade Organisation is successfully completed in Hong Kong next December—I sincerely hope that it will be, which I am sure is the view of all hon. Members—the obligation of UNIDO to deliver on behalf of the world's poor will become even more imperative.

I look forward to the Secretary of State's commitment to continue to fund UNIDO's core work and to expand to meet Carlos Magariños' vision. Long may the DTI encourage RDAs that UNIDO ITPO UK is a resource that can bring prosperity not just to the UK, but also to developing countries across the world.

There is a new early-day motion, No. 9, which already has 140 signatures. It is titled, "Make Poverty History in 2005 Campaign". The work of UNIDO across the globe is essential to that achievement and from this evening will not be forgotten.

6.11 pm

The Secretary of State for International Development (Hilary Benn): First, I warmly congratulate my hon. Friend the Member for Putney (Mr. Colman) on securing the time for this debate. From his speech we can all see the real interest and support that he demonstrates for the work of UNIDO and the United Nations more generally, particularly given his background in the private sector. I am grateful to him for allowing me to join him in allowing the shaft of sunlight which an Adjournment debate affords on the work of UNIDO. He spoke about his visit to India. Following in the footsteps of the Select Committee, I am going there next week and greatly looking forward to what I shall see in the course of that visit.

I want to talk first about the overall context for the work of UNIDO, about the organisation's focus, and its response to the reforms and challenges that lie ahead. I shall begin by saying something about the broader context in which UNIDO is working.

As the House will be aware, the millennium development goals provide the framework, not just for the United Nations system, but for developing countries and their partners right across the globe. Progress towards the MDGs will be reviewed in New York next September as part of the millennium review summit. We do not need to wait until then to recognise that much more needs to be done. The MDGs are seriously off-track in sub-Saharan Africa. We need to make faster progress in order to reach the goals on maternal and child mortality. We need to do more in the fight against HIV and AIDS. Together with action for reducing conflict and building peace and security, this is the biggest collective challenge for the international community in the 21st century. Peace and security are the building blocks on which organisations like UNIDO can do their work.

The millennium review summit will in particular be an opportunity for us to rededicate international effort towards the attainment of the MDGs. We know we have to do more on aid, trade and debt relief. In addition to that and to having increased resources, we need to act in a way which, in development jargon, is more harmonised and more integrated. It is what I describe as getting our act together. We have to have systems and structures, resources, effort and will that support what developing countries are trying to do to solve their own problems and to chart their own future.

That means changing the way in which we do business. That is why we strongly supported Kofi Annan's reform effort in the UN. It is why we want to

see clear roles and responsibilities set across different agencies. It is why we want a system that delivers a more coherent and effective response, reduces overlap and competition and reduces the burden on recipient countries. UNIDO's work, therefore, must be guided both by the MDGs and by this process of reform.

My hon. Friend spoke eloquently about UNIDO's work in private sector development, trade capacity building, promotior of cleaner production methods and investment promotion. We need every one of those things if we are to enable developing countries to earn, trade, develop and grow their way out of poverty. One has only to look at countries such as China and India where this process is taking place. It is economic development that will be the real engine of poverty reduction.

We have to recognise that UNIDO is a relatively small specialised UN agency. Given this, and the cross-cutting nature of its work, it is vital that UNIDO get as much purchase on change as possible through effective partnership both inside and outside the UN system. UNIDO recognises this. I had the pleasure of meeting earlier this year the Director-General, Dr. Carlos Magariños. I was extremely impressed. He is a strong advocate of UN reform. Under his leadership, UNIDO has focused its activities, reformed its internal management structure, and made considerable effort to find new ways of working, including building new partnerships. It is essential that UNIDO's programmes at country level be a part of the UN development assistance frameworks and build on UN-wide assessments of need.

UNIDO's work with UNDP is a good example of reform in action. Dr. Magariños well understands the need to integrate UNIDO's technical co-operation work with that of other organisations more effectively. This has led to the signing of a co-operation agreement with the United Nations Development Programme in September of this year. This agreement has two parts. The first is joint programming between the two agencies in private sector development. The aim of this co-operation is to implement the recommendations of the report of the United Nations Commission on the Private Sector and Development. This joint activity will involve better links between programmes already existing in both agencies and new programmes that may be developed in areas of mutual interest. Secondly, the agreement puts in place a pilot programme that will establish UNIDO desks in 15 UNDP offices. That is a practical example of joint working on the ground.

This arrangement presents possibilities for joint working beyond that envisaged by the private sector development agreement, and enables UNDP and UNIDO each to draw on the strengths of the other. Both organisations are committed to this co-operation, which they have described as a potential model for the UN system. We await the outcome of the pilot programmes with real interest.

A further example of UNIDO's progressive approach to partnership is the memorandum of understanding signed between UNIDO and the World Trade Organisation in September 2003 on working together in trade capacity building. The Industrial Development Board was advised that the initial needs review had been carried out in all nine of the participating countries, with technical co-operation delivery having begun in two of them. Trade capacity building is part of the work that needs to be done to enable developing countries to take advantage of trading opportunities and to grow and earn their way out of poverty.

A third area of UNIDO's work that I would like to highlight is its work on cleaner production and environmental management. Half of all technical co-operation funded by UNIDO comes from environmental funding facilities, such as the Montreal protocol, which my hon. Friend the Member for Putney mentioned. This is important work in promoting and delivering compliance with international environmental agreement standards. UNIDO is very active on the promotion of sustainable energy supplies, in particular through its initiative on rural energy for productive use. Again, this work is done on a partnership basis—another example of UNIDO working with others—in the context of the Renewable Energy And Energy Efficiency Partnership, whose International secretariat is co-located with UNIDO in the Vienna International Centre.

Finally, I want to say something about UNIDO's work in Africa, the country where it is most needed, as least progress towards the millennium development goals is being made in sub-Saharan Africa. That area is in particular need of more investment, economic development and growth—the engines of poverty reduction.

We fully support—indeed, I warmly welcome—UNIDO's shift in recent years towards working in poorer countries. Between 1996 and 2002, the proportion of technical co-operation delivery in poor countries rose from 48 per cent. to 70 per cent. A rising proportion of that is being allocated to sub-Saharan Africa. Currently, UNIDO integrated programmes are running in 19 sub-Saharan African countries. That is excellent news, and the organisation is to be congratulated on that change.

The focus of UNIDO's work in Africa is becoming more and more defined by the African productive capacity initiative. That is a UNIDO programme set up with the New Partnership for Africa's Development and the Conference of African Ministers of Industry. The programme aims to develop value chains as a means of improving productive capacity in African industry. As someone put it to me earlier this evening, that means that countries will sell T-shirts rather than cotton. That describes what value chains are intended to achieve.

Mr. Colman: Will my right hon. Friend congratulate the UNIDO Warrington office on its work in setting up supply chain arrangements between UK companies and companies in developing countries?

Hilary Benn: I shall do so with great pleasure, as that is a really practical example of north-south co-operation at work, combining experience from both spheres. We have much to learn from each other in the cause of securing more effective economic integration at a regional level. The Commission for Africa is very interested in the work, and commission representatives will be discussing it with the UNIDO secretariat in the very near future.

All this work by UNIDO is highly relevant to the attainment of the millennium development goals. As I said, the progress made under the leadership of

[Hilary Benn]

Dr. Magariños is extremely encouraging. That is why, in addition to our contribution of £4.2 million each year, we have also provided training for senior management in the organisation and support for the development of a results-based management system.

In conclusion, I want to make three brief points. First, UNIDO has achieved a great deal in terms of reform and change, but it is very important that it maintain its focus on its unique contribution to the delivery of the millennium development goals. I hope that its work in sub-Saharan Africa will continue to be strengthened so that it can focus on the particular contribution that it can make to the process, given the expertise that it has developed.

Secondly, I hope that UNIDO will continue to have greater effect. It should seek to build on and strengthen its approach to partnerships, including programmes that are planned and carried out jointly. That is essential if it is to increase the scale of its work and achieve change that really lasts. The agreement with the UNDP to which I referred is encouraging, and it is important that those lessons are learned across the UN.

Mr. Colman: The command paper from the Foreign and Commonwealth Office said that UNIDO should play to its strengths and act in where it has the comparative advantage. Does my right hon. Friend agree that it does have a comparative advantage when it comes to working with the private sector in the areas of energy, the environment and trade facilitation? That advantage should be recognised. Does he agree that the lean and mean machine that is UNIDO at present should become rather larger so that it can deliver on the millennium development goals? It is the only arm of the UN that can handle that specialised function.

Hilary Benn: I do agree about that. I learned a great deal from my meeting with Dr. Magariños earlier this year. I was very impressed by UNIDO's work, as I have said. That work is unique in the UN system, and that is why I genuinely welcome the opportunity that this evening's debate gives us to talk more about its contribution. We need to support UNIDO in extending the reach of its work, building on partnerships and finding people with whom it can co-operate. In that way, we will be able to see results on the ground in developing countries.

If I may finish where I began, real progress in reducing poverty around the globe will happen through a process of economic development. We therefore need to work to try to improve the effectiveness of business and to share expertise between north and south—as the Warrington centre does. If the undoubted potential, skill and creativity in the developing world—currently used too much of the time just to keep body and soul together—can be unleashed, I have no doubt that developing countries are just as capable as this country, or any other, of developing and providing a better future for their people. It is results on the ground that we need, and I welcome the opportunity that we have had this evening to pay tribute to the work of UNIDO in contributing to that process. I wish it every success in its work over the months and years ahead.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes past Six o'clock.

House of Commons

Monday 29 November 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Scottish Regiments (Iraq)

1. **John Barrett** (Edinburgh, West) (LD): If he will make a statement on the role of the Scottish regiments in Iraq. [199353]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Scottish regiments, along with other United Kingdom and multinational forces, have played and continue to play a valuable role in providing security to help build a free, stable and secure Iraq. I pay tribute to the contribution of the Black Watch, which is currently serving with distinction in Iraq, continuing its operations in Babil province in support of the wider Iraqi security force and coalition operations south and west of Baghdad.

John Barrett: I thank the Secretary of State for that answer, but given that the Scottish regiments deserve the same loyalty from the Government as they are showing on the front line, is it not crass insensitivity, at a time when our soldiers are risking their lives in Iraq, for the Government to sacrifice the heritage of Scottish or any other regiments?

Mr. Hoon: On the contrary, it would be crass and insensitive if we did not take the necessary decisions to ensure that Britain's armed forces and Britain's Army were organised to face the challenges of the 21st century, recognising, as we do, the importance of preserving identity, heritage and tradition in the way that previous reorganisations of our armed forces have done.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): Is not the thing that really undermines our troops in Iraq the fact that the reorganisation of the regiments is being used for cynical, party political purposes by the Liberal Democrats and the Scottish nationalists, and even by some Tories who ought to know better?

Mr. Hoon: I am grateful to my right hon. Friend. This is not the first time that such reorganisation has faced someone in my position, or indeed the position of one of my predecessors. I quote Henry Childers, Secretary of State for War in 1881, who said:

> "'The tartan question' is one of the gravest character, far more important . . . than the maintenance of the Union with Ireland. All the thoughts of the War Office are concentrated on it, and patterns of tartans past, present, and future, fill our rooms. We are neglecting the Transvaal, and the Ashanti for the sake of well weighing the merits of a few more threads of red, green or white."

Derek Conway (Old Bexley and Sidcup) (Con): Does the Secretary of State accept that the whole House will concur with his view about the distinguished history of the Scottish regiments and their current effectiveness, but that there is understandable and genuine concern that the proposals he is considering, to affect not only the Scottish regiments but the whole British infantry, will have a severe impact on training opportunities, especially on overstretch, which causes added strain to families and to capacity? We ask a lot of those people and they give us a lot, but I wonder whether the Secretary of State is behind them as much as he claims.

Mr. Hoon: I have set out only the principles that will govern any decisions taken in that area and I am sorry that the hon. Gentleman approaches the principles in that way. If he looks carefully at the statement that I made last July, he will see, for example, that one of the underlying purposes is to end the arms plot, whereby at any given time we have as many as seven or eight battalions that are not available for operational deployment, which means that the proposals, if carried through, will increase the number of forces available for operations and, therefore, reduce the level of stretch on our infantry battalions.

Jim Sheridan (West Renfrewshire) (Lab): My right hon. Friend will be aware that emotions are running high in Scotland over the role of Scottish regiments in Iraq, so does he agree that it is highly irresponsible for political parties, such as the Scottish National party, to describe, as it does, the British flag as the butcher's apron, thereby implying that our soldiers are butchers? Does he agree that an apology should be forthcoming from the leadership of the Scottish National party?

Mr. Hoon: I have made the point to the House before that it is astonishing that Scottish nationalists should make such representations about the United Kingdom's armed forces, not least because in the unlikely event of their ever achieving power anywhere in the UK we should not have those armed forces to rely on.

Angus Robertson (Moray) (SNP): What guidance has been issued to Scottish troops serving in Iraq about publicly expressing their opinions on the plans to amalgamate or disband all the Scottish infantry regiments?

Mr. Hoon: I am content to rely on the observations made by the current commanding officer of the Black Watch, serving in Iraq, who has expressed pretty forcefully his views about the criticisms that have been made, and indeed was speaking on behalf of the entire battalion deployed.

Mr. Keith Simpson (Mid-Norfolk) (Con): Ministers will shortly be announcing which Scottish regiment is to be disbanded, or which two will be amalgamated. Obviously, that could affect either the Black Watch, currently serving in Iraq, or other Scottish regiments that will be deployed there. Ministers have emphasised that one of the main reasons behind the cuts is to free up manpower from the infantry to provide for more logisticians and engineers. Given the obvious importance of that factor, can the Secretary of State tell the House what surveys have been carried out among the soldiers of the Black Watch and other Scottish infantry regiments to identify who are qualified and willing to transfer and become logisticians and engineers? If that has not been done, why not, as it may undercut the whole process?

Mr. Hoon: I had understood that the hon. Gentleman has spent some time studying the armed forces, in which case he would have seen that, if those proposals are accepted, they would be put into practice over a number of years to allow the adjustments to which he refers to take place.

Defence Procurement

2. **Miss Anne McIntosh** (Vale of York) (Con): What recent representations he has received on his defence procurement policies. [199354]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): It is our policy to seek value for money in all our acquisitions. We engage in frequent discussions on our procurement policy with many interested parties and are constantly looking for ways in which we can improve our business.

Miss McIntosh: Does the right hon. Gentleman accept that his defence procurement programme does not live up to the name of smart acquisition and smart procurement? The Eurofighter programme alone was £1 billion over budget and 60 months late.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): The Tories were responsible.

Miss McIntosh: In the case of Multidrive, the process was not transparent; it was long, complicated and expensive for the participating companies, and all the jobs have gone to countries outside the UK. How can the right hon. Gentleman ensure that the smart acquisition programme will live up to its name?

Mr. Ingram: I do not know what point the hon. Lady is making. If she is saying that there is a delay in the programme, that is unquestionably the case. That cannot be denied and it is a matter of regret, but we are strenuously working to deal with it. There is a variety of reasons for all that, but given the sedentary comment made by my right hon. Friend, I hope that the hon. Lady understands the history of that project and how far back it goes. Smart acquisition has not always been in place, and perhaps if we had smarter procurement policies at the beginning, we would not be dealing with the problems that we now face.

Mr. David Crausby (Bolton, North-East) (Lab): One of the six major themes of defence industrial policy is to maximise the economic benefit to the UK from defence expenditure, so has the Defence Procurement Agency's recent review of smart acquisition taken that fully into account and what changes have been put in place as a result?

Mr. Ingram: Of course, we have taken all that into account, and we must seek to ensure at all times that we have a strong, effective manufacturing base in this country. As has been said from the Dispatch Box before, there would not be a shipbuilding industry in this country, by and large, if it was not for defence procurement, and large parts of our aerospace sector would also be under threat. So at all times, we seek to ensure that we have a strong manufacturing base by using a range of initiatives such as improved relationships with the companies involved, including demonstrator programmes and research programmes, to try to give real substance and a real grounding to that approach. My hon. Friend is right: that is one of our key elements, and we will continue to push on with it.

Sir Nicholas Winterton (Macclesfield) (Con): Could the Minister give me an assurance? He has just mentioned the importance of manufacturing to this country, and I entirely share that view. Will he therefore indicate for the benefit of my constituents and those in Greater Manchester who are deeply concerned about the Nimrod MRA4, when that project will be given the go-ahead? It is vital to the future of the BAE Systems site at Woodford, which is one of the most modern aerospace manufacturing facilities in the world.

Mr. Ingram: I agree with the latter part of the hon. Gentleman's observations: but, of course, in any procurement stream, we must ensure that we have a mature design, that we get the product or platform that we seek and that we are doing so at the right price. That process is currently under way. We have one aircraft under test. I understand that that is, of course, a very significant event, but we must get to that mature design and we must get the right price in our negotiations with the company. However, I recognise the importance of that project.

Mr. Lindsay Hoyle (Chorley) (Lab): I am sure that my right hon. Friend is aware of the good job that we have done on procurement, but let us not tarnish our good record by allowing our camouflage uniforms to be made in China in a subsidised People's Liberation Army factory. Does he agree that that is unacceptable? The same support as that given to aerospace should be given to the textile industry in my constituency and in that of my right hon. Friend the Member for Blackburn (Mr. Straw).

Mr. Ingram: I understand my hon. Friend's concern and perhaps even anger, but is he really saying that we should not procure from abroad?

Dr. Julian Lewis (New Forest, East) (Con): The uniforms are substandard.

Mr. Ingram: If hon. Members are suggesting that we should only procure from within Britain, we would then

not be able to sell or export. I suggest to my hon. Friend that he perhaps question some of the other bidders for the contract that he mentions because a large part of their business would have been placed outside the UK as well.

Mr. Gerald Howarth (Aldershot) (Con): According to the winter supplementary estimates published two weeks ago, the Secretary of State has cut front-line funding by more than £1 billion in order to fund a two thirds increase in the running costs of the Defence Procurement Agency. Is this not yet another example of how this Government have lost their grip on the procurement process? Is it not appalling that at a time when Her Majesty's armed forces are under such strain, the Ministry of Defence is having to plunder the front line to cover the endemic cost overruns and delays of the Defence Procurement Agency?

Mr. Ingram: We have announced another increase in the defence budget of £3.7 billion and there will be seven years of real-terms growth in the budget—the first time that has happened for 20 years. I am not going to start trading policies with the hon. Gentleman, but I suggest that he asks the hon. Member for Mid-Sussex (Mr. Soames) how he proposes to cut another £1.6 billion from the defence budget. We have asked for details, but the Conservatives cannot give us them.

David Cairns (Greenock and Inverclyde) (Lab): Will my right hon. Friend confirm again that he and the Government will source our two new aircraft carriers in British shipyards using overwhelmingly British labour and that he will reject the advice of those, such as the Liberal Democrats in the House of Lords, who strongly advocate that these new aircraft carriers be brought in cheaply from America?

Mr. Ingram: My hon. Friend has referred to a matter that has already been alluded to in this place. There has been no rebuttal from the Liberals, but perhaps we will get one today. A senior adviser to the Liberals, who also serves their interests in the House of Lords, gave the clear indication that that was their preferred option, because the Americans have the capacity so that might be the best place to build the carriers. If that is not Liberal policy, it would be nice to hear that. I am also conscious of the fact that the Liberals want to close the Defence Export Services Organisation and have said that Ministers should not be involved in defence diplomacy when it involves trying to sell equipment abroad. It really is lunacy to go down that route. We have not heard repudiation on either of those two points.

Troop Deployment (Iraq)

3. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If he will make a statement on troop deployment in Iraq. [199355]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Just under 9,000 UK troops are deployed in Iraq. The level and mix of our forces in Iraq are kept under constant review and adjusted according to the changing security situation. Other UK forces are based elsewhere in the middle east and their contribution should not be forgotten.

Mr. Clifton-Brown: The Secretary of State has reiterated to the House this afternoon that our troops based in Iraq need the very best equipment for the 21st century. How does he respond therefore to the fact that the lives of our troops are being threatened by the problems with the new Bowman communication system and, worse still, by the undemanded firing of the Warrior tanks? What measures, other than posting warning notices of these failures, is the Ministry of Defence going to take considering that it has known about them for some while? The lives of innocent Iraqis and, worse still, the lives of our troops are being put at risk by deficient equipment.

Mr. Hoon: I am sorry, but the hon. Gentleman simply does not have that right. No lives are being put at risk as a result of the introduction of Bowman. It is disgraceful that such a remark should come from a member of the Conservative party, which failed to implement the Bowman project over so very many years, when this piece of equipment is coming into service at long last after years of delay and procrastination. *[Interruption.]* It is no good him holding up his fingers at me; a Conservative Government spent nearly 20 years trying to get this equipment into service and utterly and completely failed to do so.

Harry Cohen (Leyton and Wanstead) (Lab): Bearing in mind the security situation, the fact that Prime Minister Allawi has said that the elections will go ahead on 30 January despite his deputy, Adnan al-Pachachi, saying that they should be delayed for six months and the fact that the United Nations is sending only 25 election experts to Iraq—they are not there yet—will UK troops or, indeed, United States troops do any election work?

Mr. Hoon: The work of the multinational force is obviously to provide security to allow the elections to take place. I caution my hon. Friend on simply picking out quotations that apparently serve one side of the argument. If he looks at what the Government of Iraq have been saying, he will find that they have made it clear that they want the elections to take place on time.

Mr. Paul Keetch (Hereford) (LD): Will the Secretary of State confirm again that the Black Watch troops will be released from Iraq before Christmas? Will they be replaced in the US sector by another British battle group? Everyone in the House hopes that the elections will proceed on time on 30 January, but will the Secretary of State say whether there will be further British troop deployments to the British sector to secure the peace for those elections? Indeed, will there be British deployments to US sectors in the north, because the commander of the US forces in northern Iraq has said that elections could not proceed there at present given the current security situation?

Mr. Hoon: I confirm that the Black Watch will be home in time for Christmas and that I have no plans at all to send British troops to replace them. As for the

overall situation, there will obviously be further deployments of British troops to replace those who are currently in theatre.

Glenda Jackson (Hampstead and Highgate) (Lab): What assistance is being afforded by British troops to enable the Red Crescent and Red Cross to deliver and disperse humanitarian aid to Falluja? Given the ferocity and frequency of the aerial bombardments on that city, what will British troops do to assess and make safe any unexploded armaments?

Mr. Hoon: The humanitarian effort in Falluja is under way. However, as I told the House during the debate on the Gracious Speech, one of the practical problems facing those who are trying to distribute aid is the absence of a large number of civilians in the city because many have sought refuge elsewhere in Iraq, often, as I understand it, with friends and relatives. The humanitarian assistance is in place and ready to be delivered as and when it is required.

Mr. Nicholas Soames (Mid-Sussex) (Con): Following on from the question asked by the hon. Member for Hereford (Mr. Keetch), will the Secretary of State confirm that it is his plan to deploy extra troops to Iraq, and not only troops outside the normal roulement? If it were the case that extra troops were required, would it be his intention that they should go to the British area of responsibility, or be deployed elsewhere?

Mr. Hoon: I have no plans to deploy extra troops in the sense that the overall number of British troops in theatre will remain at roughly the 9,000 figure that I set out to the House today. If there were a requirement for more troops, I would inform the House in the normal way.

Joan Ruddock (Lewisham, Deptford) (Lab): Further to the Secretary of State's answer to my hon. Friend the Member for Hampstead and Highgate (Glenda Jackson), what assistance is being given by British or coalition troops to the 200,000 Iraqis who have left Falluja, many of whom are not with friends and family, but seem to be accommodated in tents? What is their need for water, food, sanitation and medicine?

Mr. Hoon: As I have already said, humanitarian assistance is available. Food, water and shelter could be made readily available immediately if there were an overwhelming requirement for it, but at the moment there is not a large number of civilians in and around Falluja to whom humanitarian assistance could be provided.

Mr. Hugo Swire (East Devon) (Con): What discussions has the Secretary of State had about the withdrawal of troops from Northern Ireland for redeployment to Iraq?

Mr. Hoon: I have had no discussions about the withdrawal of troops in Northern Ireland for redeployment to Iraq. Two separate but parallel processes are involved: there is clearly a reduced requirement for British forces in Northern Ireland because of the improving security situation there and, obviously, from time to time, forces who might have otherwise served in Northern Ireland will be deployed to Iraq as part of the normal rotation.

Fort George Army Base

4. **Mr. David Stewart** (Inverness, East, Nairn and Lochaber) (Lab): What his Department's plans are for the Fort George Army base. [199356]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): No decisions have been taken regarding the future role of Fort George. However, options are currently being developed for consideration.

Mr. Stewart: My right hon. Friend will be well aware of the superb facilities at the imposing Fort George base in my constituency. He will also know that it has a rich and varied history that dates back to its commissioning shortly after the battle of Culloden in 1746. Will he agree to meet me in the next few weeks to discuss possible future options for the base, especially using it as a Scottish training facility for the Army?

Mr. Ingram: I am always happy to meet my hon. Friend; indeede we had a successful meeting at Fort George after which we met interested parties. It is better to meet when we have a more mature point of view to express, but I am always prepared to listen to views in the community about the uses that could be made of the facility. He is right that there are excellent training facilities in the area, so that is clearly one of the positive aspects that we are considering.

Royal Gloucestershire, Berkshire and Wiltshire Regiment

5. **Mr. James Gray** (North Wiltshire) (Con): What the current strength is of the Royal Gloucestershire, Berkshire and Wiltshire Regiment; and where it has been deployed in the last five years. [199357]

The Secretary of State for Defence (Mr. Geoffrey Hoon): As at 1 October, the strength of the 1st Battalion the Royal Gloucester, Berkshire and Wiltshire Regiment was 620 officers and soldiers, including 65 personnel from other units currently attached to the battalion.

In the past five years, the battalion was based at Colchester up to April 2000, as a resident battalion in Northern Ireland from April 2000 to April 2002, and at Hounslow from April 2002 to the present. While at Hounslow, it made two operational deployments to Northern Ireland between December 2002 and June 2003, and to Kosovo between March and April 2004.

Mr. Gray: I am most grateful to the Secretary of State for confirming the full recruitment of the RGBW and its distinguished current service, which is in addition to the 209 battle honours and the 16 VCs and the George cross that it enjoys. It also has the great distinction of wearing the cap badge at the back in memory of the Glorious Gloucesters' distinguished service at the battle of Imjin during the Korean war. Does the Secretary of State agree that if his plans go ahead for the reduction of three

battalions in England and the creation of super-regiments, that regiment will either be consigned to the regimental museum and the history books, or the super-regiment he creates will have some small part of it in enjoying that distinguished tradition and history? Does he agree that those people fight well together because of that history and the unique deep feeling within the regiment? Does he not worry that he risks destroying it with his plans?

Mr. Hoon: I listened carefully to the hon. Gentleman's observations. Of course it is right that we should pay tribute to the distinguished record of the three separate regiments that he relies on for his argument. The various distinctions that he has brought together are the result of—*[Interruption.]*—at least three different regiments. I am being given helpful assistance by Opposition Back Benchers. He has cumulated those to suggest that the regiment is long standing. He knows that that particular regiment was amalgamated by the last Conservative Government as part of the significant cuts made under the supervision of the then Minister for the armed forces, the hon. Member for Mid-Sussex (Mr. Soames), now representing the Opposition on the Front Bench. This process of consolidation and amalgamation has seen a number of such amalgamations down the years.

What is important—I agree with the hon. Member for North Wiltshire (Mr. Gray) to this extent—is that we preserve, where we can, the identity and distinctive characteristics of regiments. I stressed that this morning when I met a number of distinguished veterans from the Gloucestershire regiment. To suggest, however, that that identification of history and the association of particular regiments with their very distinguished past is not possible under any reorganisation is completely undermined by his example of an amalgamated regiment and his reliance on its limited recent history.

Mr. Parmjit Dhanda (Gloucester) (Lab): I thank my right hon. Friend for joining me in meeting a delegation of members and former members of the Gloucesters. I also warmly thank him for making a commitment to look sympathetically at ways and means of ensuring that the identity of the Glorious Gloucesters is protected, whether through the back badge, the US presidential citation or other such measures, so that it continues to have a strong local link with areas such as mine.

Mr. Hoon: I am grateful to my hon. Friend for that. I am particularly grateful to him for arranging the meeting this morning. It was a great privilege to meet distinguished veterans of the Gloucestershire regiment and to emphasise to them the importance of recognising, as part of the reorganisation, the distinguished history of our great regiments and of doing our best to preserve that as part of any restructuring of the Army for the 21st century.

Mr. Robert Key (Salisbury) (Con): I ask the Secretary of State not to forget the Royal Wiltshire Yeomanry in all the discussions. It is a distinguished ancient and single-county regiment. Will he also recognise that there is a political dimension to the decisions? No one is arguing that there should be no modernisation or even reorganisation, much as I would regret it, and we cannot deny that there were amalgamations, but the whole point of those that took place under the Government of whom I was proud to be a member was that they recognised the importance of keeping the names of the counties. If we have some great south-west regiment, we will lose all that. So I ask him that when the decision is put to him for final ratification, whatever the military may say on military grounds, he recognises the great affection with which the RGBW is held. It was only on 16 October that it received the freedom of the city of Salisbury.

Mr. Hoon: I have consistently recognised that point. Unfortunately, the hon. Gentleman's observation that no one is suggesting that there should be no reorganisation is not shared by his Front-Bench team, who have argued consistently that there should be no change and that regiments up and down the country should be preserved as they are. He and I agree. I am always delighted to agree with him. He is a voice of common sense on the Conservative Back Benches, and long may he continue to be so. I hope that he manages to persuade those on his Front Bench to adopt a slightly more realistic policy towards both the need for reorganisation and the preservation of identity.

Mr. Martin Salter (Reading, West) (Lab): I am not sure that the hon. Member for North Wiltshire (Mr. Gray) has greatly assisted the campaign to retain the RGBW; I will try to do a little better. My right hon. Friend the Secretary of State has received a considerable number of representations on the future of that fine regiment, which faces either amalgamation or disbandment. Is he able to give me any guarantees on the future of the RGBW, and particularly of Brock barracks in my constituency, which provides a base for no fewer than 20 other service groups and associations, all of which are anxious about the future of our local regiment?

Mr. Hoon: I assure my hon. Friend that the principles that we have set out will be kept to. It is important that we provide an Army structure that is right for the 21st century, which provides us with the right deployable capabilities for the modern age and at the same time recognises the importance of local identity and, in terms of my hon. Friend's constituency, local connections.

Galileo Project

6. **Mr. David Amess** (Southend, West) (Con): When he last discussed the Galileo project with his EU counterparts. [199358]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): Galileo was most recently discussed by European Transport Ministers—in keeping with both the civil nature of Galileo and the Department for Transport's primary responsibility for the project in the United Kingdom—at the Transport Council in October. Defence officials continue to be fully engaged in cross-Whitehall discussions on this subject.

Mr. Amess: The Minister knows that the Under-Secretary of State for Transport, the hon. Member for Plymouth, Devonport (Mr. Jamieson), confirmed to the Select Committee on Transport that certain partners to the Galileo project—most notably France—seek military applications for it. What measures are the Government taking to ensure that our strategic partners do not seek use of that satellite for military purposes?

Mr. Ingram: We have made it clear that, as far as the UK is concerned, Galileo will be a civil system under civil control. That has been confirmed by successive EU Transport Councils. The requirements for navigation and timing information to support UK armed forces will continue to be met by the global positioning standard—GPS—which remains a de facto NATO standard. The MOD has no current requirement for specific military application of Galileo and is not investing in the project. The EU-US agreement on Galileo/GPS interoperability, which was signed in June, safeguards UK, US, NATO and European military interests.

Barbara Follett (Stevenage) (Lab): Will my right hon. Friend confirm that contrary to recent speculation, the Galileo project is good value for money and that the UK's defence interests will be protected during its operation?

Mr. Ingram: Yes. I understand my hon. Friend's constituency interest in the matter. I have long known about the project—since before I entered Government—which has been a long running one. It clearly has great utility in the right areas. I have clearly set out the defence position and how we view the project in terms of our needs.

Mr. Ian Taylor (Esher and Walton) (Con): The Minister will know that the Galileo project started under the last Conservative Government. I was involved in the EGNOS—European geostationary navigation overlay service—ground station work, and I am an enthusiastic supporter of the project. I rather regret his, shall we say, defensive approach. There is a clear military connection to Galileo and I hope that the MOD does not try to push its responsibility for such matters solely on to the Transport Council, because in the modern fighting age accurate positioning is ever more vital. Now that the Americans have agreed, there is no conflict with our American partners over GPS and Galileo, which are to be complementary.

Mr. Ingram: I remember opposing the hon. Gentleman when he was Science Minister, and recall how much I welcomed the reversal of roles. I have always viewed him as one of the saner members of the Opposition on a range of issues. I have made our defence view very clear, and GPS remains the system of choice for the UK.

Battle of Trafalgar Celebrations

7. **Mr. Ivan Henderson** (Harwich) (Lab): What support his Department is giving to ensure the involvement of the Sea Cadet Association in celebrations of the 200th anniversary of the battle of Trafalgar. [199359]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The Sea Cadet Association, with its affiliated sea cadet corps units, is integral to the Government's series of events to celebrate the bicentennial of the battle of Trafalgar. Working with the Royal Navy, the Sea Cadet Association is acting as the lead organisation for all naval cadets involved in this important celebration.

Mr. Henderson: I thank my hon. Friend for his reply. Would he consider funding the Sea Cadet Association to enable every unit in this country to take part in those celebrations? It would be a pity if the Government turned a blind eye to units that did not have enough funding to take part in that great celebration next year.

Mr. Caplin: My hon. Friend has made an interesting suggestion about funding for next year. I have not previously considered it, but I undertake to do so, as we have a fund for supporting Trafalgar celebrations. I congratulate my hon. Friend on behalf of the whole House on his chairmanship of the all-party group on sea cadets, which will be a year old in January. Other Ministers and I were disappointed not to be able to attend the reception at which the First Sea Lord spoke.

Mr. James Clappison (Hertsmere) (Con): Is the Minister aware that this very week is the 200th anniversary of Napoleon's coronation as emperor and that the Government have done far more damage to our Navy than Napoleon ever managed? We now have excellent relations with France, which has more ships in its navy than this country has, and will soon have even more ships. Should we not be grateful to the French for whatever participation they care to undertake next year in the Trafalgar anniversary so that the sea cadets have something else to see?

Mr. Caplin: I think that we are extending my ministerial responsibility for veterans a little far in talking about Napoleon in a question about sea cadets. I hope, however, that the hon. Gentleman enjoys the events planned for the Trafalgar anniversary next year.

Court Martial (Army)

8. **Richard Ottaway** (Croydon, South) (Con): If he will make a statement on the operation of the court martial system in the Army. [199360]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The court martial system for the Army is established under the Army Act 1955, which applies worldwide. The Act provides that all offences under English law are also offences under military law. It also provides for service offences such as failure to attend for duty, and misconduct on operations. A court martial system able to try both types of offence is an essential

element in maintaining discipline to underpin operational effectiveness, and is compliant with the European convention on human rights.

Richard Ottaway: I am well aware that to bring up the case of Trooper Kevin Williams would be to breach the sub-judice rules, so I shall choose my next question with care. Is the Minister satisfied with a system in which commanding officers, whatever the circumstances, may consider that the rules of engagement have been complied with, but in which the Crown Prosecution Service can take a different view and effectively has a right of veto? Is he satisfied that that is a fair and balanced way in which to apply military justice?

Mr. Ingram: The hon. Gentleman referred to the Williams case, and I can only repeat the comments of my noble and learned friend the Attorney-General when Trooper Williams was charged—the possibility of a court martial in connection with the incident was ruled out by the decision of the soldier's commanding officer to dismiss the case. Following subsequent consultation involving the Attorney-General and the CPS, a decision was made to pursue the case in the civil courts.

Mr. Nicholas Soames (Mid-Sussex) (Con): What assurances can the Minister of State for the armed forces provide that when soldiers are placed in the most difficult, dangerous and confused situations, and when split-second decisions have to be made, the decisions made by their commanding officers will not be overruled by civilian courts, thus seriously undermining operational morale and possibly endangering soldiers' lives?

Mr. Ingram: I do not think I have anything further to add to my earlier answer. We have made it clear how the process works. I do not know whether the hon. Gentleman is saying that due process should not take place if alleged wrongdoing has occurred. We clearly have an obligation to ensure that we apply the highest standards of law at all times, and to make sure that it is applied fairly and equitably to all involved in the process, in order to defend the interests of possible victims of wrongdoing and of those who may be accused of carrying out those acts.

Defence Procurement

9. **Andy Burnham** (Leigh) (Lab): What steps he is taking to increase procurement from British-based suppliers. [199361]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): One of the objectives of our defence industrial policy is to sustain and enhance the competitiveness of the United Kingdom defence industry, which will further strengthen its ability to meet our defence requirements. We made it clear in our policy that when considering how best to satisfy our defence needs, we take into account the impact on the UK industrial base, including the effects on jobs, technology and intellectual assets.

Andy Burnham: The Minister mentioned jobs. He does not need me to remind him of the significance of the Eurofighter-Typhoon programme to manufacturers throughout the north-west and to the whole supplier chain in the north-west. I understand that decisions on tranche 2 are imminent, if press reports are to be believed. May I urge my right hon. Friend to make that vital decision for British industry this side of Christmas and make many people throughout the north-west very happy indeed?

Mr. Ingram: Whenever we make such a positive decision, it would make people happy, but it would be nice to give them a good Christmas. Every effort is being made to deliver an early decision. The aircraft is a superb piece of equipment. It is highly acclaimed within the RAF and I am sure it will serve us and meet the needs of the RAF for many years and decades into the future.

Mr. Crispin Blunt (Reigate) (Con): Continued successful procurement from British-based firms requires them to have access to the intellectual property and intellectual ownership of the key technologies. BAE Systems has long failed to get proper access to the technology in the case of the joint strike fighter, a programme in which it is involved. Have the Government any success to report to the House?

Mr. Ingram: We continue to work strenuously to achieve that relationship. The hon. Gentleman knows the background to the case. The efforts of Ministers and the Government cannot be called into question, and I pay tribute to everyone who continues to put pressure where that is needed to ensure that we get access. That is an important aspect of our future procurement approach and we will continue to apply maximum pressure to achieve the best results for the UK.

Mr. David Watts (St. Helens, North) (Lab): Following an earlier response to my hon. Friend the Member for Chorley (Mr. Hoyle), will the Minister reconsider whether the decision to give a contract to someone who intends to supply from China meets his Department's proposals to support jobs and manufacturing industry in Britain?

Mr. Ingram: Because of the extensive questioning about the contract, it has been thoroughly trawled over and re-examined to make sure that everything was done properly. I am fully satisfied that that is the case. I repeat that the successful bidder for the contract is a UK-based company.

Mr. Andrew Robathan (Blaby) (Con): The Minister knows that the Government are already reducing procurement from British suppliers among other ways by cutting the future surface combatant programme. When was the decision made to end all work on the programme? How much had been spent, or wasted, before the decision was made? Since the future vessel was intended to replace the Type 22 and Type 23 frigates, what impact will the decision have on the future capabilities of the Royal Navy? With that decision, the Government sneaked out yet another defence cut.

Mr. Ingram: There is always a balance of priorities to be made in Government. I welcome the hon. Gentleman—I think this is his first Defence questions on the Opposition Front Bench. Long may he continue there. He will learn, I hope, that it is a matter of balancing priorities. There is only so much money in any Department's budget. We cannot buy everything that we desire. With regard to our naval capacity, there are two new aircraft carriers, the Type 45, the Astute programme—the biggest warship building programme since the second world war. We should be congratulated on that, rather than criticised.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): When recently commissioning the large support vehicle, did the Minister prefer a foreign bidder disguised as a British bidder to a real British bidder based in Birmingham? Does the Minister think that the Government are getting things the wrong way round? Should we not do what everybody else does—pretend to look at the foreign bidders and actually commission the British bidder?

Mr. Ingram: I used to enjoy my hon. Friend's columns in *The Daily Telegraph*—but I do not know whether I enjoyed his question. I draw his attention to someone who I think is an important contributor to the debate on the contract to which he refers, the Amicus general secretary, Derek Simpson, who said:

> "This is excellent news for UK manufacturing and shows commitment from the MOD to buy UK built products. We can work with government to further develop a positive procurement strategy."

Those who represent a large part of the industrial sector—the trade unions—are much in favour of what we have done on this occasion. I think that my hon. Friend is supported by Amicus, and perhaps he should have a word with its general secretary about this matter.

Aerospace Defence Technology

10. **Mr. Michael Jack** (Fylde) (Con): What new defence technology developments in the field of aerospace his Department is sponsoring. [199362]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The Ministry of Defence continues to sponsor a wide range of research activities and projects in aerospace, including those aimed at advancing such technologies as materials, engines, radar, rotorcraft and counter-measures, and to develop our overall understanding of navigation, signatures and the integration of complex systems.

Mr. Jack: The Minister has read out an interesting list of capabilities. Britain has put on the table two of the joint strike fighter's eminent capabilities—short-take-off-and-vertical-landing capability and the ability for precision manufacture. Perhaps the right hon. Gentleman will tell me which of the technologies on the list that he has just read out he puts on a par with the two that we have already given to the joint strike fighter. Will he confirm whether he is now prepared to say that aerospace is counted as a strategic technology, alongside encryption, nuclear power and nuclear weapons?

Mr. Ingram: That is another wide-ranging question—but what we get back in terms of technology is stealth technology. I am sure that there are many other technological advances, too, which are discussed between the two Governments, that are perhaps better not surfaced. I am sure that the right hon. Gentleman, as an ex-Minister, will be only too aware of the reasons for some or all of that. There are a considerable range of initiatives through our research and demonstrator programme, working with industry, to lift a range of capabilities. That is why I listed the generic concepts in my main answer.

Gulf War-related Illnesses

11. **Mr. Ben Chapman** (Wirral, South) (Lab): If he will make a statement on Gulf War-related illnesses. [199363]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The Government have always accepted that some veterans of the 1990–91 Gulf conflict have become ill and that some of this ill-health is related to their Gulf experience. The Government's policy, as set out in 1997, is to ensure that Gulf veterans have ready access to medical advice and all relevant information as well as the proper financial support, while we continue to pursue appropriate research into this important subject.

Mr. Chapman: The veterans in the Gulf were exposed to a variety of drugs, vaccines and inoculations, and to the use of various pesticides in their accommodation. Many of them are now suffering from a variety of conditions after, if not necessarily because of, all that. There is therefore a sense of considerable injustice. As a result of the Lloyd report, about which I know there are concerns regarding the funding, does my hon. Friend propose any new policy lines or any new research avenues?

Mr. Caplin: My hon. Friend will be aware of the research programme that is under way, which costs a total of about £8.5 million, on Gulf veterans' illnesses. I make two points about the Lloyd report. First, it is regrettable that Lord Lloyd has not been prepared to divulge details of its funding. The Government have been clear about openness and transparency in relation to Gulf veterans, and I think that Lord Lloyd should have done the same. Secondly, he made one point that I want to address this afternoon, about the 272 rejections of war pension cases. Of those, more than half relate to diagnosed disorders such as traumatic physical injuries, lower back pain or coronary diseases. The rejections will all have been subject to a right of appeal to the independent pensions appeal tribunals, as the conditions are not found to be attributable to service. I can tell the House that I have decided that we should investigate the remaining 100 or so cases that do or may relate to Gulf veterans' illnesses.

Afghanistan

12. **Tony Cunningham** (Workington) (Lab): If he will make a statement on his Department's contribution to the conduct of recent elections in Afghanistan. [199365]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Afghanistan's first presidential elections marked an important milestone in the country's political development. While security for the elections was primarily an Afghan responsibility, British forces also played their part. Our troops in the international security assistance force, for example, increased the number of patrols during the election period, and our Harrier GR7s provided an appropriate air presence.

Tony Cunningham: I join the Secretary of State in paying tribute to the tremendous work that British forces continue to do in Afghanistan. What plans does he have for the future? In spring there will be parliamentary elections, and at that time security will again be paramount.

Mr. Hoon: I had the privilege of visiting Afghanistan some three weeks ago. I met the newly elected president, and I was able to congratulate him and discuss with him the prospects for the spring parliamentary elections. It is important that lessons are learned from the recent presidential elections and applied in the parliamentary elections, which certainly present some further and more difficult challenges. All of us should join in congratulating the Afghan people. The sight of people queuing for hour upon hour to cast their vote for the very first time was a remarkable one, which we should never forget.

Lawrie Quinn (Scarborough and Whitby) (Lab): Will my right hon. Friend join me in congratulating the officers and men of the Green Howards, who have recently returned from Afghanistan? They played an important role in the areas around Kabul in advance of the elections. Will he meet me and other colleagues from North Yorkshire and the Teesside area, as well as members of the regimental association of the Green Howards, to talk not only about their work in Afghanistan, but about their excellent history, before he has to make any decisions about the future of battalions in Yorkshire?

Mr. Hoon: Of course I would be delighted to meet my hon. Friend to discuss the role of the Green Howards. On my visit to Afghanistan I met members of my local regiment, the Worcestershire and Sherwood Foresters, who took every opportunity to make the sort of points that I am sure he would like to put to me in a meeting, which I would be delighted to hold.

Staffordshire Regiment

13. **Michael Fabricant** (Lichfield) (Con): If he will make a statement on the future of the Staffordshire Regiment. [199366]

The Secretary of State for Defence (Mr. Geoffrey Hoon): As I announced in July, the reduction in the number of forces committed to Northern Ireland means that the overall requirement for infantry battalions can be reduced by four. This reduction will comprise one battalion from Scotland and three from England. The posts saved will be reinvested in strengthening the establishment of the remaining infantry battalions and providing additional logistic, engineer and intelligence personnel, who are needed to sustain our expeditionary capability.

In addition, the decision to phase out the infantry arms plot, which uproots Army families every few years, means that a new infantry structure is required. This new structure will seek to preserve the best elements of the regimental system while adapting to ensure operational success for the future. The new structure will be based on large regiments of two or more battalions.

Michael Fabricant: That is the most generic answer I have ever heard: I asked about the Staffordshire Regiment, and not once was it referred to in the answer. Will the Secretary of State say what the future of the Staffordshire Regiment is, as he was asked to do on the Order Paper? Is he aware that next year will be the 300th anniversary of the founding of the Staffordshire Regiment? Will that be a celebration or a wake? Is he aware that the recruiting record of the Staffordshire Regiment is second to none? When exactly will it know its future? The morale of the regiment, like that of so many other regiments, is at risk when such uncertainty continues.

Mr. Hoon: The Staffords have a very fine and distinguished history. I would be the first to acknowledge that, and I do not want the hon. Gentleman to talk down the morale of Britain's armed forces. As I visit members of the armed forces, I do not find that their morale is jeopardised, but I assure him that in the context of seeking a structure for our Army that is consistent with the requirements of the 21st century, we will have every regard to the need to preserve the historic identity of fine regiments such as the Staffords.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend will recognise that Staffordshire Members of Parliament hold their regiment in high regard. The regiment is in fine spirits at the present time, but I want an assurance from him that when the Army Board makes its decision and the configuration comes out, it will not be a question of our merely rubber stamping and endorsing it, but that it will come out to us for consultation. Many of us have held our fire, in accordance with the wishes of the regiment, to see what the final outcome will be.

Mr. Hoon: I set out to the House as long ago as July the overall principles, which I have repeated today. Within those principles, many hon. Members have helpfully set out their views on behalf of their local regiments. I have taken those views into account, and will take them into account before any final decisions are made.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Secretary of State accept that uncertainty causes a great deal of anxiety and heartache? The sooner we can have a clear answer to the questions that we have all been asking this afternoon, the better. If there is to be a Mercian regiment, and if the

Staffords are to be part of it, will the Secretary of State guarantee that the territorial integrity and identity of the Staffords will be safeguarded and preserved?

Mr. Hoon: The hon. Gentleman always approaches these issues in a fair-minded way. Had a decision been taken and announced last July, it would certainly have removed the uncertainty, but I am sure that he would, rightly, have protested about the lack of consultation. In seeking to consult, in particular, the constituent elements of the Army, the Chief of the General Staff is trying to satisfy the challenge that he has set himself of reorganising the Army to face the 21st century, while preserving local identity. As soon as I possibly can, I will come to the House and set out the Government's conclusions on the basis of the Army Board's recommendations.

Concentration Camps (Liberation)

14. Mr. Andrew Dismore (Hendon) (Lab): What steps his Department is taking to commemorate the liberation of (a) Auschwitz and (b) Belsen. [199367]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I am planning to attend the special commemorative events in Poland in January next year to mark the 60th anniversary of the liberation of Auschwitz-Birkenau camp. A United Kingdom delegation and a group of UK schoolchildren will attend a wreath-laying ceremony at the memorial to those who died and will join other international guests for a service at Auschwitz camp. That important anniversary will also be marked by the publication on 27 January of a special booklet by the Ministry of Defence, which will explain the history of all the camps, and contain accounts from holocaust survivors.

Mr. Dismore: I am grateful to my hon. Friend for indicating that the Government see the importance of marking those events. Will he say what he plans to do to commemorate the liberation of Belsen, which was, of course, carried out by UK troops? What can we do to ensure that those events are not forgotten by future generations? What will he do to make sure that those commemorations have a long-lasting effect on younger people?

Mr. Caplin: My hon. Friend is right. Belsen was liberated in April 1945. At the moment, I am not aware of any plans for a special commemoration, except to say that Belsen will be included in the booklet to which I have already referred. The object of taking schoolchildren to such an important occasion, which we did in Normandy, Cassino and Arnhem, is to ensure that we pass on the remembrance of those events to future generations.

Dr. Julian Lewis (New Forest, East) (Con): I welcome everything that the Minister has said today, but will he include one extra dimension in the booklet and commemorations to which he has referred? That extra dimension is the experiences of the allied troops who had to go in and liberate those extermination centres and camps. He will be well aware that many of those veterans suffered flashbacks and nightmares for many years—in some cases for the rest of their lives. He will also perhaps be aware that a member of the parliamentary delegation to Buchenwald was so affected by what she saw that she committed suicide shortly after her return. Will he pay tribute to the people who had to clear up the horrors that were perpetrated?

Mr. Caplin: I join the hon. Gentleman in paying tribute to all the British forces in 1945 who had to carry out that job on behalf of our country.

Heroes Return

15. **Laura Moffatt** (Crawley) (Lab): If he will make a statement on progress with the heroes return initiative. [199368]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The heroes return programme provides grants from the Big Lottery Fund to enable world war two veterans and their widows, spouses and carers to attend events abroad to commemorate their service. Since I launched the programme on 9 February, it has received 8,835 eligible applications and paid out more than £7 million, enabling nearly 20,000 people to travel to all the theatres which saw action in the second world war. The programme will remain open for applications until 31 March 2005, and I encourage veterans who have not yet made an application to do so.

Laura Moffatt: I am grateful to my hon. Friend for that reply. Does he know that 21 of my constituents have made visits to important commemorations, using £6,000-worth of lottery funds? That is a very effective use of lottery funding. I well remember the many criticisms that were made of lottery funding, particularly by Her Majesty's Opposition. Given that few of us could argue that this is not the best way in which to use that funding, can my hon. Friend tell me whether there are any further plans to do so?

Mr. Caplin: We have a good and constructive relationship with the lottery fund, which we have developed over the past year. I am pleased that my hon. Friend's constituents in Crawley have been able to take advantage of the heroes return programme. We are in discussion with the lottery about future programmes. In particular, I draw the House's attention to home front recall, whereby a large fund of lottery money will be available for projects here in the United Kingdom next year, during the 60th anniversary celebrations.

Middle East and Ukraine

3.30 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): With permission, Mr Speaker, I shall make a statement on Ukraine and the Middle East. Let me deal first with Ukraine. The international election observer mission led by the Organisation for Security and Co-operation in Europe has concluded that the presidential elections held in Ukraine on 21 November were flawed. On that basis, we cannot accept that the process was either free or fair. The Ukrainian Parliament voted on Saturday by a two-thirds majority for the elections to be rerun. The Ukrainian Supreme Court has suspended official publication of the results and will begin its hearing of opposition challenges to them today.

Meanwhile, the situation in the country remains fragile, with large-scale protests, strikes, blockades of Government buildings and civil disobedience. We urge all parties, including the authorities, to continue to show restraint. Our ambassador in Kiev is seeing the Ukrainian Interior Minister this afternoon with a message to that effect. We are giving active backing to the efforts of the EU presidency, High Representative Javier Solana and the Presidents of Poland and Lithuania to resolve the situation. I spoke again to Dr. Solana this morning.

Let me make this clear. In any democratic election, the decision itself is one for the voters concerned, and for them alone. However, the international community has a clear right and responsibility—in this case, under obligations accepted by the Government of Ukraine—to ensure that the process is a fair one and that the outcome reflects the will of the people.

Let me turn now to Iran. Over the past two years, my French and German counterparts and I, working with the International Atomic Energy Agency, have led efforts to bring Iran into compliance with its obligations under the non-proliferation treaty. Breaches of those obligations, including significant failures to disclose details of Iran's activities, have led to widespread anxiety in the international community about Iran's real intentions. Iran does have the right to pursue a nuclear programme for peaceful purposes, but it is legally barred by the NPT from pursuing a nuclear weapons programme.

We three Foreign Ministers—the so-called E3—visited Tehran on 21 October last year. On 5 and 6 November this year, officials from the E3, the EU and Iran reached an agreement in Paris under which Iran would suspend all its activities related to the most sensitive nuclear technologies—that is, enrichment and reprocessing of nuclear fuel. It is those technologies that allow for the production of weapons-grade material. The suspension would mean that negotiations could begin on long-term arrangements for Iran's civil nuclear programme. The Paris agreement requires that those arrangements should include objective guarantees that Iran's purposes are exclusively peaceful. I have placed a copy of the agreement in the Library.

In parallel, under the agreement, negotiations would begin on areas where Europe and Iran could co-operate—including on technology and commercial co-operation—and on political and security issues of mutual interest. The EU and Iran would also resume negotiations on a trade and co-operation agreement, which had been held up because of European concerns on the nuclear issue.

I spoke to my Iranian counterpart, Kamal Kharazi, last Tuesday, and to Dr. Hassan Rouhani, Iran's chief negotiator, by telephone last Friday. I stressed to both of them the importance of quickly implementing the Paris agreement in full. Following further talks in Vienna yesterday, Iran has written to the IAEA promising that 20 sets of centrifuge components, which Iran had sought to exclude from the suspension, should now be included. The agency's head, Dr. El-Baradei, is therefore able to state to the board today that suspension is being fully implemented. We tabled a resolution to the IAEA board yesterday evening and I learned before I came to the House that it has been agreed by consensus at the board in Vienna. Let me consider the conference on Iraq, which I attended last Monday and Tuesday in the Egyptian city of Sharm el-Sheikh. The conference brought together representatives from the Iraqi interim government and Iraq's neighbours, the G8, China and others including the United Nations, the Arab League and the Organisation of the Islamic Conference. I pay tribute to my colleague the Egyptian Foreign Minister, Ahmed Aboul Gheit, for his skilful and effective preparation and chairmanship of the meeting. I am placing a copy of the final communiqué in the Library.

As the House knows, in the past two and a half years I have participated in many international discussions on Iraq in the United Nations and elsewhere. Many of those debates have been acrimonious and difficult. In contrast, the Sharm el-Sheikh conference marked a genuine break with that atmosphere. There was a determination by all concerned to put the past behind us. For example, not a single delegate proposed delaying the elections that are due on 30 January in Iraq. The conference sent a clear and unanimous signal of support for the political process in Iraq, based on UN Security Council resolution 1546, and specifically for those elections.

In my intervention at the conference, I explained that we would be working for successful elections in Iraq through three things: efficient election administration, on which the Iraqis and the UN are doing exceptional work in difficult circumstances; promoting full participation by all parts of Iraqi society, regardless of ethnic or sectarian background; and, of course, working for the best possible security. At the conference, Iraq's neighbours also agreed to intensify their co-operation to control their borders with Iraq, so as to stop infiltration by terrorists and insurgents. Interior Ministers will meet in Tehran tomorrow to pursue that.

Directly after the Iraq conference, I visited Israel and the occupied territories last Wednesday and Thursday. In Israel, I had several hours of highly constructive talks with my counterpart, Foreign Minister Silvan Shalom, Vice Prime Minister Ehud Olmert, Leader of the Opposition Shimon Peres and a wide range of Israeli parliamentarians.

[Mr. Jack Straw]

In Ramallah, in the occupied territories, I laid a wreath on the grave of the late President Yasser Arafat. I saw Prime Minister Abu Ala', Chairman of the PLO Abu Mazen, and Ministers Nabil Sha'ath, Salam Fayyad and Sa'eb Erekat.

The past few years have been profoundly tragic and depressing for Israelis and Palestinians alike, with many deaths and injuries on both sides and a climate of fear and suspicion. For those in the region, most dawns in the recent past have proved false. However, I have to tell the House that the change of atmosphere for the better on both sides is now palpable.

Several factors have contributed to that: Israeli Prime Minister Sharon's courageous plan for disengagement from Gaza and the northern west bank; the opportunity of fresh elections in the Palestinian Authority and President Bush's explicit commitment, during my right hon. Friend the Prime Minister's visit to Washington, to use America's political capital to give new impetus to the road map. Everywhere I went, there was a real appreciation for the Prime Minister's and all the UK's efforts to assist the peace process, as well as for our wider work in the region.

The immediate priority is the Palestinian Authority presidential elections on 9 January. The UK, both bilaterally and through the EU, will provide material support for those elections and participate in an EU observation mission.

Israeli Foreign Minister Silvan Shalom told me that for those elections Israel would ensure freedom of movement and remove any other obstacles as far as security permitted and allow residents of east Jerusalem to vote. He confirmed that the Israeli Government would want to operate according to broadly the same arrangements as were agreed for the 1996 Palestinian elections, and said that Israel would accept international monitoring for the elections. I also discussed all those issues with members of the Palestinian election commission in Ramallah.

The Palestinian Ministers whom I met during my visit readily acknowledged the need to rise to the challenges presented by Israeli disengagement from Gaza and the northern west bank, and to exploit the opportunity for progress that we now have. They were conscious of the need for thoroughgoing reforms of Palestinian institutions, as a crucial step in building the conditions for a viable, democratic Palestinian state.

I was encouraged by the strong commitment on the part of the new Palestinian leadership to improving security arrangements in the occupied territories. They described this to me as a commitment to make a "100 per cent. effort" on security. And they recognised that such an effort is vital for dealing with the rejectionists and terrorists who may well seek to derail progress in future peace negotiations, and for maintaining order and security in the Palestinian territories themselves, particularly in the run-up to the elections.

I made clear our continuing strong support for Palestinian security reform. I visited the central operations room in Ramallah, which the United Kingdom has financed, and was able to observe the security effort that the Palestinians were putting in place.

We in the international community, as friends of the Israelis and the Palestinians, now need to do all we can to help both sides to seize the opportunities for progress and to restart the peace process laid out in the road map and Security Council resolution 1397, leading to a secure state of Israel alongside a viable state of Palestine. I believe that the whole House agrees that ending this decades-old conflict between Israelis and Palestinians would be a huge contribution to stability and peace not just in the region, but worldwide. For that reason, this is of the highest priority for the British Government.

Mr. Michael Ancram (Devizes) (Con): I thank the Foreign Secretary for his statement, and indeed for advanced sight of it. He has covered a plethora of different issues; I hope I will be allowed to pursue some of them—first, the conference on Iraq at Sharm el-Sheikh. We welcome signs of greater participation by Iraq's neighbours and the progress that he reported was made at that conference. However, is a new stabilisation force likely to be sent to Iraq, and who would take part in it? For instance, are there any signs of Arab, Indian or Russian participation in such a force?

Given the role of unemployment, particularly among the young, in acting as a recruiting incentive for troublemakers in Iraq, a serious and intensive job creation programme linked to necessary public works should be encouraged. What progress was made in that regard?

As the Foreign Secretary said, democratic elections are an essential part of the stabilisation of Iraq. I hear what he had to say about those elections. Is he totally convinced that this date will not be changed? Could, for instance, the alleged collapse of Iraqi policing in Mosul have a bearing on whether the January date can be met for a comprehensive and secure election?

Turning briefly to Iran, while I welcome the Foreign Secretary's announcement that the resolution has been passed by the board in Vienna today, what long-term reliance does he believe we can genuinely put on the "voluntary suspension" of the enrichment programme, which the Iranians have announced? For instance, are the centrifuges, which have now been included, going to be left open or sealed off? I believe that the answer to that could provide us with an indication.

What precise guarantees have the Foreign Secretary and his German and French colleagues given the Iranian Government, and are these individual national guarantees from each of those nations, or EU guarantees? Incidentally, when will the Iranians give us back the boats they illegally seized from us some months ago?

The House will have listened with great interest to what the Foreign Secretary had to say about the middle east peace process. There is generally a feeling that there is a new if small window of opportunity. While I was in Cairo for Yasser Arafat's funeral, a senior Palestinian told me that

"the landscape has now changed".

As well as what he has already disclosed to us today, did the Foreign Secretary find any evidence of how it has changed in terms of potential future negotiations? For instance, were there any indications that there might be a little more flexibility on crucial elements, such as Jerusalem and the right to return?

Does the Foreign Secretary agree that in general, this is very much not the time for hasty megaphone diplomacy or rushed initiatives with regard to this process? The election of Arafat's successor is a crucial element in creating the environment for resumed dialogue towards a two-state solution. Can the Foreign Secretary assure the House that neither he nor any of the Quartet will seek to influence those elections, and that so long as they are free and fair, we will all accept the outcome? I welcome his confirmation that the Israeli Government will allow the election to be freely conducted in east Jerusalem. And while respecting their duty to protect their citizens from terrorism, did he also take the opportunity to discuss with the Israeli Government the recent Israeli Supreme Court decision, which would move the security fence so as to allow 100,000 acres of west bank land to remain undivided?

In the longer term, did the Foreign Secretary discuss, as we have previously discussed in this House, the possibility of a senior American political figure presiding even-handedly and continuously over resumed dialogue, in very much the dynamic facilitating role that Senator Mitchell performed for us in an earlier context in Northern Ireland? Will he take this opportunity to tell us what the truth is about Javier Solana's alleged contacts with Hamas? Can he clear up the confusion as to what actually happened, on whose behalf Solana was acting, and on what date he himself first knew about those contacts? Would any such contacts with active terrorist groups require to be authorised in advance by the Council of Ministers? If there was such a meeting on this occasion, was it so authorised?

Finally, on Ukraine, our hearts instinctively must go out to the followers of Mr. Yuschenko, who feel that they were robbed of their democratic rights by an unfair election. Whatever the outcome of the Supreme Court hearing, it is difficult to envisage a way out of the impasse without a rerun election under proper scrutiny. The divisions run deep—and, as we have seen on our television screens, the emotions too. The dangers of secession are great, and the shock waves if that happened could resonate way beyond the borders of Ukraine, not least in terms of European energy supplies and the west's future relations with Russia.

Does the Foreign Secretary agree that the people of Ukraine must make their own decision without unwarranted interference or undue influence by either the EU or Russia? Heavy-handed intervention on either side could inflame the situation beyond repair. Of course, if asked, we should stand ready to help to enable free and fair elections to be held, but we should not seek to sway them in any way.

There are times, as we saw in Berlin, Romania and Georgia, when people speak louder than their politicians, and when their courage and fortitude can bring down walls where politics have failed to shift even a single stone. Looking at those thousands and thousands of hopeful faces braving the freezing cold to demonstrate peacefully for their democratic rights, this might just be such a time again. Our thoughts and our prayers are with them.

Mr. Straw: Let me answer the right hon. and learned Gentleman's questions in turn. First, on Iraq, he asked about a new stabilisation force. There are no proposals for a new force. The current mandate of the multinational force is referred to in the communiqué and effectively endorsed by it. On programmes to reduce unemployment, there has been a huge increase in job creation in Iraq since the fall of Saddam. What stands in the way of further job creation is the security situation. That further underlines that the efforts of the terrorists and rejectionists in Iraq are far more directed at ordinary Iraqis and their future than they are even at troops of the multinational force.

On the issue of the date for elections, all of us accept that meeting the date of 30 January will be difficult, but the judgment currently being made by the independent elections commission for Iraq, and by most, not all, leading Iraqis is that whatever the difficulties, it is better to aim for that date than to appear to delay. That was the point made by Dr. Barham Salih, the Deputy Prime Minister, speaking on "Breakfast with Frost" yesterday. He said:

"delaying elections will be much more difficult because it will have serious ramifications to the political process . . . Most Iraqis want elections to be held on time."

That is our judgment.

On Iran, the right hon. and learned Gentleman asked what long-term reliance we can place on the agreement. Iran has made a solemn agreement, which includes all the centrifuges. The detail of how it will be subject to surveillance or seal is set out in the resolution and the agreements, and in letters and statements by Dr. El-Baradei and the Iranians. If the Iranians fail to meet their undertakings—I believe that they will meet them—they face censure by the board of governors, reference to the United Nations Security Council, and an end to the quid pro quo that the E3 and the EU have offered in the Paris agreement.

The right hon. and learned Gentleman also asked about the boats. I raised the issue with Kamal Kharazi during a meeting that I had with him last Tuesday, and pressed him again for the release of the boats. He accepted that they were British property, which indeed they are. I pointed out to him that as there was no disagreement about that, it was time we got them back.

Of course the right hon. and learned Gentleman is right to say that this is no time for megaphone diplomacy in regard to the middle east. That is true. I do not think that anyone wants megaphone diplomacy; what people want to see is quiet but solid progress.

There are outstanding very difficult issues, including the status of Jerusalem and the right of return. They can only be resolved, as the road map anticipates, in the final-status negotiations. I believe that they can be resolved, just as some incredibly difficult issues were resolved in the Northern Ireland negotiations. Things that appeared impossible for either party to consider some years ago are now being resolved. Such resolution depends on the building up of a climate of confidence, which is why the elections, co-operation in the electoral process and the withdrawal from Gaza and its aftermath are so important.

I did indeed raise the issue of the security fence with both Foreign Minister Shalom and Vice-Prime Minister Ehud Olmert. I discussed the High Court decision, but

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also pointed out to the Israeli Government that Members in all parts of the House felt that the siting of the fence—in so far as it departs from the internationally accepted border between Israel and the occupied territories—was unlawful, and palpably served Israel's long-term purpose no more than it served that of the Palestinians.

The right hon. and learned Gentleman asked about Hamas and the position of Javier Solana, the EU High Representative. I would accept that question from almost anyone but an Opposition Front Bencher—and I am pleased that the hon. Member for Rutland and Melton (Mr. Duncan), too, is sitting on the Front Bench. Our position has always been clear: we will not deal with Hamas as long as it remains a banned organisation. The right hon. and learned Gentleman has evidently forgotten what was said during Foreign and Commonwealth Affairs questions on 14 October last year. A member of his own Front-Bench team at that moment, speaking, I assume, for the Conservative party at that moment, said:

"Even with the collapse"—

Mr. Ancram: I just asked the question.

Mr. Straw: And I am answering it.

That spokesman said:

"the hard and unpalatable truth of conflict of that nature is that it makes sense to develop direct contacts with organisations deemed to be terrorist. Even with the collapse of the road map—or, even more crucially, because of it—it may be useful to talk to Hamas and Islamic Jihad."—[*Official Report*, 14 October 2003; Vol. 411, c.5.]

My understanding is that in so far as there has been any direct contact between Javier Solana and Hamas, or even any indirect contact, it occurred before the EU banned the organisation in September 2003. The Conservative Front Bench was advancing a policy of direct contact with that terrorist organisation after it had been banned.

The last point relates to Ukraine. There is no suggestion of any heavy-handed intervention, certainly not by us. As I said in my statement, the issue is the process, not the result. If the process is fair, the result of the elections is a matter entirely for the Ukrainians. It all depends on whether the process is fair. We, of course, will respect any result provided that the process is fair and accepted as such by international observers.

Sir Menzies Campbell (North-East Fife) (LD): There is much in this compendious statement that one can support. In particular, I offer my continuing support, and that of my right hon. and hon. Friends, for the Government's policy on Iran—and, if I can be forgiven a seasonal reference, I congratulate the three wise men of the EU on their achievements in that connection.

May I also offer my support for the determination to hold to the election date of 30 January in Iraq? Any postponement would be a damaging blow to progress and would hand an enormous propaganda victory to the insurgents.

Turning to Ukraine, in an uncharacteristically delphic passage, the text of the Foreign Secretary's statement says:

"The international community has a clear right and responsibility, under obligations accepted by the Government of Ukraine, to ensure that the process"—

the election process—

"is a fair one and that the outcome reflects the will of the people."

Exactly what does the Foreign Secretary mean to convey by that, and how does he believe that those rights and responsibilities may have to be exercised?

On the middle east, obviously everyone will welcome the opportunity that now presents itself, but the Foreign Secretary has rightly been at pains to point out that there have been many opportunities in the past and that many hopes have been dashed. Warm words will not do; progress in realistic terms is obviously essential. On a particular matter arising from that, did the right hon. Gentleman seek any assurances that in the event of deterioration in the security situation during the weeks leading up to the election, any measures taken in response would be proportionate?

Mr. Straw: I thank the right hon. and learned Gentleman for his remarks, especially in respect of Iran, and I accept his seasonal greetings.

We are not there yet, but if we are able to ensure that by a peaceful process of negotiation and—if I may say so—by the three leading countries in the European Union working together, with the EU, on what amounts to a constructive and agreed EU foreign policy, we can edge Iran fully into acceptance of its international obligations to have a civil nuclear programme without any suspicion of a nuclear weapons programme, and at the same time help to normalise relations between the EU, the west and Iran, we shall have done a modestly reasonable job, and I am grateful to the right hon. and learned Gentleman for his support. I am also grateful for what he said about the determination to see the election timetable held to for 30 January.

The right hon. and learned Gentleman referred to a delphic passage about Ukraine. I take full responsibility for the drafting of that passage, so if it was delphic, that was me, not my officials. All I intended to convey was that although the outcome of the elections—provided that they are fair—is a matter for the Ukrainians, Ukraine, like all other members of the Organisation for Security and Co-operation in Europe and the Council of Europe, has voluntarily accepted obligations to meet internationally established standards for the running of elections. So far, on the face of things, it is the breach of those international standards that gives the international community both obligations and rights to take diplomatic action of the kind that we are taking to bring Ukraine into line.

On the middle east—yes, we have to move beyond warm words. The right hon. and learned Gentleman asked what would happen in the event of deterioration in security. Obviously, we have pressed on the Israelis the need for moderation and proportionality. What is crucial, however, is that the Palestinians make a real effort—a 100 per cent. effort—in respect of security, and that that is reciprocated by the Israelis. All the Palestinians whom I met understand that, and their responsibilities, very clearly. I hope—but who can

tell?—that the rejectionist terrorist groups also appreciate just who will be damaged if they launch attacks against Israel at any time, but particularly at this time. Along with our United States and EU partners, we intend to have a close and continuing interest and involvement in both Israel and the occupied territories, and to do what we can to ensure that the environment for the elections—from now until 9 January and, I hope, well beyond—is satisfactory.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Can my right hon. Friend, acting in the role of the oracle, tell us the answer he received from Senor Solana about his talks with Hamas? If anyone, whatever their title, purports to speak for European nations, they should not be seen to be holding secret talks on behalf of the European Union with proscribed and dangerous organisations.

Mr. Straw: As I have already explained to the House, my understanding is that, in so far as there was any, direct contact took place before the EU as a whole banned the political and military wings of Hamas as a proscribed organisation. Of course, Javier Solana understands better than anyone the circumstances in which he works. I have the highest regard for Javier Solana and his work; he fully respects the fact that foreign policy, under the Maastricht and Amsterdam treaties, is in the hands of every member state, except in those circumstances where we make unanimously a common foreign policy.

Mr. Peter Viggers (Gosport) (Con): There have been a number of meetings, under the auspices of the NATO Parliamentary Assembly, of the NATO-Ukraine Parliamentary Council, of which I am joint chairman together with the Speaker of the Ukrainian Parliament, the Rada. May I express good will and concern to all those who are approaching the issues in Ukraine in a balanced and constructive way? Indeed, I hope that public accountability will win through at the end of the day.

Mr. Straw: I am grateful to the hon. Gentleman for those comments. May I also, in turn, express appreciation to him and his colleagues, because the NATO parliamentary delegation was part of the delegation of monitors led by the OSCE?

Tom Levitt (High Peak) (Lab): On Saturday, through the medium of the Glossop branch of Amnesty International, I signed a greetings card to a Palestinian family who live in the occupied territories and whose lives have been blighted by that very occupation. In that card, I expressed the hope that this might be the last winter in which they would find themselves being so occupied. I should be grateful to my right hon. Friend if he suggested—he will not be able to say whether I am right or wrong—a time scale by which we might start to look at a distant horizon for change.Finally, does not my right hon. Friend find some irony in the words of the right hon. and learned Member for Devizes (Mr. Ancram), given that the Ukrainians want in to Europe and the Tories want out?

Mr. Straw: My hon. Friend is entirely right about the last point. On Ukraine, I was not quite sure whether the right hon. and learned Member for Devizes (Mr. Ancram) was suggesting that we should come down more heavily on the side of Russia or the EU. Our view is that we should not come down heavily on anyone's side, except that of the democratic voice of the Ukrainians.

My hon. Friend asks about the time scale. The time scale set out in the road map is very short. We were due to get to a viable Palestinian state by the end of next year. The time scale, sadly, has now slipped, but each step that needs to be taken between where we are now and a separate, viable state of Palestine, living alongside a secure state of Israel, is in the road map. All that is now required is real determination and will by both sides to ensure that the road map is implemented.

Angus Robertson (Moray) (SNP): Mention has been made of the discussions and legal proceedings about a possible rerun of the presidential election in Ukraine. If that is to take place, does the Foreign Secretary agree that it is important to prioritise an important role for international observers from Russia, as well as from western Europe, to reassure voters in eastern and western Ukraine that any new polls will be free and fair?

Mr. Straw: I agree, but I should point out that Russia is a member of the OSCE.

Mr. Neil Gerrard (Walthamstow) (Lab): I welcome what my right hon. Friend had to say about the elections in Palestine, but did he make it clear to the Government of Israel that welcoming the possible disengagement from Gaza and the northern west bank does not imply any acceptance of the continued occupation of the rest of the west bank or the continued development of settlements in those areas from which the Israeli defence forces do not withdraw, including the moving of significant numbers of settlers from Gaza to the occupied west bank?

Mr. Straw: Yes, I did make that clear. We welcome the planned disengagement and withdrawal from Gaza and four key settlements in the northern part of the west bank as a necessary step in the implementation of the road map, but obviously that is by no means sufficient. If there is to be Israeli withdrawal, it has to start somewhere. That is very welcome in my view, and our responsibility is to ensure that the Palestinian Authority is able effectively to fill the vacuum that will be left by the Israelis when they withdraw from Gaza.

Mr. David Heathcoat-Amory (Wells) (Con): Is not an unfortunate side effect of the invasion of Iraq the fact that it sends a message to other dictators and authoritarian regimes everywhere that they are wise to arm themselves with nuclear weapons first? Will the Foreign Secretary therefore reassert the more traditional principle of non-interference in the affairs of a sovereign self-governing country unless that country represents a real and grave threat to its neighbours, ourselves or our allies, a test that was not met in the case of Iraq?

Mr. Straw: I do not accept the right hon. Gentleman's premise. I believe that a basis for action under the United Nations Security Council and UN charter

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was plainly met. I remind the House that there were 17, I think, chapter VII resolutions in respect of which Saddam was in flagrant breach, including resolution 1441, and he remained in breach of them until 18 March when the House made its decision overwhelmingly to support military action. The nuclear weapons ambitions of neighbouring states or anywhere else have nothing whatever to do with the military action that we necessarily and justifiably took in Iraq. The anxieties about Iran's possible nuclear ambitions were there well before there was any suggestion of military action being needed in respect of Iraq.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Will my right hon. Friend condemn the disgusting behaviour that has been reported among Israeli troops? It includes the murder of a 13-year-girl on the Gaza strip, the impaling of a head of a Palestinian in triumph and, with terrible echoes of the holocaust, the forcing of a Palestinian to play a violin at a checkpoint, one of a number of cases of appalling treatment of Palestinians at checkpoints. Will my right hon. Friend ask the Israeli Government why they condone this behaviour and do not call any of their troops to account for it?

Mr. Straw: Any such behaviour is to be condemned. I also say to my right hon. Friend, however, that none of the Israelis whom I met sought to condone it. Bluntly, they were ashamed of it and wished to see action taken. Equally, because this has been such a brutal conflict on both sides, I condemn similar or equivalent behaviour by Palestinian terrorists. It is important to recognise that what has happened, particularly over the past three and a half to four years, has been a brutalisation of both sides, leading to appalling excesses, all of which stand to be condemned by each side.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): On the elections to the presidency of the Palestinian Authority, may I particularly commend the Secretary of State for having raised the concerns of the House regarding the Israeli security fence? That is literally and metaphorically a barrier to the creation of the atmosphere that will be necessary for the elections to be held successfully. What assessment would he make of the prospects for meaningful progress by the Israelis towards dismantling the fence before 9 January?

Mr. Straw: There are two issues. The first is the discrete issue of the Israeli Government's need to comply with the decision of the Israeli High Court and on which some progress has been made. However, that affects a relatively small part of the fence. The other is the much bigger issue of the siting of the fence off the internationally accepted border. In respect of that, the Israeli Government position, as enunciated to me on a number of occasions last Wednesday, is that they are ready to move the fence as part of any negotiated final settlement. They point out that they did the equivalent when they moved from occupied Egypt as part of their signing of the peace treaty with Egypt. That is their position. However, I, in turn, made the point that is widely shared on both sides of the House. Today, we regard the siting of the fence outside the internationally accepted border as unlawful. It is also unacceptable for reasons that the House fully understands, including the fact that it denies livelihood and access to many thousands of Palestinians.

David Winnick (Walsall, North) (Lab): Is my right hon. Friend aware that the disappointment here over the past few months is that the Israelis seem to indicate that they will evacuate only a small part of the occupied territories, with the other illegal settlements—some 400,000 people live in such places on Palestinian land—simply continuing? Secondly, the 13-year-old female was shot repeatedly by an Israeli officer who said that even if she had been three years of age, he would have done the same thing; yet he has not been charged with murder. Is not the fact of the matter that the Israeli authorities, especially the army, in the occupied territories are simply out of control?

Mr. Straw: As I explained, the shooting of the girl in such circumstances was shameful. I got the clear impression that the Israeli Government intended to take action on that.

David Winnick: Not for murder.

Mr. Straw: I shall certainly pursue the matter with them again if my impression is wrong.

My hon. Friend expressed disappointment that only a small part of the occupied territories is to be evacuated. Prime Minister Sharon's current plan, which has been approved by the Knesset, is to move completely out of Gaza as a whole, which will include the evacuation of seven settlements within it. Gaza contains 40 per cent. of the population of the occupied territories. However, the proposal on the four northern settlements in the west bank will affect only a relatively small part of the area. As I have said to the House, that would be a start, as a necessary stage of implementing the full withdrawal as required by the road map, but it would be by no means sufficient.

Mr. Julian Brazier (Canterbury) (Con): Does the Foreign Secretary accept that the situation in Ukraine goes to the heart of our national interest and far beyond the laudable commitment to a fair process? There is a deeply fearful Russian minority in the east who have seen what happened to Russian minorities in most of the other ex-Soviet states; in the rest of the country, there is a majority who are bitterly unhappy about a fiddled election process and who might, if the process is allowed to continue, give birth to an exodus that could dwarf even the massive outflow of people from eastern Europe at the fall of the Berlin wall. Bearing it in mind that English is the most widely spoken second language in the country, we have a real national interest in a subject with which we should engage.

Mr. Straw: Of course I accept what the hon. Gentleman says. We must also understand that the country is deeply divided. We do not know exactly what the true election result would have been if the process had been acceptable, but we can say that, plainly, each side has at least 40 per cent. of the vote. Such a difficult and dangerous situation requires wise counsel on all sides.

Mrs. Alice Mahon (Halifax) (Lab): With other Members of the House, I monitored the elections in Ukraine. In a report meeting chaired by my right hon. Friend the Member for Walsall, South (Mr. George), 20 teams of parliamentarians gave an upbeat assessment of their observations, although that, of course, did not take account of the long-term observers. Given that the country is totally divided between the two candidates and that the south-east is calling for a referendum to split the country, would there be any merit in running fresh elections with new candidates? Additionally, during the conference at Sharm el-Sheikh, did anyone ask whether napalm, or a substitute for it, has been used by the coalition during the war or since?

Mr. Straw: I pay tribute to my hon. Friend and her colleagues on the parliamentary teams, and I have obviously read carefully what the OSCE monitors had to say. The situation is difficult and fragile, but I should say that I understand that the calls from the south-east for secession have come from regional governors, so they do not necessarily reflect the full popular sentiment. The rerunning of the elections is currently a matter for the Ukrainian Supreme Court, but if that happens, I suspect that there will be the same presidential candidates as before.

My hon. Friend asked whether napalm had been mentioned during the conference at Sharm el-Sheikh. I heard no reference to that allegation whatever.

Mr. Crispin Blunt (Reigate) (Con): Last week, the Foreign Secretary received an assurance from the Israeli Foreign Minister that Israel would ensure freedom of movement for the elections. Is he aware of reports that I saw today that, since his visit to Israel, officials of the Palestinian election commission were held for six hours at an Israeli checkpoint? Will he investigate whether those reports are correct? If they are, will he communicate his frustration to the Israeli authorities with the same candour that he would display if he discovered that British troops were obstructing the Iraqi election commission in trying to prepare for elections in Iraq, particularly given that he was given an assurance to the contrary four days earlier?

Mr. Straw: I was not aware of that claim, which I take seriously. I shall certainly investigate it and ask our ambassador in Tel Aviv to do so, and report back to the House.

Glenda Jackson (Hampstead and Highgate) (Lab): Surely the greatest threat to elections in Iraq would be a reprise of the events that unfolded in the attack on Falluja, which did more to create terrorists than anything else up to that point. What message from Sharm el-Sheikh was sent to the US Administration to ensure that in future their use of force be more proportionate than the force unleashed on Falluja? When the Foreign Secretary raised the issue of the security wall with the Israeli Government, what was their response?

Mr. Straw: On the first point, the decision to act in Falluja was not made by the United States Government but by the interim Iraqi Government, who are authorised by the United Nations. My hon. Friend may not like that fact, but it happens to be true. They made the decision. Prime Minister Allawi went to huge lengths to resolve the problems in Falluja by peaceful means. It was only when it became clear that the Sunni leaders, tribal leaders and terrorist leaders were unwilling to enter into a compromise that he authorised that action.

Falluja was scarcely mentioned during the discussions in Sharm el-Sheikh. What was mentioned, however—it is specified in paragraph 6 of the communiqué—is the condemnation

"of all forms of terrorism in Iraq."

It is terrorism and terrorists in Iraq who are trying to stop the electoral process taking place.

John Barrett (Edinburgh, West) (LD): Members on both sides of the House will hope that those who have been involved in the large-scale protest in Ukraine will show restraint, but does the Foreign Secretary have contingency plans in place to communicate with UK citizens and their families so that they are protected should the situation deteriorate, as it could quickly?

Mr. Straw: Yes, and we have a fully staffed embassy in Kiev.

James Purnell (Stalybridge and Hyde) (Lab): Given the opportunity in the middle east, does the Foreign Secretary agree that we should do everything we can to bring both sides together? In that respect, does he think that the Israelis should do anything more to assist in the provision of free and fair elections? Does he also think that the Palestinians and perhaps the Egyptians should do more on security to ensure that withdrawal from the Gaza strip leads to greater security for the Palestinians and the Israelis?

Mr. Straw: What has been said by the Israelis, the Palestinians, the Egyptians and others is very good. It is crucial that the words are followed through so that there is real and effective co-operation on the part of Israel and its security forces to allow for the elections to take place in accordance with the 1996 arrangements and for the casting of votes in East Jerusalem, and on the part of the Palestinians to make the efforts that they have promised on security. If both those things happen, the elections can take place and they will be free and fair, but it will require constant effort by the parties and constant monitoring by the international community.

Michael Fabricant (Lichfield) (Con): The Foreign Secretary will know that the borders of Ukraine are rather artificial and were established by the old Soviet Union. Given that fact, and given that the Russians are only partly a minority—they form a good 40 per cent. of the population—does he envisage a situation arising, as a result of the greater polarisation, in which there is a separation of the two states, rather like what happened in Czechoslovakia? If that were the case, what would be the implications for the United Kingdom? What contingency plans has his Department got in place?

Mr. Straw: The borders of most countries that are not islands are artificial in the terms in which the hon. Gentleman describes them; Ukraine is far from unique in that respect. Its borders reflect history and many other pressures. I do not want to contemplate a division of Ukraine; that is not on the agenda. What we hope is that the Ukrainian Supreme Court will be able to seek to resolve the matter by entirely peaceful and lawful means.

Linda Perham (Ilford, North) (Lab): The Foreign Secretary knows of the hopes of my thousands of Jewish constituents for an end to terror and fear in Israel, and of the yearning of the Israelis to live in peace and security. He mentioned President Bush's explicit commitment to the Prime Minister during his visit to Washington on giving impetus to the road map. How does the Foreign Secretary see that progressing and what role can the Americans play in making such progress?

Mr. Straw: The Americans have a key role to play as the most important ally of the state of Israel and as one of the four key partners in the quartet with the European Union, the Russian Federation and the United Nations. The importance of the discussions between our Prime Minister and President Bush two weeks ago was that, following them, President Bush recommitted himself actively to pursuing the peace process and, as he said, to spending American political capital, and, I might add, his own, to ensure that the road map stops being just a piece of paper and becomes a reality on the ground, with the Israelis being able to enjoy the security within and on their borders that has long eluded them, and with the Palestinians being able to enjoy the nationhood and statehood that has always eluded them.

Dr. Julian Lewis (New Forest, East) (Con): Although much of what the Foreign Secretary has said today has commanded general support across the House, it is slightly unusual to combine in a single statement four disparate conflicts or potential conflicts; I hope that that will not become the practice. As I have to choose one, may I say that we are not only at a crossroads over the future of Ukraine? Does he agree that we are also at a crossroads over how Russia will handle itself? Does he agree that one reason why there have been so many velvet revolutions in central and eastern Europe is that Russia declined to use force in situations about which it felt strongly? Will he be making representations to the effect that Russia should act similarly with respect to Ukraine?

Mr. Straw: I thought that there was a general demand for me to make a statement about Ukraine as well as on the middle east. I am in your hands, Mr. Speaker; I should be happy to make four statements in sequence rather than all together. If that would be for the convenience of the House, it would not cause me a problem.

On the issue of Russia and restraint, I think that the Russian Government fully understand their responsibilities and the need for all sides to show restraint.

Mr. Harry Barnes (North-East Derbyshire) (Lab): How widely known is the holding of the general election in Iraq among the Iraqi people? A short time ago, it seemed that it was not well known; perhaps people had other things to be bothered and worried about. There might be some indication in terms of the number of people who have registered to vote or are expected to register and in the number of local elections that have already been held to prepare people for a coming general election.

Mr. Straw: My understanding is that there is already a good level of appreciation of the elections and the process. The system of registration is based on the records for food rations. As people go to claim their food rations, they are registered to vote. The usual process of the publication of provisional registers is under way and the independent election commission of Iraq is seeking nominations. Alongside that, there are plans for a proper information campaign to be run by the independent election commission to educate people in Iraq better about the process of elections, which of course they have not enjoyed for getting on for 40 years.

Dr. Brian Iddon (Bolton, South-East) (Lab): I welcome my right hon. Friend's visit to Palestine and Israel, but when he received reassurances about the future of the settlers who are to be relocated from the Gaza, did he seek or receive any reassurances about the homes that they will leave behind? Will they be used to rehouse the thousands of Palestinians whose homes have been demolished?

Mr. Straw: I did not discuss that specifically, but I am happy to look into it and to write to my hon. Friend.

Chris Bryant (Rhondda) (Lab): The Foreign Secretary will know that some people have argued in the past that a shared European Union foreign policy is at best a foolhardy ambition and at worst dangerous nonsense. However, do not the events of the past few weeks in Iran, Ukraine and, for that matter, the middle east show that, far from being a hindrance to British interests, a shared EU foreign policy can help us to pursue our diplomatic aims? Would it not therefore make sense for us to implement and ratify the EU constitutional treaty as soon as possible to make sure that we have an accountable Foreign Minister for Europe?

Mr. Straw: The answer is yes to each question in that series. The simple truth that the Opposition have failed to grasp is that, under the existing treaties and the new constitution, the United Kingdom, along with every other member state, will continue to have a sovereign right to determine its own foreign and defence policy. Only when we are in agreement with a specific proposal can there be a European foreign policy. What France, Germany and ourselves have shown in respect of Iran is that where the three largest countries in Europe agree, we can do much more together than we can separately.

Points of Order

4.28 pm

Mr. Edward Garnier (Harborough) (Con): On a point of order, Mr Speaker. Nottingham East Midlands airport—NEMA—is currently undertaking its second consultation to gather the views of the people, local authorities and other interested groups in and around Leicestershire likely to be affected by the proposal to increase by many times the number of inbound and outbound cargo night flights using the airport. The first consultation was defective because NEMA failed to consult Leicestershire county council, the local authority within whose area the airport is wholly sited, and several other local authorities and parish councils, including Oadby and Wigston borough council, which is in my Harborough constituency, and Leicester city council.

The new night flights eventually will overfly my constituency at heights of up to 7,000 ft, possibly at intervals of less than two minutes, affecting villages and communities where there is no, or very little, ambient noise between 11 pm and 6 am. The number of night flights between those times already exceeds those at Heathrow, Gatwick and Stansted airports. It has been drawn to my attention over the weekend that NEMA believes, or at least is telling my constituents, that the final decision on the increased night flight regime rests with the Civil Aviation Authority. The CAA, however, says that it is ready to implement the permission granted on 27 July under the defective first consultation—

Mr. Speaker: Order. I have listened to the hon. and learned Gentleman's lengthy point of order. I think that an Adjournment debate would be more appropriate. Government Ministers will have heard his concerns, but it is not a matter for me, unless he can link it to the Speaker's responsibilities.

Mr. Garnier: I can do so, Mr. Speaker, with greater accuracy than the CAA and NEMA, which are saying different things about the consultation. The Secretary of State for Transport should satisfy the House as to the real policy. Is the CAA and the airport company the decider or is it the Secretary of State? At the moment, there is a total muddle, and I urge you, Mr. Speaker, to ask the Secretary of State to clear the matter up.

Mr. Speaker: Again, that has nothing to do with the Speaker.

Andrew Selous (South-West Bedfordshire) (Con): On a point of order, Mr. Speaker. Have you had any indication that the Secretary of State for Defence intends to make a statement about cuts to battalions of English infantry regiments? I understand that a decision to cut—*[Interruption.]*

Mr. Speaker: Order. We have just finished an hour of defence questions. *[Interruption.]* Order. That was the time for the hon. Gentleman to seek to catch my eye. I am not taking the matter as a point of order.

BILL PRESENTED

Identity Cards

Mr. Secretary Blunkett, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Straw, Secretary Margaret Beckett and Mr. Desmond Browne, presented a Bill to make provision for a national scheme of registration of individuals and for the issue of cards capable of being used for identifying registered individuals; to make it an offence for a person to be in possession or control of an identity document to which he is not entitled, or of apparatus, articles or materials for making false identity documents; to amend the Consular Fees Act 1980; to make provision facilitating the verification of information provided with an application for a passport; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 8].

Orders of the Day

Debate on the Address

[FOURTH DAY]

Order read for resuming adjourned debate on Question [23 November].

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign,

We, your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom and Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament.—*[Mr. George Howarth.]*

Home Affairs

Mr. Speaker: I inform the House that there will be an eight-minute limit on Back-Bench speeches.

4.30 pm

The Secretary of State for the Home Department (Mr. David Blunkett): The Gracious Speech set out the Government's determination to address the most fundamental responsibility of any state: the safety and security of its people. In the economy over the past seven and a half years, under the leadership of my right hon. Friend the Chancellor of the Exchequer, we have built stability and security for the economy as a whole, security for the family, the lowest unemployment for 30 years, and inflation and interest rates at their lowest level for decades, and as a consequence we have allowed people to build their lives and their families through their own prosperity and the contribution they can make to others.

The Prime Minister is endeavouring, with the Secretary of State for Northern Ireland and the parties there, to do the same for Northern Ireland. On the international scene, we have sought to bring greater security, stability and freedom to people across the world. In our neighbourhoods and communities we seek to provide the stability and security that allow cohesion, equality and opportunity to flourish. To protect people and their security in the community and the neighbourhood, and to remove, wherever we can, the threat to them, subliminally or in reality, we are taking the measures set out in the Queen's Speech.

Rapid economic, social and political change has affected the world over the past 20 years in a way that none of us could have foreseen. Those changes have brought great gains, but they also bring insecurity. They lead to greater movement of people and to changes in communication, which bring tremendous opportunities but can also bring fear. Satellite television and 24-hour, seven-day-a-week news bring the opportunity to understand what is taking place across our globe, but also bring all the downsides of fear and instability. People see in their own homes—in their lounges—what previously would never have been known to them other than in the headlines of a newspaper the following day.

In that environment, we must consider what is necessary to protect our people, secure their confidence and create an environment in which difficult debate can take place in the House and broadly across the country about what measures are proportionate, necessary and wise to secure the future of our nation. In that spirit we set out the home affairs agenda in the Queen's Speech, not to bring fear but to remove fearfulness from people's lives. We are addressing the real issues, the worries and people's day-to-day concerns—sometimes subliminal, sometimes up-front—to ensure that they can open their minds and hearts to listening, understanding and responding to progressive policy.

It is a simple fact in our history and that of Europe and the world that the greater the insecurity people feel, in the form of physical threat, economic instability and insecurity in their own lives, the more likely they are to turn to extremes of left and right. The more secure people are in their lives, the more they trust Government to secure their well-being internationally, as has been argued by all parties in the context of defence spending over the years, and the more likely they are to engage in sensible debate about the big challenges that face us.

With the change in the threat, the breakdown of the cold war and the changes that my right hon. Friend the Foreign Secretary dealt with only a few minutes ago, there are new and different challenges. We must try to anticipate what steps should be taken to ensure that in a decade people do not turn on the politicians of the day and demand to know why action was not taken. To be able to answer the question, "Did you do enough?" with the words, "Yes, we did," is not to threaten people but to ensure that insecurity, instability and fear are taken away.

Derek Conway (Old Bexley and Sidcup) (Con): I hope that the Home Secretary will accept that there are very few Members who would wish him other than well in the difficulties that he is facing.

Given what the right hon. Gentleman has said about the pressures that are on us to ensure that we have law and order, security and a lack of fear, what does he say to the Commissioner of Police of the Metropolis, who covers my area, and to the Police Federation, who say that all the measures that he is introducing will give them an incredible burden of bureaucracy, which is having a great impact on how they fulfil their duties in ensuring that the public of Greater London in particular are reassured, as I am sure he wants them to be? There is a gap between what he intends and what the police can enforce.

Mr. Blunkett: I have not heard one word from the Commissioner of Police of the Metropolis or from the commissioner-elect to suggest that bringing together the National Crime Squad, the National Criminal Intelligence Service, immigration and Customs brings anything but a reduction in bureaucracy as those services combine to share information and investigation and to support the Metropolitan police. I have heard no suggestion that the extra resources now and in the immediate future into the special branch services run by the Metropolitan police do anything but free up officers to be diverted to neighbourhood team policing, which my right hon. Friend the Prime Minister and I saw only two weeks ago in Bexley, and which we were proud to reinforce. The deputy commissioner, Sir Ian Blair, was with us, and was proud of the programme that he, the Mayor and the Metropolitan Police Authority are putting in place.

I hope that later this week, when we announce the police grant, we will be able to reinforce the programme of continued expansion of the neighbourhood policing programme that is being put in place throughout the country. Clear, definable and quick identity, to which I shall turn in a moment, helps rather than hinders the police.

I am not entirely sure what the intervention was intended to demonstrate. I cannot find any proposed measure, with the possible exception of the charities Bill, which obviously the police have a major interest in, that would increase anything such as paperwork.

Mr. Roger Gale (North Thanet) (Con): What information does the Home Secretary have about the time that it takes a Metropolitan police officer to fill in form 5090?

Mr. Blunkett: One thing is certain, and that is that it is not seven minutes. It depends entirely on the nature of the stop that has taken place.

Mr. Gale: Has the Home Secretary ever done it?

Mr. Blunkett: Yes, I have. I have experimented. I filled in such a form. It took 90 seconds of dictation, but it might have taken seven minutes if the person I was dictating to wrote very slowly. We will improve the forms through electronic equipment that will allow information to be tapped in, which can then be used for intelligence policing and will be held on the mainframe computer.

As that issue is not in the Queen's Speech, I shall make progress with some of the things that are. The capacity of the security services to protect us is dependent on how we resource them. That is why we have doubled the resources and capability of the security, intelligence and special branch services. That is why since 2001 we have put in place an extra £2 billion of security and resilience investment. That is why we are putting in place new electronic border controls—the first in the world—that will allow us to be able to monitor and surveille those coming in and out of the country, and will enable us eventually to be able to reinstate embarkation controls, which were done away with a decade ago.

David Davis (Haltemprice and Howden) (Con): If they work.

Mr. Blunkett: I agree with the right hon. Gentleman. If they do not work, they will be utterly useless. I am glad that we are getting such agreement this afternoon. To be totally honest, I think that across the House, perhaps with one or two exceptions, most Members agree in their heart of hearts with most of what I am saying. There will be differences of nuance and approach. One thing is absolutely certain: despite the fact that we are clearly closer to a general election than we were a year ago—I will put it no more strongly than that—I intend to continue listening, responding to and, where possible, accommodating the concerns of all Members of the House on my own side and on the Opposition Benches. Some of the measures will undoubtedly be improved by the strength of people engaging positively with them.

Mr. Mark Oaten (Winchester) (LD): I agree that we have a great deal in common on some of the issues, particularly in relation to terrorism. With that in mind, was the Home Secretary disappointed that the Leader of the House chose to try identify a difference between the parties and imply that one party was stronger on terrorism than others?

Mr. Blunkett: It is not like the old adage: one party is not at prayer while the other is singing hymns. This is not about a particular political party being better at securing the well-being of the nation. The point that the Leader of the House was rightly making—I have made it myself over the years—was that our party too often neglected the explanation of what we were doing in terms of security, law and order and policing, to the point at which there was a perception in the public mind, God help us, that the Conservative party was more likely to secure well-being in the community of the population. As it happened, that was a complete calumny, not only because as we saw in the Conservatives' last Parliament, they reduced the number of police, let more prisoners out of prison and failed to address youth justice, but because the people whom we represented over those years were hardest hit by crime and less secure than those whom the Conservative party represented at that time, although not now, as they represent such a small and diminishing area of the population—and long may it remain so.

Mr. Andrew Robathan (Blaby) (Con): As the Home Secretary is putting words into the mouths of the Opposition, will he remind the House on how many occasions he voted against the prevention of terrorism Act?

Mr. Blunkett: As a stickler for not saying I have a number when I do not have one, I am sure that the hon. Gentleman will tell me. Would he like me to give way so that he can tell me how many times I voted? I remember voting for the renewal of the Act. *[Interruption.]* Ah—so the question is not whether I voted for it, but whether I voted against it. My glass is half full, not half empty, and that is the way it is going to be. To remove fear of difference in our communities, we need to strengthen hope and have half-full glasses rather than half-empty ones. Strengthening our identity is one way of reinforcing people's confidence and sense of citizenship and well-being. Knowing one's true identity and being able to demonstrate it is a positive plus. It is a basic human right that all of us should treasure, so reforming the identity system, as I will spell out in a moment in relation to the Bill that we published today, is crucial.

Sir Paul Beresford (Mole Valley) (Con): As we are having a touch of agreement, may I ask the Home Secretary whether he agrees that some of his measures are raising fears, to which I hope he will respond, relating to personal freedom? There seems to be an enormous proliferation of the state database. Recently, for example, there has been the integrated children's system, and we are going to have a centralised medical database, while anyone who applies on a form for a university loan will see that there is an enormous number of questions—and so on. It smacks of the beginning of an authoritarian state.

Mr. Blunkett: I do not accept for a moment that a sensible, rational, computerised system of medical records is a threat to the individual. The system means that medical records can be transferred immediately and are accurate and available. My right hon. Friend the Secretary of State for Health—I am pleased that he is here this afternoon—has pointed out that some administrations have got piles of forms all over the place and records here, there and everywhere and that it sometimes takes weeks to transfer people's records. To secure the immediate transfer of records is a positive gain for people and provides security against bad prescription and bad treatment.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Will the Home Secretary confirm that in last year's consultation document the Government stressed that the carrying of ID cards would never become compulsory? We now understand that an ID card will have to be produced to apply for a passport, which is mission creep towards "compulsory", is it not?

Mr. Blunkett: No, no. If people are asked to produce their driving licence and they do not have it, they are asked to attend a police station with it. If they attend a bank and the bank wants to check their identity, it will accept an ID card. If they do not produce an ID card, it will expect to see a passport or some other immediate form of identification. The question has been put, "If you want to get a passport, will you have to produce your ID card?" No; when people get a passport, they will get an ID card, which is the point of the system. They will not have to carry the ID card everywhere they go, but they may well choose to do so.

On Second Reading, which will occur before Christmas, I hope to disentangle and demystify the proposals in the Bill. The process has been a struggle and we have consulted on the matter for the past three years—on 14 December, it will be three years since the issue was first raised with me on Radio 4. A Sub-Committee of the Cabinet first considered the matter in January 2002; then we had a major consultation; then a draft Bill was produced for scrutiny; and now we have a Bill. Around 80 per cent. of the population are up for it and are on board. It is sad that those who are paid as professional politicians to study such things seem to understand less and less—and here is one of them.

Simon Hughes (Southwark, North and Bermondsey) (LD): I am not persuaded about the case for ID cards, and I do not think that the Home Secretary will persuade me. Is the difference in practice or in principle? I share his view that the Government's duty is to protect the state and citizens, but does he share my view that for a free-born British citizen who has not been convicted of any offence, the presumption should be that the state does not intrude in their lives and hold information on them, rather than the opposite? Will he accept that we should have minimal state interference, not creeping state interference?

Mr. Blunkett: The hon. Gentleman has demonstrated my point. The Bill spells out that we do not intend to hold any more information than is currently held because of a range of requirements, including driving licences and passports. We currently have the largest take-up of passports in the world—we believe that 93 per cent. of the population will have a passport in the next three years. We will require the same information for identification on the clean database.

We will debate the clear database and the ID card system on Second Reading, in Committee and on Report. I hope that we will improve the Bill, and if hon. Members feel that safeguards and measures can be taken, I am happy to continue that process. That is why we responded so positively to the Home Affairs Committee report and took on board many of the proposals, including the separate card, the overarching commissioner and the safeguards that the Committee recommended. We built those in precisely to reassure people that, far from taking greater information and holding it, we will in fact require less. In relation to the census, for instance, we will be able accurately to determine who is in the country, and where, in a way that is not as intrusive as the current census, whereby one can be fined for giving wrong information or failing to fill in the form.

We need to take a deep breath on this. I think that the hon. Member for Southwark, North and Bermondsey (Simon Hughes) mentioned the word "principle"—

David Davis *rose—*

Mr. Blunkett: The right hon. Gentleman gives me an appropriate moment to sit down, because it takes my breath away to hear the word "principle" from Liberal Democrats.

David Davis: In the spirit of the constructive approach that the Home Secretary is taking, one matter that has not been addressed is that over the years the databases held by the Government have become increasingly available to other departments of Government. For example, it used to be the case that Inland Revenue data could not travel outside the Inland Revenue. That in itself introduces a serious issue of privacy and access to data. Does he intend to deal with that in the coming Bill?

Mr. Blunkett: Yes, I do. Verification is absolutely crucial in relation to the transfer of data. Let me be clear about this. The point of the biometric identifiers and the clean database is not to facilitate the card but to ensure accurate identification of the individual in order to verify that they are who they say they are. It is as simple or as complex as that.

Glenda Jackson (Hampstead and Highgate) (Lab): I hate to disappoint my right hon. Friend, but the prospect of identity cards is very much opposed in my constituency. Setting aside the issue of what people perceive to be a possible infringement of civil liberties, the concern that has been expressed to me rests on the verification of identity that is presumably safeguarded in the form of a biometric card. That leads me to this question: how many people will be required to have a machine that can verify that the card presented to them is genuine? Will every policeman on the beat have to carry a small machine? Clearly, every police station will need one. What will be the inherent costs of that over and above the introduction of the cards?

Mr. Blunkett: I am sorry that my hon. Friend takes that view and has asked that question, but not because such questions are not valid—they were dealt with through the consultation and the draft Bill. I am happy to undertake, as part of the development of the legislation, further consultation and information sessions. It would be sensible to do that inside and outside the House.

We have made it clear that for most verification purposes facial recognition will be fine, because the level of verification required will be minimal. In situations where it is necessary definitely to determine identity, where there is doubt about the identity, or where the facial recognition clearly gives room for doubt, readers will be available to enable verification to take place in locations where it matters most—for example, where free public services such as hospital services are provided, where people are seeking permission to work, or in major police stations that deal with organised crime. That would automatically be fed back to the database. There is no difficulty about this at all. People will not go round seeking our identity for its own sake, but for verification purposes as regards entitlement to services or to work, or to avoid multiple identities or the fraudulent misuse of identity.

While I am about it, let me get rid of the myth that we are creating an identity card similar to that in other European countries. Incidentally, I should put it on record, because I have heard senior politicians make this mistake, that the United States does not have an identity card—it has an insurance number, which is not the same thing. No European country has biometric cards or a clean database. The difference is profound, but we shall revert to that on Second Reading.

Simon Hughes: Will the Home Secretary give way?

Mr. Blunkett: I do not want the hon. Gentleman to have an apoplexy, and I shall therefore give way.

Simon Hughes *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. Perhaps I could reinforce the Home Secretary's words. We are not discussing Second Reading of the identity card Bill.

Simon Hughes: Does the Home Secretary agree that there is all the difference in the world between applying for a driving licence, which is required for something that people do not have to do but can opt to do, or applying for a passport—some colleagues have never done that—which gives protection when travelling abroad, and an identity card? With an identity card, there will be no choice. Am I right or wrong?

Mr. Blunkett: The Bill, on which Parliament will vote, will provide that the development of biometrics for secure passports will be accompanied by that of a database that makes the biometric worth putting on the passport. It is not only for travel to other countries, thus saving the passport holder large sums of money in future—$100 a throw per individual for the United States—but it will make it possible to deal with matters that I have spelled out, such as avoiding forgery and multiple identities. When the biometric is placed in the passport and registered on the database, a biometric card will be issued to the owner of the passport and an additional charge will be made on top of the main cost, which is incurred by secure passports that use biometric identifiers and the database, to ensure that people have an easy-to-use separate card, as recommended by the Home Affairs Committee.

We believe that it is right to bring together various agencies in the new Serious Organised Crime Agency to safeguard ourselves from organised crime. I believe that the House agrees with that. We want to do that because it will add value, allow agencies to cut overhead costs, ensure the necessary sharing of information in the new agency—that did not historically happen—and ensure that investigation and intelligence go hand in hand. We believe that, by putting the agency together, we can work more closely with the police throughout England and Wales on cross-boundary activity and do a better job of working with our partners in Europe and elsewhere on transnational organised crime.

Clearly, it is critical to deal with specific issues that have worried hon. Members. The most obvious is animal rights terrorism. I believe that we would all welcome the ability to get new laws on the statute book as quickly as possible to deal with extremists who threaten life and liberty. As one of those under threat, according to their website, I am keen to get the provision on the statute book as quickly as possible.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): My constituents in Oxford welcome such provisions, which I thank the Home Secretary for including. Will he comment on the rumour about a provision to deal with economic sabotage, apart from the harassment provisions? It is feared that the latter will not be enough in themselves to preserve the vital, life-saving work of biomedical science in many of our leading institutions. Further provisions are needed.

Mr. Blunkett: We take the hon. Gentleman's point. Of course, he is close to the subject because of his constituency interest. I am about to lumber the Under-Secretary, my hon. Friend the Member for Don Valley (Caroline Flint) with something. I do not set a precedent, but I would be happy for my hon. Friend to discuss with the hon. Gentleman the difficulties and the way in which we might proceed. I say that in the spirit of my earlier comments: we are genuinely trying to reach a consensus and widen the debate on these issues.

Organised crime obviously touches on drugs. No one could be unaware of the problems that lie behind the misery that is brought to our streets. Getting a grip of drug trafficking and ensuring that we reduce it and the quantity of drugs that enter the country are key targets of the new agency. People trafficking will also be a key target. However, we also believe that we need to strengthen the law on the issue of how we operate at neighbourhood and local level in relation to drugs, so we undertook a consultation with the police, and the measures that they have suggested are incorporated in the consultation that we initiated last Thursday in relation to the proposed drugs Bill.

[Mr. Blunkett]

We have already strengthened arrest referral, bail restrictions and the development—now to take place in 98 separate areas—of the drugs intervention programme. We have increased the number of people in treatment by more than 50 per cent. and we will have doubled by next year, from 2002, the resources going into treatment services, but there are obvious areas that the police have raised with us that require action, such as testing on arrest rather than on charge, dealers being picked up who previously pretended to be users, and people who swallow, to evade a dangerous and horrible process. We will legislate to allow the other end of the horrible process to take its course.

Mr. Edward Garnier (Harborough) (Con): Will the Home Secretary give way?

Mr. Blunkett: I will. I am sorry; I had to cheer myself up with a rather miserable joke.

Mr. Garnier: Will the Home Secretary tell me how his proposals on drug dealers affect the state of the law? Currently, if a person is arrested with a large amount of drugs he is presumed to be dealing, rather than having the drugs for personal use. How will that be affected by the proposed change in the law?

Mr. Blunkett: The police will be able to designate a very small amount of the substance—previously, they picked up individuals who claimed to be users, not dealers—and to deal with the offenders as part of the development of the Proceeds of Crime Act 2002, which we will also be strengthening at the same time.

Mr. Graham Allen (Nottingham, North) (Lab): I congratulate my right hon. Friend on the measures that he is introducing to attack the problem of drug dealing and to attack those who sell drugs. Will he pay at least as much attention to the benefits of drug education programmes, such as the drug abuse resistance education, or DARE, programme in Nottinghamshire, to try at least to inoculate a number of youngsters who would otherwise perhaps fall into the clutches of drug dealers?

Mr. Blunkett: I do, and when I was in Nottingham I indicated my support for that and similar effective programmes. We are pleased to say that the rise in class A drug use among under-25s has been halted and is beginning to be reversed. That is an extremely welcome trend. There is a thirst among young people for information. The Frank campaign has received 3.5 million hits on the website and 600,000 phone calls. There has never been a Government campaign of any nature that has received such interest and commitment, which shows that we can—if we work together—turn the corner.

Improving drug treatment is not confined to the community. In 1997, there were nine prisons with full treatment and rehabilitation programmes. There are now 136. The development through the correctional services legislation, which is also in the Queen's Speech, of the offender management service—this links prison and probation and encourages probation to draw in other services at local level for a comprehensive, holistic approach to the needs of those who have been involved with the criminal justice system—will allow us to be able to join up what happens in prison, whether on drug treatment, education or work programmes, with what should happen when those individuals are being rehabilitated in the community, and our prolific offenders policy. It is really important that we get this right.

We are also introducing as part of that the statutory ombudsman, which will be widely welcomed in terms of being able to follow through complaints and deal with the issues raised by the independent inspectorate. We will be extending the availability and the powers necessary for electronic tracking, including for young people, which will also be part of the draft youth justice Bill, which will be published during this Parliament.

Mr. John Bercow (Buckingham) (Con): The Home Secretary has rightly referred to education and rehabilitation. Does one or other of the forthcoming Bills seek in any way to address the ongoing problem of the churn in prisons as a whole, and young offenders institutions in particular, whereby people who are put on courses, or given the chance to acquire training, are then shunted out of the institution before they have the important opportunity to complete that course, acquire that qualification or finish that training?

Mr. Blunkett: Certainly, there is a big problem, and the Under-Secretary, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), is aware of the way in which people are moved, often at a crucial moment. I accept entirely that that is a challenge for the service, including the Youth Justice Board. When detention orders have been issued and youngsters have perhaps been in secure training centres, we need to consider imaginatively how electronic tracking can allow us to release them under very strict supervision to follow those courses. At the Youth Justice Board conference, at which I chose not to speak but to have a dialogue with the young people on the platform, it was remarkable how those young people who have been through the system felt that being there long enough, and having that security long enough, was an absolutely key element in their future well-being. That took me aback, and the hon. Gentleman's contribution is therefore apposite.

We are not confining the proposals in the Queen's Speech to personal protection or the normal criminal justice law. As we have spelled out already—I want to make it clear that we will do this by Christmas—we will introduce the draft Bill for scrutiny on corporate manslaughter. That is a cross that I have learned to bear in terms of finding my way through the labyrinth of getting agreement on such an extraordinarily complex area. I am therefore looking forward to Father Christmas delivering it in time, and I hope that it will at least satisfy some people, even if it does not satisfy everyone.

One Bill brings a joy to me, because it is not about enforcement, security or organised crime—it is about the way in which we can encourage people to give of themselves, their time and their service and to join together in voluntary and community organisations. That is the charities Bill. Making a difference to people's

lives is what all of us in the House, of every party, are here for. Providing service and making a difference to people's lives is part of civil renewal and civil society. We need a new relationship between the political democracy that we hold dear, and the civil democracy, in which people participate in their communities, in their neighbourhoods, and in the lives and well-being of their families and others, to give support and to give their time, backed, not run, by Government. The charities Bill is intended to modernise and reform the outdated laws that we have.

Taken together, the Queen's Speech is about the citizen, identity, protection, organised crime and protecting us from new ills and new threats, as well as dealing with old ones. Above all, it is about examining the vision of the future, and being prepared and strong enough to take on that future, and to take the right measures now to secure our nation.

5.8 pm

David Davis (Haltemprice and Howden) (Con): In view of the way in which the Home Secretary presented his speech, emphasising agreement, I will at least start by welcoming some of the proposals in the Queen's Speech.

The Opposition welcome three proposals in particular. First, we welcome the plan to establish the new Serious Organised Crime Agency—SOCA. It would be impossible for us not to welcome it—after all, it was first suggested, I think, by my predecessor, my right hon. Friend the Member for West Dorset (Mr. Letwin). As we have previously debated SOCA in the House, the Home Secretary is aware that we have detailed concerns about the make-up of the agency, which we will raise on Second Reading. In general, however, we believe that SOCA will be a valuable weapon in the fight against serious crime.

Secondly, we welcome the proposed clampdown on animal rights extremists, although it is not clear whether that can be carried out without changes in primary legislation. Within that same Bill, I note that there are plans to overhaul police powers, extend powers to community support officers, reform arrangements for the recovery of criminal assets, introduce an offence of incitement to religious hatred, amend witness protection procedures and extend antisocial behaviour measures. So I can tell the right hon. Gentleman now that, while we support major elements of the Bill, all six parts, 155 clauses and 16 schedules will be scrutinised very carefully by us.

Mr. Bercow: How many sentences?

David Davis: I did not count the sentences.

Thirdly, we welcome the introduction of measures to strengthen the charitable sector. I associate myself entirely with what the Home Secretary said at the end of his speech. Again, however, we will scrutinise the details extremely carefully. This is an area that needs serious reform, and it would be quite easy to get it wrong.

The Government have been in power for more than seven years. [Hon. Members: "Hear, hear."] Hon. Members should enjoy it while it lasts.

The Queen's Speech is dominated by home affairs. Why? Because Ministers know that the British people are deeply worried about law and order. Because Ministers have failed on law and order. Because—from border control to gun control, from street crime to drug crime, from violent, drunken behaviour to murder—this Government have lost control. No wonder this Queen's Speech, the Government's eighth, does not build on the past seven. Instead, it seeks to solve some of the problems created by the past seven. It is less a manifesto for four more years than an apology for the past seven years.

When the British people elected this Government, they thought that when the Government promised to be tough on crime they meant it. But crime is up, and violent crime has nearly doubled. The British people wanted action, and what they have got from this Government is just talk. They are all talk, for example, on controlling immigration. The British people hoped that when the Government proposed firm control of immigration, they would deliver. Instead, the Government have weakened our immigration rules, and up until this year have waved more than 1 million people into this country. Moreover, they have failed to remove more than a quarter of a million people who should not be here in the first place.

When, during the coming election, Labour Members find their constituents queuing for houses, queuing for school places and queuing for hospital beds, they should look no further than their own Home Secretary. But perhaps he thinks that the problem has been fixed. It has not. Let us take immigration from eastern Europe, for example. According to the Home Office, a maximum of 13,000 immigrants a year will enter Britain in the wake of EU enlargement. In five months, since 1 May, 91,000 have entered. That means that about 20,000 immigrants come here from eastern Europe every month—over 200,000 a year.

Mr. Blunkett: I have a simple question. Does the right hon. Gentleman object to those people coming here and working, and aiding and lifting our economy? [Hon. Members: "They are illegal."] They are legal. They are registering. They are paying to register. They are paying national insurance and tax. Above all, they are serving in our restaurants, our hotels and our transport system, which presumably the right hon. Gentleman would like them to vacate.

David Davis: What I object to is the fact that we, almost alone in Europe, were unwise enough not to accept the seven-year period that allowed countries to control immigration from eastern Europe of people wishing to work in those countries.

Mr. Garnier: Is not the foolishness of the Home Secretary's intervention explained by the point that my right hon. Friend was making? The Government said that a certain number of people would come in, but the real fact is that probably 10 and certainly eight times that number have come in. The Government do not have a grip on their own figures, let alone the system.

David Davis: My hon. and learned Friend is entirely right. It is clear that the problem has not been fixed, and there is no Bill in the Queen's Speech to get to grips with illegal immigration—about which the Home Secretary famously, in his own words, "hasn't got a clue". We do not even have the Bill recently promoted in the media by

[David Davis]

the Chancellor of the Duchy of Lancaster—I do not know whether my hon. and learned Friend read about it: the Tory Asylum Bill, as the Chancellor of the Duchy of Lancaster apparently thinks of it.

The weekend before last, *The Sunday Times* set out Labour's election supremo's thinking on immigration. Its story bore the headline "Milburn seeks limit on asylum". It claimed that the Chancellor of the Duchy of Lancaster thinks that

"this is the one area where the Tories have the clear advantage"

and that he is "urging" the Home Secretary to adopt Conservative proposals for a quota on asylum seekers. Indeed, it was reported that the Prime Minister was sympathetic to adopting the Tory approach. Let me assure the Home Secretary that if he introduced such a measure, he would have our support, but I suspect that it will take a real Conservative Government actually to make such measures work. Instead, there is not even one measure in the Queen's Speech to deal with the problem of uncontrolled immigration—no action, just more talk.

Mrs. Ann Cryer (Keighley) (Lab): Does the right hon. Gentleman not understand the connection between having an identity card scheme and controlling the flow of illegal immigration? Once those people arrive in the UK, it will control what they are able to do and enable them to be arrested and deported. I cannot understand why he does not see the connection.

David Davis: First, we do not actually deport the people who are identified at present; 250,000 of them are still in the country. Secondly, I am not sure that I would choose a £27 million programme over a £3 billion programme for that control, let alone in 10 years' time, which is what the Home Secretary appears to be proposing.

Mr. Kevan Jones (North Durham) (Lab): Will the right hon. Gentleman give way?

David Davis: In a moment.

The Government are all talk, too, about fighting crime. The reality after seven years of Labour is that British society is less safe than when the Government came to office. Many town centres are now almost no-go areas on a Saturday night. As discipline has broken down in our schools, truancy has increased and a new generation of young criminals is growing up. The police are tied up in paperwork and entangled by political correctness—the inevitable result of an approach based on targets. Real, lasting results have been sacrificed in favour of short-term targets.

Certain categories of crime may be falling, but overall crime is up. In a small number of cases, the Home Secretary has tackled the symptoms of crime, but he has not tackled the causes, so, for example, as we see the number of burglaries fall, we witness the number of other crimes, such as drug offences, rise. As one target is met, another is needed. As the Government's focus switches from crime to crime, so, too, does the criminal's; but the criminals are always one step ahead of the Government.

Only last week, the Association of Chief Police Officers suggested that the reason that burglary was going down was that burglars find it easier and more profitable to pursue other crimes. Police officers to whom I have spoken suggest that burglars have taken up anything from robbing whole truckloads of new equipment to smuggling drink, tobacco or drugs.

That is not surprising. After all, the Home Secretary can scarcely claim that he is catching more burglars—not when detection rates for burglary have fallen since the Government came to power—*[Interruption.]* The Home Secretary talks about his prison population. Well, today, we have heard more evidence of the failures of Labour's early release scheme. His prison without bars scheme is leading to more unnecessary crimes being committed. A leaked report to the *Daily Mirror*—I am sure that that is the right hon. Gentleman's favourite publication—finds that failure rates under the scheme have doubled since the Home Secretary extended it, including 7,000 crimes and breaches; more than 2,000 prisoners were completely lost track of under that scheme. The report also suggests that

"there is no evidence to suggest a period on Home Detention Curfew had any positive influence on reducing . . . offending rates."

Mr. Blunkett: Domestic curfew with electronic tagging was not the scheme to which the *Daily Mirror* was referring.

David Davis: The reference was to the early release scheme. Indeed, I do not disagree with detention curfew as an extension to prison, but it should not be instead of prison. That is the problem the Home Secretary has got himself into by not having enough prison places, even on his Carter report forecasts. It is hardly a resounding success for the Government's criminal justice policies.

There is little in the Queen's Speech to end the merry-go-round of criminality, little to help the police improve their detection rates and nothing to relieve them of the burden of Minister-made paperwork. There is nothing at all to get the police back where they want to be—out on the beat and on the streets. That is perhaps the most disappointing aspect of the whole Queen's Speech.

In 1997, the Labour party promised to relieve the police of unnecessary bureaucratic burdens and to get more officers back on the beat. Seven years later, the Government pledge to reduce bureaucracy and the costs of government to promote efficiency. Recently, an article by Leo McKinstry in *The Spectator*—*[Interruption.]* It was also in *The Sunday Telegraph* yesterday, but I am giving the earlier reference. He noted that the number of Government bodies established by the right hon. Gentleman, first as Secretary of State for Education and Employment and then as Home Secretary, is more than 1,100, and claimed that those bodies have a budget of a staggering £12 billion, so the Home Secretary hardly has a good record on reducing bureaucracy.

The Minister for Crime Reduction, Policing and Community Safety—I hope that she is paying attention—recently claimed to the Home Affairs Committee that the Government had already scrapped 7,700 unnecessary police forms. I was very impressed, so we tabled a written question to ask her to list those

forms, but we were told that details are not held centrally, so it would be interesting to know how she counted them.

Last week, the head of the Metropolitan police told us that the fight against crime is at risk because officers are spending too much time answering questions from bureaucrats. There are too many inspections and too much monitoring. One force reported 37 inspections in a year. No wonder Sir John Stevens said last week that enough is enough. There is no firm action on crime; just more talk and more paperwork.

The Government are all talk on drugs. The Government have had 15 initiatives, summits and crackdowns on drugs. The outcome is more drugs, more dealers, more crime and more violence. Some 76 per cent. of people think that the Government have failed them on the war on drugs, and they are right. Britain has more than 1 million class-A drug users. Young Britons use twice as much cocaine as those anywhere else in Europe except Spain. Ecstasy use has doubled since 1997. Hard drugs are all too easily available, as is shown by the price of drugs on the street. Crack cocaine can be bought for less than the price of a glass of wine. Heroin prices have halved. With the hard drugs trade, comes drug gangs, drug barons, drug territories and, all too often, drug wars.

The price of drugs has fallen because the Government have failed to disrupt supply, and they are failing to do so both at home and abroad. At home, we have what the Metropolitan Police Commissioner calls our "porous borders". It is too easy to smuggle anything into this country, whether people, guns or drugs. Abroad, the Government took on responsibility for actions against the Afghan drug producers. Since they took on that responsibility, opium production has soared to record levels, flooding the streets of Britain with cheap heroin, filling the veins of our young people with drugs and the pockets of the drug barons with money. It is an incompetent shambles, and the fundamental cause is confusion at the top of the Government. That confusion caused the resignation of the Government's own drugs tsar.

Mr. Kevan Jones: Will the right hon. Gentleman give way?

David Davis: I will give way in a moment.

After all, how can one describe as anything other than deeply confused a policy that, on one hand, talks in a disapproving way about drugs, but on the other, seeks to declassify cannabis? Young people took the move as a signal that the Government were telling them that it is okay to smoke cannabis. That is probably why last week's European drugs report showed that Britain's 15-year-old boys smoke more cannabis than those in any other country. *[Interruption.]* The Under-Secretary of State for the Home Department, the hon. Member for Don Valley (Caroline Flint), says from a sedentary position that that is out of date. I suggest that she read not just her own Department's publications, but those of the Department of Health, which is a touch more up to date than she is.

The Metropolitan police also admit that more people are being caught with cannabis, but fewer are being arrested. That is the effect of the Government's decision to reclassify that dangerous and addictive drug. Yet in this pre-election Queen's Speech, more than 10 years after the Prime Minister first promised to be tough on the causes of crime, the Government suddenly promise a crackdown on drugs.

Mr. Oaten: Will the shadow Home Secretary clarify whether, as I assume from his comments, it is Conservative party policy to change back that reclassification?

David Davis: The hon. Gentleman is entirely right: it is our intention to change back that classification to give the right signal to the youngsters of this country. We will then not have to spend £1 million on putting up notices in every police station that say, "It's still illegal to smoke cannabis."

We will look at the Government's proposals on drugs on their merits. Overall, their proposed Bill does not offer the solutions that the British people want. The British people do not want programmes that have proven to fail, with completion rates of only a third and a reconviction rate of 80 per cent. They want programmes that rehabilitate drug addicts and free them from the life of crime that pays for their next fix. They do not want heroin and crack cocaine freely available on our streets. They want secure borders that disrupt supply and rid our streets of the drug barons, dealers and gangs. They do not want cannabis, which is undoubtedly far more potent than ever before, being obtained and smoked by our young with impunity. They want strong action against every illicit drug.

After seven years of Labour and as a direct consequence of its policies on drugs, there are more addicts, more dealers and more crimes. Suddenly, five months before an election, Ministers want us to believe that they will suddenly do something effective about drugs. Let us not pretend that there is much more to the Government's Bill than a desperate attempt in a run-up to an election to hide seven years of failure. After all, is that not what the Queen's Speech is really all about? I suppose we should take it as a great compliment. One day the newspapers tell us that the Labour party is worried about being outflanked by the Conservatives on immigration; the next we see an entire Queen's Speech designed to claw back the ground that it has lost to the Conservatives on crime.

Mr. Tony Banks (West Ham) (Lab) *rose—*

David Davis: If nothing else, I will make a memorial concession to the hon. Gentleman.

Mr. Banks: That is very sweet. The right hon. Gentleman knows that I admire him intensely. What particular country will he be thinking of when, if he ever gets into the position, he wages his war on drugs? What examples will he follow?

David Davis: There are some good examples. Sweden, with its rehabilitation programmes, is a good example and some aspects of the American programme provide a good example. That has shown a reduction of 11 per cent. in teenage addiction in two years. There are a number of models that we can follow, and we will pick the best from each of them.

[David Davis]

The next issue that I want to talk about is terrorism. Having earlier welcomed some of the proposals in this year's Address, I now want to add that we would have welcomed proposals that were trailed for the Address but not delivered in it—namely, proposals to deal with the threat of terrorism. The Government have decided to introduce only a draft Bill on terror. The Home Secretary promises action if he wins the next election, but we need action now. Terrorism is a problem today, not tomorrow; it is a problem that Governments should be addressing today and not tomorrow; and it certainly is not something that they should spin for electoral gain however the Home Secretary cares to describe the actions of the Leader of the House last week.

There are many practical things on which the Government could legislate now. For example, they could allow evidence gained from intercepts to be used in court. That was recommended by the Newton review nine months ago. Nine months later: nothing—no action, just more talk. Yesterday, we had the unprecedented spectacle of the Director of Public Prosecutions, who, I suspect, knows at least as much about prosecuting terrorist threats as the Home Secretary, effectively giving a warning to the Government. In a signed article headlined "Dangerous times need jury trials", he said:

"We do not want to fight terrorism by destroying precisely those things terrorism is trying to take from us. Open liberal democracies fail if they try to protect themselves by becoming illiberal, closed and oppressive."

Mr. Blunkett *indicated assent.*

David Davis: The Director of Public Prosecutions added:

"So criminal trials must remain routinely open and take place before independent and impartial tribunals. In Britain, people have great affection for trial by jury."

I am listening for the Home Secretary to say yes to that too. The director continued:

"Public faith in public justice will not survive abandonment of these fundamental principles . . . Changes in the criminal trial process have to be approached with great caution and a clear head."

All I can say to that is, "Bravo". I hope that the Home Secretary is listening.

Claire Ward (Watford) (Lab): The right hon. Gentleman has just criticised the Government and the Home Secretary for not bringing forward a counter-terrorism Bill in the Queen's Speech and introducing only a draft Bill. However, at the same time, he appears to support statements that suggest that this is an issue of controversy on which there should be debate. Surely a draft Bill is the right place for such debate.

David Davis: The issue is now; the issue is today. The proposals that we are talking about have been around for a long time. I have referred only to the most recent report recommending the use of intercepts, but the Lloyd report goes back to 1996–97. The issue is not new, and it could have been debated at any point in the past few years.

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): And juries?

David Davis: The issue of jury trial and, in particular, that of intimidation came up last year. I presume that that is the concern being aired here. It was the very first thing that I had to discuss with the Home Secretary when I took up my current role. We agreed with him that judges would be able to hold a trial without a jury in the event of clear evidence or a clear suspicion of actual or prospective jury tampering or jury intimidation. That provision is there already, so I do not think that we need further action to protect our system. Indeed, the point that the Director of Public Prosecutions made—I find it difficult to believe that he said it without the approval of the Law Officers, so there is an interesting division in government—was that the suggestion would never be a good idea, full stop, irrespective of how many Bills must be discussed over the coming years.

Simon Hughes: The right hon. Gentleman knows that I share his strong view and that of his colleagues on the defence of jury trials. May I take it that in the coming year in both Houses, his party, like the Liberal Democrats, will ensure that there will be no further reduction in jury trials? Does he agree that such reduction would send a strong signal to terrorists and those who are against liberty that they are winning the battle rather than losing it?

David Davis: My short answer to the hon. Gentleman is yes. He will remember the heated nature of our discussions last year. We endeavoured to achieve an outcome that protected justice and our long tradition of jury trials, yet also protected the state's ability to prosecute in circumstances in which intimidation or tampering could take place. I think that we got pretty close to an optimum outcome last year, so I would be incredibly surprised if we changed position. The hon. Gentleman can be assured that I shall continue to adopt the stance that I have taken thus far.

Mr. Garnier: Will my right hon. Friend give way?

David Davis: For the last time, because I am coming to the end of my speech.

Mr. Garnier: I want to reinforce my right hon. Friend's point. I understand that since the 1996 legislation was passed, there has not been a single case of a jury trial being retried as a result of nobbling.

David Davis: My hon. and learned Friend is quite right. To be fair, those on the other side of the argument may cite the Northern Ireland example, but that is rather different because the community is affected entirely by terrorism. In general terms, however, we achieved the right outcome last year, so the Conservative party will stand by that position in the coming months.

I want to move on from terrorism to identity cards. Let me tell the House plainly that before 9/11, I would not have countenanced them for a moment. Since 9/11, however, we must at least consider them. Identity cards are not a panacea in the fight against terrorism. Spain has identity cards, but they did not stop the terrorist attack in Madrid. Turkey has identity cards, but they did not stop the attack in Istanbul. Identity cards are no substitute for the practical and sensible things that the Government could be doing to reduce the terrorist threat now.

Again, I must remind the Home Secretary that his Government continually warn of the imminent threat of terrorism. However, even if identity cards are introduced, they will not take effect for some time. We have set tests that the legislation must meet before we will offer it our support. To make things easy for the Government, I have kept the number of tests down to five—I am sure that the Home Secretary is used to the concept of five tests.

First, the legislation must clearly define the purpose of the cards. The Government are being vague at the moment, so we need to know whether they will deal with terrorism, illegal immigration, welfare fraud or other matters. How will the purposes be prioritised, because the demands of each are different?

Secondly, will identity cards effectively address the purposes that are laid out? Is the technology sufficiently well developed and robust? As the Home Secretary implied, we must consider not only the cards, but the measurement systems, communications and software that will be needed to support them. Will they be robust against deception or attack?

That brings me on to my third point. Is the Home Office capable of making the cards work? Let us be honest: the single Government Department that one would not want to put in charge of a major technology project is the Home Office. It is famous for the passport office disaster—

Mr. Banks: What about the Child Support Agency?

David Davis: I am coming to that.

The Home Office is famous for the immigration computer collapse. *[Interruption.]* I seem to be exciting the Home Secretary. We now learn that the computers to support ID cards might be provided by EDS, which provides the computer system that supports the CSA, which the hon. Member for West Ham (Mr. Banks) mentioned. That is not exactly confidence boosting, is it? I hope that the Home Secretary will try to address the problem on Second Reading and Report so that we can get a clearer idea of the likelihood that the system will work.

Fourthly, when the Government have decided the purpose of ID cards, will they really be the most cost-effective way of tackling the problems? At the moment we barely know who is in our country because we have no proper embarkation controls at our ports—*[Interruption.]* I am happy to give the exact story to any Labour Member who wishes to intervene, so I do not think that they should. Reintroducing such controls, as we will do, will cost a mere £27 million, which is nothing at all compared with the £3 billion cost of the cards—*[Interruption.]* I am not sure that I can repeat the Home Secretary's comments. He intimates that £27 million is not a good number. Let me put it this way. The figure of £27 million comes from the National Audit Office. The figure of £3 billion comes from the Home Office. I know which one I trust, and that is just for the database.

Finally, there are real concerns about the threat to people's civil liberties. With this Government we should be more cautious than ever. Remember, this is the Government who tried to gather information on the background of Pam Warren, the survivor of the Paddington rail crash, when she questioned their commitment to reform the railways. This is the Government who tried to attack the reputation of the 80-year-old Rose Addis when her family complained about the treatment she received on the NHS; and it was this Government who dragged the name of Martin Sixsmith through the mud simply because he dared to take on and expose the methods of spin and deceit that they made their hallmark. Frankly, why should anyone trust this Government of all Governments to treat the information they hold about them with respect and sensitivity?

I am going to put a question to the Home Secretary, which I hope he will answer on Second Reading. Will he give me a guarantee that the legislation will include specific clauses to punish severely anyone who misuses the Government database for political, commercial or personal ends?

Mr. Blunkett: I can tell the right hon. Gentleman now. The answer is yes.

David Davis: We will look at that in detail. I am pleased to hear that offer. A quick glance through the Bill today did not reveal that guarantee, but we will see it when it comes up for debate, no doubt as a Government amendment, when we will consider it carefully and ensure that it delivers what the Home Secretary says it will deliver before we take the matter further.

The introduction of identity cards may be necessary, but such a major alteration to the balance in the relationship between the individual and the state should not be taken lightly. So I can tell the Home Secretary that this Bill, too, will face the most careful scrutiny from Opposition Members.

Mr. Bercow: I am glad that my right hon. Friend is suitably sceptical about identity cards, to which many of us believe there are cogent objections. Pursuant to the last question that he put to the Home Secretary and his reply to it, does my right hon. Friend agree that on the subject of the purpose of the cards, it is also important to elicit from the Home Secretary a commitment that the Bill will not contain provision for order-making and regulation-making powers that would enable the Government to add to the purposes effectively through the back door?

David Davis: My hon. Friend makes an extremely good point. The progress of the Bill has been marked by the avoidance of difficult questions at every turn—putting them off and taking them at some point later—so that people vote for something that is not compulsory yet, but which might be one day. He makes

[David Davis]

a good point about the purpose. The reason for raising the purpose at the beginning of the tests is that it has an impact on whether the scheme will work and on its cost-effectiveness. It also has an impact on what we need to do to protect civil liberties and personal privacy along the way. So he is right. We will try to avoid Henry VIII clauses or similar measures in the course of our discussions on the Bill.

Where in this Queen's Speech were the radical and distinctive policies that we were promised by the Chancellor of the Duchy of Lancaster last week? Where was the unique and distinctive vision for Britain? Nowhere. If the Government want to fight the next election on the issue of crime and security, we are more than happy to do so.

People know that the Government have spent seven years focusing on the wrong priorities. They also know that the sudden interest in tackling crime is born out of political calculation rather than real resolve. But real resolve and real action are what we need: action to put more police on the streets; action to put more criminals behind bars; action to help turn people away from drugs; action to get a grip on immigration; action to keep Britain safe from harm. Those are the people's priorities. Those are our priorities. Those are the things that will decide the next election, and for us, that election cannot come soon enough.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. I remind right hon. and hon. Members that Mr. Speaker has imposed an eight-minute time limit on all Back-Bench speeches.

5.39 pm

Mr. John Denham (Southampton, Itchen) (Lab): In the brief time I have available, I should like to deal with two of the major criticisms that have been made of the Government's proposals in the Queen's Speech. That unfortunately means that I will not have time to deal with the criticisms made by the right hon. Member for Haltemprice and Howden (David Davis). His speech was a disgraceful performance. He abandoned any pretence of making an overall assessment of the Government's record to date. It is of course fine to point to areas where crime has not gone down, but only if proper credence is given to the fact that, according to the British crime survey—the best measure—crime overall has come down substantially under this Government and that that is an achievement of this Government. The chance of being a victim of crime is at its lowest level since the British crime survey began. Not only did he disgracefully not even acknowledge that reduction, he did not begin to say how the £1.7 billion-worth of cuts in the Home Office budget that his party proposes would help build on the success so far.

The criticisms that have been made of the Queen's Speech fall into two categories. One is that the Government are playing with the politics of fear. The other is that of the liberal left and has been made, among others, by Baroness Kennedy in a recent article in *The Guardian*. I want to touch briefly on both.

I do not believe that there is any evidence that the Government are playing on the politics of fear. Indeed, it would be a dangerous game for Governments even to attempt to do so. That is something for Oppositions, as we have seen this afternoon. The major measures in the Gracious Speech—the Identity Cards Bill, the creation of the Serious Organised Crime Agency and the introduction of the National Offender Management System—build on the real achievements of the past few years, and each addresses a clearly identified problem and need in an appropriate way. There will be much to do to scrutinise the detail of that legislation, but I do not see how any of those measures can be seen as trying to whip up a fear of crime.

The more fundamental criticism made from a liberal left perspective, and often reflected in our media, is that the Government are in some way indulging in a fundamental act of illiberalism; in a wholesale sweeping away of freedoms and protections; in a casting aside of principle; in using the excuse of terrorism, asylum seekers and criminals; and in exploiting fear to encourage people to sacrifice freedom and privacy. Those are all criticisms made by Baroness Kennedy in *The Guardian* last week. I hold no personal grudge against her; she is an eminent lawyer and she puts the case articulately.

We need to respond not because those views are necessarily held by the population as a whole, but because there is an influential body of opinion that agrees with her and, indeed, regards that criticism of the Government as an unchallengeable truth. That leads some people to say, "Perhaps we just have to go along with this Government because the other things they do are good." That view needs to be challenged, because those of us who believe that we take a liberal left position and who are on the centre-left of politics should feel comfortable with the Government's agenda. At its heart, it is a progressive one. The view that the proposals are fundamentally illiberal is a sweeping assertion that does not stand up to analysis. It disguises and covers up the reasons why the Government have developed their approach.

It was argued last week by Baroness Kennedy that just law is

> "the mortar that fills the gaps between nations, people and communities, creating a social bond without which the quality of our lives would be greatly undermined."

I agree with that, but to create that social bond, the legal and criminal justice system must be seen to work and must enjoy public confidence. It is not good enough to assert that our system is the best available if every member of the public can point to its failings.

The conflict that has emerged under this Government is between measures that are designed to tackle specific failings in the system and a legal and judicial system that at times appears either to deny or ignore the problems. In past criminal justice Bills, the Government have had to address court delays, the causes of cracked and failed trials, the unnecessary adjournments for reasons of tactics or personal convenience, and management of the system that left so many witnesses feeling as if they were on trial. Too few people in the criminal justice system were prepared to admit or tackle those problems. The Government have been forced to deal with the

consequences of the major legal development of my lifetime—the parallel system of decision making developed entirely by the courts, with no reference to Parliament, in judicial review. There are few areas of government that cannot be challenged, usually at public expense, under that procedure.

We are told that we worry too much about terrorism. As Baroness Kennedy puts it, there is

"fear-inducing rhetoric about international terrorism."

It was not rhetoric that killed so many people on 13 March this year—it was terrorism in a European capital city like our own. It is convenient for some people to speak as if terrorism is a rhetorical trick by the Government, thus avoiding the harsh and difficult questions about what we want to do and what decisions we want our Ministers to face. It is not wrong to work to secure the asylum system and tackle illegal immigration. If just law contributes to a social bond, it should underpin the essential fairness that we need in a strong society. If we want people to support fair taxes for decent public services, we must ensure that those services are not used by individuals who are not entitled to them. If we want to balance a market economy with decent rights at work, we must ensure that good employers and legal employees are not undercut by unscrupulous individuals. To do so, and to tackle terrorism, we need a robust system of identification and serious action against people traffickers, so we should welcome the initiatives in the Queen's Speech, because they help to provide the social bonds that unite us as a society with progressive values.

We need good law to provide the foundations of a strong society that can offer good public services and decent protections at work. We want a society that does not turn its back on others, but manages both economic migration and refugees legally and soundly, as my right hon. Friend the Home Secretary seeks to do. The problem with being told that the whole exercise is illiberal is that it may deflect us from the proper examination of specific issues, including oversight of the identity card scheme, the practical use of terrorism powers and the way in which the police use the new general power of arrest. Rather than just claiming that the Government are involved in a big illiberal exercise, the House should scrutinise those individual issues and make sure that we get them right.

5.47 pm

Mr. Mark Oaten (Winchester) (LD): In the time available to me, I wish to look at the proposals on home affairs in the Queen's Speech. First, however, I want to deal with the issues of fear and the climate of fear that the Home Secretary addressed.

Since taking on my home affairs responsibilities, I have accepted that there is almost always a Dutch auction on crime in which people compete to talk the toughest. Indeed, I have found myself doing so—the temptation is particularly strong when I am on the streets talking to victims of crime, as their experiences make me angry. I therefore understand why there is tough rhetoric on crime, but I feel strongly that a bidding war or a Dutch auction in which people out-tough each other on terror is a very dangerous step. I regretted the comments by the Leader of the House last week, and found them offensive. I had assumed that there was a general understanding that, while there may be differences in our method, as the Home Secretary acknowledged, the parties in the House stand shoulder to shoulder in our approach to terrorism.

I have two abiding beliefs on this issue. First, I do not for one minute underestimate the seriousness of the situation that we are in, and entirely accept the fact that we face a threat. I entirely accept, too, the very good work that our security forces are doing—frankly, it is a miracle and a tribute to their work that we have been able to enjoy security since 9/11. Secondly, I do not doubt the Home Secretary's personal commitment to doing everything that he can to make sure that our shores are safe. He has strong integrity on this issue, and when he goes to sleep at night, he must be sure that he is doing everything he can to ensure that this country is safe. I am prepared to make those two acknowledgements and all that I ask in return from the Leader of the House and others is that they accept the need for Opposition parties sometimes to question those policies and stand up where we can for the principles of justice and liberty. When we do so, it is wrong for us to be attacked for being weak on terrorism. It is a difficult issue that requires a balancing act. The problem was touched on by the Chairman of the Home Affairs Committee, the right hon. Member for Southampton, Itchen (Mr. Denham). Security and liberty do not rest easy together. We recognise the dilemma and there must be some give on all sides. However, as the Prime Minister recognised in interventions on the leader of my party in the debate last week, tough love and tough liberalism are possible, and the two principles can be married together.

We have made it clear that we support the resources that the Home Secretary has put into the intelligence services. We support the greater use of intelligence gathering and the interception of communications, and we should like that to be admissible in court. We are prepared to look at the idea of special security-vetted judges and the measures being used in other parts of Europe to see whether we could have proper trials in those cases.

I am uneasy about two matters. First, there is the move towards trial without jury. There must be a way round that. A number of sensitive trials taking place involve juries, and I welcome that. The retention of a jury element in trials is a principle worth defending.

Mr. Dominic Grieve (Beaconsfield) (Con): Does the hon. Gentleman agree that the Home Secretary's reaction to my right hon. Friend the Member for Haltemprice and Howden (David Davis) on the subject was surprising? It is not we or the hon. Gentleman's party who suggested that terrorist trials should take place without a jury. The suggestion came from the Government in the past two weeks, yet today there seems to be a resiling from that position and a lack of clarity about what the Government intend. Why do they keep raising the issue if, as the hon. Gentleman may agree, juries are perfectly competent to deal with such cases?

Mr. Oaten: I am grateful for the intervention. In my darker moments, I would say the Home Secretary has a habit of floating ideas in the press that are never delivered. If I were being charitable, I would say that he is probably genuinely struggling to produce legislation in this area without undermining civil liberties. Perhaps he will clarify the matter now.

Mr. Blunkett: I am grateful to the hon. Gentleman, bearing in mind the time available to us. If he examines what he said in *Hansard*, that he was prepared to consider security-vetted judges to undertake, I presume, trials that would otherwise be difficult in terms of the evidence, and if he examines what I said on the issue on the Dimbleby programme, which was precisely that there would be cases in which security-vetted judges were necessary, will he accept that with security-vetted judges, one cannot have security-vetted juries? In the very limited number of trials involving security-vetted judges, as he suggested this afternoon, it is inevitable that the judges would sit without a jury.

Mr. Oaten: I do not agree with the Home Secretary, but we can engage in debate on the matter. A model could be put in place in which the judge, who is security-vetted, is given information about how the evidence was gained so that he can be reassured about the sources, and the information can be given to the jury without their knowing where it came from. That is a sensible split that would allow the information to come through and the trial to take place with a jury.

Mr. Blunkett: This is crucial. In a normal trial, the defence is given all the detail of the accusations and the material. That is why we invented public interest immunity. In the Special Immigration Appeals Commission in the superior court of record, the defence is grumbling that under the rules that we have to apply to protect the sources, we cannot give that information to the defence.

Mr. Oaten: The Home Secretary is due to have a draft consultation on the issue. I suggest that we start from the principle of trying to retain the jury. I want to look at all the systems, at what happens in mainland Europe, and at the idea of a security-vetted judge who deals with aspects of the case, with the jury remaining at the heart of the process. We will engage in that consultation, be sensible about it and try to find a way forward.

Mr. Garnier: Will the hon. Gentleman give way?

Mr. Oaten: I shall make a little progress.

The Liberal Democrats are profoundly uncomfortable about holding individuals in Belmarsh without charging them. Seeking a way in which they can be charged should be a priority. The Home Secretary will have noted the UN's remarks on the subject over the weekend. We will consider effective measures on terrorism, but I hope that he will allow us, without too much criticism, to keep talking about the principles of liberty and justice in that debate.

I shall move on to other measures in the Queen's Speech on which there will be wide agreement. There is agreement on the Liberal Democrat Benches about the establishment of SOCA—the Serious Organised Crime Agency. I hate the name, which does not sound macho enough, but the idea is a good one. The world has moved on. It has become much more complex than ever before. Criminals operate globally and have techniques and tactics that require a different response. SOCA is a sensible way forward. It is no longer good enough to require forces throughout the country to have the skills and knowledge base to deal with that type of crime. Attached to the Bill, however, as ever in the Home Office, are other measures. When we get to that debate, which I believe is next week, we will want to understand more about the powers for fingerprint before arrest. Those could be measures that are helpful, save police time and enable them to deal speedily with identification, but we will want reassurances that measures put in place to protect individuals who are fingerprinted after arrest will also be applicable to the powers to fingerprint prior to arrest.

We welcome the measure to introduce a civilian custody officer. That could allow the police to get out of the station and on to the street, which we have long argued for. As long as proper training is available, that is a sensible measure. I have some concerns about the additional powers proposed in the Bill for community support officers. It has long been our view that they are valuable but they are not the same as fully trained police officers. The more powers are tagged on to them, the closer CSOs get to becoming police officers, but without all the advantages and protection of proper training. We will want to examine that proposal.

Sensible measures are proposed with regard to protests outside Parliament, but I am uncomfortable with the idea of banning a protest outside Parliament because of its visual impact. Arguing that visual impact is a ground for removing a protester is disappointing. After all, where else in a democracy should one be able to hold a banner and register a protest?

The contracting-out of antisocial behaviour orders, which is dealt with in SOCA, causes some concern. I would not want that to end up as the sort of money-making scheme that resulted from individuals having the power to issue parking tickets, for example. We unreservedly welcome the power to get rid of uninsured vehicles more quickly. That is a matter with which all Members of Parliament have had to deal in their constituencies.

Finally on SOCA, we have concerns about the lines of accountability. Both the National Criminal Intelligence Service and the National Crime Squad, the agencies that will merge to form SOCA, reported to the service authority and there was a line of accountability there. SOCA will report to the Intelligence and Security Committee, which is accountable not to Parliament, but to the Prime Minister. On Second Reading and in Committee, perhaps we can examine the lines of accountability. I should have thought that it would make sense for the agency to have some accountability to Parliament and perhaps for the Home Affairs Committee to have a role in looking at its work.

I am conscious that other colleagues want to speak, but there are other Bills that I want to touch on. On the management of offenders, I welcome the wording in the Gracious Speech on the importance of tackling reoffending, which concerns me greatly. If there is one measure we can take to tackle crime, it is to stop more than half of those who leave prison committing another

crime. The prison population is a captive audience and a great deal can be done with them. The hon. Member for Buckingham (Mr. Bercow) was right when he spoke about the need to tackle education issues. He mentioned joining up education so that individuals who move from prison to prison can continue their courses. I draw attention to the inability of prisoners to finish a course when they leave prison. I remember meeting a hairdresser training in a prison, who said to me, "I'm being released in three weeks' time." I said, "That's wonderful news, isn't it?", and she said, "No, it's not. I want to finish my course. I'd like to stay here for another two months because I can't finish my course anywhere else." That is nonsense. We need to examine such issues if we are to tackle reoffending.

The National Offender Management Service, as it is known, has been controversial largely because of the way that it was launched. We want reassurances from the Government that the proper resources are being provided so that, as powers are required for probation to do more, there is the resource and back-up to enable the service to do that effectively. We welcome the Home Secretary's useful phrase of prison without bars. I believe that tagging has a role to play. In this context, I disagree with the shadow Home Secretary. Keeping people out of prison who have committed non-serious crimes is more effective than putting them into a situation where more than half of those who have been incarcerated come out and commit more crimes.

The Home Secretary did not refer to antisocial behaviour orders, but there is another ASBO measure in the Queen's Speech. Thankfully, it has nothing to do with the Home Office this time. Another Department will have responsibility for it. ASBOs will have our support, as they always have, if they are matched with sensible measures that deal not only with issuing punishment but with enabling us to tackle why the individuals concerned got into difficulties in the first place. Punishment should be matched with sensible measures to stop people reoffending.

We will support many of the sensible measures to which the Home Secretary referred that deal with drugs, but I have concerns about the ability to access proper treatment. The Home Secretary referred to the matter on several occasions, and we have no disagreement with him, but the evidence is that there is still difficulty in accessing treatment and getting individuals who are prepared to take part in that process. The right hon. Gentleman will be aware of the disappointing figures from the Prison Service only last week that showed that about 51 per cent. of treatment programmes in prison had collapsed. If we cannot manage a treatment programme in a situation where the individuals concerned cannot go anywhere else, it does not bode well for programmes that are to be run in the community. It is important that resources are made available.

The Home Secretary did not mention his proposals on juvenile services. We welcome them. It is one of the areas in which the Government have done excellent work. I have seen the projects and there are many lessons that can be learned from the way in which they are being handled in terms of early prevention that could be transferred elsewhere.

The Home Secretary will not be surprised to hear that the one area of difference relates to the Bill on identification cards. The Bill was published early this afternoon. As indicated earlier, there will be an opportunity before Christmas to consider it on Second Reading. I shall reserve my main comments until then. We shall want to talk about costs. I am still unclear where the costs are heading. At one level, I am pretty convinced that the figure is about £3 billion, but press and academic reports tell me that the figure is heading for about £10 billion.

The Home Secretary promised the Home Affairs Committee on 2 November that he would publish a regulatory impact statement. I am not sure whether that has been published this afternoon. We will obviously want to study it with interest to ascertain the Government's assessment of the costs. It is not clear to me whether the Government are including in their figures the potential costs of the readers, which could be used throughout public services.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): As the hon. Gentleman is being precise about figures, or rather asking questions about figures, why was it when he published an article recently that he was precise in saying that the cost would be £3 billion? Where did he get that from? Why has he changed his mind on this important subject? I do not mind people changing their minds, but this seems to be political opportunism.

Mr. Oaten: I was basing the cost on Home Office figures that have been given to us. I shall be happy to give the hon. Gentleman the audit trail. The costs change every day when we ask the Home Office different questions. That is largely because the spec changes. I think that I am making a conservative estimate by saying £3 billion. Various press articles have referred to £10 billion. Much depends on whether we include in the costs the simple cost of making the identity card or whether added on to that cost are the implications of having a reader in, for example, every hospital, post office or benefit office. Until we know the detail of how widely the Government plan to use the system, I cannot give an accurate estimate. That is why I am saying that the cost will be somewhere between £3 billion and £10 billion.

Why have I changed my mind on this issue? The answer is that I examined it in more detail and I am not convinced of the merits of the proposal. I freely admit that I was one of those who used to say, "If you have nothing to hide, why does it matter?". As I have said, I have changed my mind. Sometimes, when people change their minds, they become firmer. I am clear that I am opposed to the measure.

When we reach the debate on ID cards, I want to examine the issue of biometrics and their effectiveness, on which I think we shall have an interesting debate. Various tests have shown that there is a failure rate or error rate of between 2 and 5 per cent. on the facial scans that are involved. Given that so much emphasis is being put on technology, I will need great reassurance that the technology being used for biometrics is accurate.

There is also the issue of individuals who can come to the country for three months, on holiday, and not need a form of identity. How will that work in terms of some

[Mr. Oaten]

of the controls? There is also the point that the right hon. Member for Haltemprice and Howden made very well about the Government's track record on computer programmes. We will need a great deal of convincing about the effectiveness of the programmes and on the issue of data. We will need reassurance about where that data will be available.

We will want carefully to probe the timescale. I see emerging a system that is neither compulsory nor voluntary. As we work through a rolling programme over the next 10 years of when individuals have to change their passports, even in five or six years' time less than half of the population will be covered by the scheme. However, half the country will have had to get an ID card—they will be compulsory—while the other half will not be in that position. We are heading for chaos and misunderstanding, particularly if the plan is to roll the scheme out to include benefit access. There will be great confusion. At the end of the day, even by the Home Secretary's own admission, it will be another 10 or 12 years before everyone will have one of the cards.

Do the Government plan to use the system to include health and benefit fraud? I understand that the largest amount of benefit fraud that takes place does not involve people pretending to be somebody else but people pretending to have something that they do not have. I do not know why we are introducing a system to tackle a problem that I do not believe exists and about which I believe that the Department for Work and Pensions is uneasy. It is odd that a study that has been commissioned by the Department is being considered but has not been made public. I would welcome a reassurance that the report that it has commissioned to ascertain whether it could use ID cards in relation to benefits will be made public. In Committee, it would be useful to know what a Department that could benefit from the system thinks about its potential use.

We will want carefully to probe how the power of arrest will be used in relation to ID cards. The Home Secretary said on the Dimbleby programme on Sunday, I think, that people will not be arrested for not having a card with them. I accept that, if that is what the right hon. Gentleman said.

The Minister for Citizenship and Immigration (Mr. Desmond Browne): It is in the Bill.

Mr. Oaten: I have not had a chance to read the Bill. The Bill was only published at 4.30 pm, a time when the Government would know that Members would be sitting in the Chamber. I am not a speed reader and I have not had a chance to read it.

Mr. Browne: It was in the draft Bill, which was prepared for consultation many months ago.

The Government have always been clear that there will never be any requirement in the proposed legislation for people to be required to carry identity cards. I have made that position clear on a number of occasions. It was in the draft Bill that was prepared for consultation. It is in the Bill that was published this afternoon. I wish that the hon. Gentleman and others would stop suggesting that the situation is any different.

Mr. Oaten: I am grateful for the Minister's clarity. He is virtually admitting that a draft Bill never gets changed with this Government and that the Bill that follows it carries on in the same way. I shall not base my remarks on a draft Bill. I want to know what is happening now. I am accepting at face value what the Bill says and what the Minister says about arrest, but I want to follow through that scenario. We will want to probe carefully. If an individual is asked to show his or her ID card and is not in a position to do so, will he or she be asked to go to the station to show that card? What happens in those circumstances if people refuse to have a card or to show it? That is what many individuals, particularly some in ethnic and black communities, will want clarity on, particularly when we see a large increase in the use of stop-and-search powers in respect of those groups.

We will give measures that we think are effective and sensible a good hearing but reserve our right to argue where we can and speak up on behalf of the Liberal Democrat party for the principles of liberty and justice.

6.9 pm

Mr. Frank Dobson (Holborn and St. Pancras) (Lab): I should like to start by saying how much I welcome the Government's proposal to take extra measures to protect medical researchers, including many in my constituency, against the unacceptable activities of some animal rights extremists.

I also welcome the Government's intention to reintroduce the proposal to create a specific offence of incitement to religious hatred, which fell in the House of Lords. As a person of no religious belief, I do believe that no one should be discriminated against or become the object of hatred because of their religious belief. Plenty of people have suffered in the past, and these days it tends to be Muslims who are suffering. We have already outlawed religious discrimination in employment, which is a step forward, and we are now proposing to provide the same protection with regard to incitement to hatred, which has been happening.

I hope that we can go further on just two points. In the proposition that was advanced previously, but rejected by the House of Lords, people were also to be protected against incitement to hatred as a result of their not having any religious beliefs. I hope that that will continue to apply. I should also like the Government to take this opportunity to abolish the ridiculous common-law offence of blasphemy. It is absurd to provide any such special protection for any religion, but as the existing law protects only the Church of England, it is even more ridiculous. A law that was established at York assizes in 1836—the last time the measure was really determined—is not fit for the 21st century.

Mr. Grieve: I agree with the right hon. Gentleman about the blasphemy law, but there seems to be a contradiction in his argument. He thinks that religion should not be protected by blasphemy law, especially as the law applies to only one faith, but he also wants an offence of incitement to religious hatred that will do precisely that for all religions. Is there not a contradiction in his position?

Mr. Dobson: I am sorry that the hon. Gentleman is so dim that he cannot distinguish between somebody expressing dislike of a religious belief or even ridiculing it and incitement to hatred against people because of their religious beliefs. He should be able to spot the difference, even if he is a Tory.

Turning to more general matters, we must all recognise that laws need updating to keep abreast of changes in society. The new factor that we have to face up to is the existence of the suicide bomber, a person who is willing to sacrifice their own life while taking the lives of others. Our criminal justice system has never had to contemplate how to deal with such people. Unlike people who might be described as conventional terrorists, suicide bombers are not deterred by the threat of detention and punishment after the event, which does not offer any protection to a potential victim either. Anticipation and prevention are what is required.

That is why I was happy to support the Anti-terrorism, Crime and Security Act 2001, which permits the detention of non-British subjects without trial if they come from countries to which our returning them would break our obligations under international law. That was a stop-gap measure, however, and I believe that the gap has been stopped, although at some cost. It has damaged our international reputation as a country with an open society with the rule of law and the right to a trial.

I urge my hon. and right hon. Friends not to await the outcome of the court decisions on the Belmarsh detainees; win, lose or draw, I think that there are better ways of achieving what they want than detention without trial. I believe that it would be possible to adopt measures that protect the people of this country, which is paramount, but which at the same time do not bring our system into international disrepute. I think that the proposals of the Joint Committee on Human Rights would go a long way towards achieving what we want. For example, there should be changes in criminal procedures to permit for the first time the use of intercepted phone-tap evidence. Personally, I have never understood why such evidence is not used. If it is possible to open envelopes and look at people's letters, I do not see any difference in principle.

At the same time, we would need some fairly savage penalties for anyone on the side of authority who was using what we might call electronic wizardry to falsify any such information. We need to ensure that there is not a lot of over-enthusiasm. None the less, it would be possible to let people out of Belmarsh or wherever, subject to the restriction orders that the Joint Committee proposed, with extremely intensive surveillance and electronic monitoring. The security services might welcome such action, as it would give them the opportunity to maintain surveillance and perhaps catch people who try to get in touch with those who have been let out.

We must always bear in mind that we need to protect the people who are here in this country, but we must also remember that the objectives of terrorists in modern times have not been the overthrow of Governments. No established democracy has ever been overthrown by terrorists, whose object is to get us to bring our own sacred institutions into disrepute and to damage us in international affairs. They want us to cease to be an open society and to practise the rule of law, and to abandon our commitment against arbitrary action against individuals. They love it when we have to put up with the trappings and inconvenience of enhanced security measures. They want us to abandon tolerance of diversity and freedom of expression, and they are delighted if we inhibit the right to trial and, more particularly, the right to trial by jury.

I will find it very difficult to support the concept of terrorist trials without juries. We have the precedent of the Diplock courts in Northern Ireland, and it has to be admitted that they seem to have worked fairly well. However, in terms of abandoning jury trials because of the fear of intimidation, I cannot accept that the situation in England, Scotland and Wales is like that in Northern Ireland at the height, or depth, of the troubles, or like that in Sicily when the mafia were waxing strong. I cannot believe that the scope for intimidation on the mainland, so to speak, or the ratio of intimidators to the potentially intimidated are on the same scale as people in Northern Ireland experienced.

Mr. Grieve: Will the right hon. Gentleman give way?

Mr. Dobson: No, as I do not have much time.

We must ensure that if we do these things properly and allow jury trials, for example, the security services can exploit the fact of people being intimidated by spotting the intimidators, tracking them down and dealing with them. I should be very reluctant to contemplate the abandonment of jury trials in respect of any criminal activity, including terrorism, on the mainland. Such action would be a significant step away from what we hold sacred, and it would be in exactly in the direction that the terrorists and the Mr. Bigs behind them would like us to go.

6.19 pm

Mrs. Gillian Shephard (South-West Norfolk) (Con): It is always a pleasure to follow the right hon. Member for Holborn and St. Pancras (Mr. Dobson), who always, absolutely without exception, has something original to say, and I hope that those on the Labour Front Bench have listened carefully to his strictures.

A number of speakers have already made it clear that many of the measures in the Gracious Speech are welcome. I myself would, rather ungraciously, say that they would be even more welcome if more than a handful of them stood a chance of reaching the statute book before the date on which *The Sun* newspaper has said the election will be held. It would be instructive to hear from Ministers which measures they expected to stay the course and which, after all the hype, were only soundbites.

The Prime Minister himself helpfully pointed out that

"There are still far too many victims of crime",

and that he is determined to ensure that

"we have respect and responsibility back on the streets and in the communities of Britain".—[*Official Report*, 23 Nov 2004; Vol. 428, c. 23.]

Everyone would agree with both statements.

I remind Ministers that eight Bills in the Gracious Speech have implications for police resources; admittedly, three of them are draft Bills. I draw Ministers' attention—I need not draw the attention of

[Mrs. Gillian Shephard]

the Minister for Crime Reduction, Policing and Community Safety, because she was there—to a useful debate that took place in Westminster Hall on 10 November, when hon. Members from all parties pointed out the serious funding problems already faced by police authorities across the country. The Minister for Crime Reduction, Policing and Community Safety said that

"There are several imponderables in our current position on police funding".—[*Official Report*, 10 November 2004: Vol. 426, c. 296WH.]

All former Ministers understand that imponderables always exist when one approaches the pre-Budget report; we used to call it the autumn statement.

Obviously, we all realise that announcements on police funding are due to be made shortly, but unless substantial additional funds are made available, it would be beyond the ability of many police authorities, including my own, to cope if any of the eight Bills were to reach the statute book.

The number of police officers in Norfolk has increased, which is welcome; less welcome is the fact that the council tax increase over the past four years to pay for that growth is nearly 66 per cent., and this year's budget alone accounts for a 13.5 per cent. increase in council tax. Norfolk police authority faces a particular problem in funding its pension obligations. The Government have made it clear that they will cap council tax increases, and Norfolk only narrowly escaped capping last year.

In the Westminster Hall debate, hon. Members from both sides of the House acknowledged that most police authorities needed about a 5.5 per cent. increase just to stand still. In Norfolk, if we are lucky, the calculation is that we shall have an increase of between 3 and 4 per cent., so we will be adrift by around 1 per cent. of meeting the obligations in existing legislation. If the Government are serious about the Gracious Speech, Ministers must convince us that they will make available to police authorities the means to bring about the improvements that they claim they wish to see in place; otherwise, it is only talk.

I want to comment on a specific measure in the Gracious Speech that the Home Secretary did not mention, perhaps because the Department for Environment, Food and Rural Affairs is dealing with it; namely the Clean Neighbourhoods and Environment Bill. The Bill was helpfully trailed in *The Times* on 29 October by the Prime Minister himself, with a headline claiming "Yobs face parish council fines". Everybody welcomes the measures in that Bill. Most hon. Members will find that the problems of fly-tipping, graffiti, yobbish behaviour, noisy neighbours and other kinds of antisocial behaviour such as abandoned cars are among the most intractable, even if they are not the most serious, in their postbags. Although ASBOs have the right intention, they have probably not been as effective as Ministers had hoped; fewer have been issued than expected and 36 per cent. have been breached. They have been criticised as too complex because they require police case conferences, consultations and all the rest.

I am enthusiastic because the Bill will give more local authorities, and indeed the police, powers to deal with those various nuisances. I understand that powers that have already been given to district and unitary authorities will be extended to parish councils. Ministers—the Minister who replies this evening may want to respond to this point—might give some thought as to how practical those proposals are for average parish councils.

Norfolk has 550 parish councils, and the average parish council has an annual income of about £7,000 a year. When one takes into account what that must be spent on—grass cutting, street lighting, the clerk's payment, a car scheme to pay volunteers to drive people to hospital, water rates, insurance, repairs, sundries and other things—there is not an awful lot left to pay a member of staff to issue on-the-spot fixed penalty fines.

Mr. James Booty, chairman of Northwold parish council in the centre of my constituency, thinks that the clerk—a lady of at least my age—might not welcome that addition to her duties. The average income, which is painfully extracted and meticulously accounted for, would not stretch to employing a new kind of parish constable.

The new power is good, and it may be possible for larger parishes and town councils to provide that service at a cost. However, no parish council of an average size anywhere in my county will be able to provide it. Given travel costs and the distance between communities, joining forces to provide such a service is not a practical proposition.

I know that the constituency represented by the Minister for Crime Reduction, Policing and Community Safety is in Greater Manchester. Will she carefully examine communities that are different from the one that she represents? Such communities are just as bothered by graffiti, fly-tipping and abandoned cars as those represented by Labour Members. I hope that she will give some thought as to how the proposal, which is good, might work in a rural area such as mine, otherwise hon. Members who represent rural areas will be forced to conclude that the new powers are not for us.

6.26 pm

Mr. Tony Banks (West Ham) (Lab): I found the approach of the right hon. Member for South-West Norfolk (Mrs. Shephard) constructive, which is how we should approach those significant issues.

I broadly support the Government's outline programme in the Gracious Speech. I certainly enthusiastically support the Home Secretary in the way in which he goes about his job; he is an outstanding politician.

May I give a brief account of an incident that took place recently and that very much concerns me? At 2.45 am on Friday 26 November, I was woken by the police; fortunately I was in bed with Mrs. Banks at the time. I was asked whether I had heard any gunshots earlier. We had heard gunshots at about 10.50 pm on Thursday, when about five rounds were fired. The only remarkable thing about that account is that we did not find the incident a remarkable event in itself. I realised that I have become accustomed to such incidents—almost inured against them—in my particular area. When people who are broadly law-abiding start to give up being shocked by events, the alarm bells ought to be ringing.

Most of the murders and the street crimes that take place in my area are associated with drugs. I must question the drugs Bill and say something unpopular: this is a minority view in the House, but the war against drugs is not being won, and I do not think that it ever will be. We could make the penalties so harsh that people are terrified. In some countries, they chop off people's hands and hang people for drugs offences, which does not appeal much, even to a curmudgeonly old loony such as myself. We should perhaps think what many people in this House and elsewhere consider unthinkable, which is to broaden the legalisation of drugs: not all drugs, but certainly those that are generally considered to be recreational.

I can see many advantages to such an approach, but this short speech does not allow me to develop them. Legalisation would provide many advantages with regard to reducing violence and criminal activity. I do not know the answer, but, at the very least, we should have a proper public debate, and a royal commission could study the matter. We cannot keep saying that we need more legislation in order to wage war on drugs, when we are manifestly not winning that war. When one is not winning a war, one should examine one's tactics and strategy.

During my years as an MP in this House, I have become cynical about human behaviour. Perhaps it is right and appropriate that I should be leaving this place, because I find myself becoming more angry about what is going on, not less so. I could very well be losing my sense of perspective, but I do not think so. I believe that we are moving inexorably towards an increasingly violent society where the response by Government and law enforcement agencies will become commensurately harsher.

Many factors have contributed to this depressing state of affairs. We appear to have more freedom, choice and prosperity, but undoubtedly have fewer values that are common to us all. Respect for institutions has been undermined, especially vital institutions such as our own. There is a culture of blame; it is always someone else's responsibility. Few seem ready or able to blame themselves if something goes wrong or to take responsibility for their own actions. People are bombarded with trivia until the trivial, the soulless and the empty-headed become the norm.

People are saturated with images of violence and contempt for human and animal life through television, magazines and newspapers; indeed, even through the very toys that we buy our children. At about this time of year, I do my usual tilt against the windmill by proposing a Bill or tabling an early-day motion on banning the sale of war toys. If people want to know where the gun culture starts, it is when we give realistic toy weapons to our boys. *[Interruption.]* Conservative Members may not agree, but it is a theory that needs examining. If we do that, or assume that there is no harm in violent Playstation games, we lessen people's resistance to violence. I honestly think that that is a root cause of many of the problems that we face in our society.

I do believe in personal freedoms and liberty, but for some that seems to mean licence. That is unacceptable, because in the end the greatest personal and civil right must be the right to go about our lawful business without fear of violence and intimidation. It takes only a small minority of individuals in our communities to destroy those rights, and we must deal with those people. Unfortunately, as is evident from the proposed legislation, there is a price that we must all pay in order to establish a framework of discipline and control within which we can continue to enjoy and operate the greater freedoms. I welcome the proposals on ID cards—

Mr. Bercow: Oh, no!

Mr. Banks: I do; I have changed my mind on where I stand. Indeed, the hon. Gentleman may not be surprised to learn that I would go a bit further nowadays. I also believe in a mandatory national register of DNA. When I tabled an early-day motion on that matter some 18 months ago, I attracted 25 signatures, so I am certainly not alone in this respect.

I welcome the serious organised crime and police Bill. Again, I would go further by saying that we should routinely arm all our police. It has been suggested within the police force that that should be the subject of a referendum among the police. I want vigorous public debate on such matters. I can understand why some people would find my views anathema, but I want to hear their reasons why. I want to engage in the argument so that together we can try to resolve these major problems as a collective and responsible House, not make them into narrow, vulgar party political attacks.

Those are some of the issues that we should be addressing. I understand why some might think that I am pushing the limits. That is fine; it would not be the first time that I have found myself in a tiny minority, even in my own constituency, but I believe that we have a right, and indeed a duty, to raise such matters. I admit that I have changed my position on several of them, but I merely echo the words of Maynard Keynes, who said:

"When circumstances change, I change my mind—what do you do?".

6.34 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): It is always a great privilege and pleasure to follow the hon. Member for West Ham (Mr. Banks), not least given that his evolution through this House has ended with his making the sort of speech that went out of fashion at Conservative party conferences of the late 1950s, where speakers deplored the lack of respect for institutions among the young and cited the need for discipline. If he can learn to love his constituents and to believe in democracy, he will have made it to our Benches.

I want to draw the House's attention to the similarity between policies and houses. When houses languish unsold year after year, it is almost certainly because there is something wrong with their foundations. I have to tell Labour Members that there is no policy that has been hawked, unsold, around Whitehall for longer than identity cards. When I was in the Cabinet, it was brought to us time and again, but every time we examined it—it was always brought to us as a solution looking for problems—we found, when each of the problems that it could potentially solve was identified, that it had no utility and its advantages evaporated. The police told us that they rarely had any problem in identifying people, only in demonstrating that they had

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done that of which they were suspected. The security services told us that terrorists rarely conceal their identity, only their intention—as was apparent in the case of those involved in the 9/11 tragedy, in Madrid and in Constantinople.

The immigration services told us that all illegal immigrants can, and mostly do, claim asylum. Once they have done so, they are given an identity document and fingerprinted, as has been the case since July 1993. That document now takes the form of an identity card. Without it, they cannot claim benefits or get legal employment. A compulsory identity card would therefore be of little practical use unless people were required to carry it and the police were empowered to stop and to require information from anyone who looked and sounded foreign. If the Government are proposing to introduce a system whereby members of ethnic minorities are required constantly to justify their presence in this country, they should stand up and say so; unless they are prepared to do that, the proposal will have no impact whatever in identifying and stopping illegal immigration.

It has been suggested that the identity card might be of value in curbing benefit fraud. As Secretary of State for Social Security, I was aware that the amount of benefit fraud that relies on false identity was, at most, 1 or 2 per cent. of the total. I proposed to introduce a benefit payment card, but that was to improve the security of payment and to replace the insecure method of order books and girocheques. Unfortunately, that system was abandoned by the Labour Government after a couple of years because they believed that they could not make it work. Even though it had worked in Ireland, they could not upgrade it from a system that covered roughly 1 million people there to one that would cover 15 million people here. How will they be able to make work an identity card system covering all 60 million people in this country?

When identity cards have been tried elsewhere, they have failed to prevent crime, terrorism, fraud or illegal immigration. Because systems that exist elsewhere do not work in practice, the Government propose to introduce a system that exists nowhere and hope that it will turn out to be wonderful. I have to tell them that there are plenty of reasons for believing that it is a racing certainty that it will not work. Previously, all such large projects have failed, as we know from the experiences of the Child Support Agency and of the Home Office itself. We know, too, that private firms such as banks and credit card companies have not taken the route of biometric identifiers, because they think that the benefits will be less than the costs and that the system will not work that well, and because they know that even on the Government's own tests there is roughly a 7 per cent. incidence of false negatives. If each of us had to show our card once a year, that would mean 4 million false negatives. Are the Government prepared to accommodate that amount of accusation and suspicion of the general public, who would be falsely accused of not being who they are?

If the system is not compulsory, it is pointless. All the advantages that the public at least perceive as deriving from identity cards work on the assumption that people will have the cards on them when they are stopped by the police, who believe that they may be a criminal or an illegal immigrant and so on.

Today, the Home Secretary prided himself on the fact that the opinion polls show that 80 per cent. of the population are in favour of compulsory identity cards. That is the sole reason for their introduction. It is a focus group-driven policy.

Andy Burnham (Leigh) (Lab): Why did not you introduce it?

Mr. Lilley: Because we thought that it was a stupid idea.

Andy Burnham: You produced a Green Paper on it.

Mr. Lilley: And we decided not to introduce it—largely because I argued against it in Cabinet—on the grounds that I outlined.

The Home Secretary believes that the policy is a good idea because it is popular. When the Labour Government in Australia introduced a similar proposal, it had even greater support. However, as it wound its way through the Australian Parliament and the upper House, the mood changed, and eventually, according to the opinion polls, 90 per cent. of the Australian public were against it. The measure was defeated in the upper House and contributed to the defeat of the Australian Labour Government. I hope that the pattern is repeated here.

6.41 pm

Tony Wright (Cannock Chase) (Lab): In the short time available, I want to consider two subjects. The first is nannies, if I may be so indelicate as to mention them, and the second is the politics of behaviour.

I mention nannies because it is said that the Government and especially the Home Office are the architects of the nanny state. It is always interesting to hear Conservative Members speak about nannies because they have had more experience of them than Labour Members, so it is strange that their conclusion is so negative when ours is rather positive. Perhaps those who have had them view them differently from those who have not. We see them as people who protect, look after and nurture, especially when others in life are absent. We are therefore puzzled by the way in which the nanny state is attacked.

In the past, the nanny state was invoked to attack a range of progressive measures. It was invoked to protect the intimacy of family life and enable men to treat women as chattels. Intruding into such a relationship was seen as terrible interventionism. When the state tried to intrude into employment relationships to stop sweated labour or exploitation in the workplace, we were told that that constituted terrible intervention in the contracts of employment. When the state intervened to protect consumers against being ripped off by producers, we were told that that was an infringement of basic caveat emptor principles. Even now, we are sometimes told that having a Food Standards Agency to protect people and ensure that food is properly labelled so that people know what they are eating is some sort of

nannyish interventionism, or that setting up a Financial Services Authority so that people are not ripped off by mis-sellings of the financial services industry is inappropriate nannyish intrusion.

In all those cases, if the state does not act, what is left is not an oasis of private freedom but private power. My approach to identity cards is broadly the same. The state's job and that of public power, acting in the public interest, is to harness and tame private power. The state is called on to do that, and a democratic Parliament is asked to do that, too. I want a state that makes freedom a practical reality for most people. That means an active state, and so, on the nanny state, I say bring it on. We need it to act in the way that it does.

My second point picks up on some of the comments that my hon. Friend the Member for West Ham (Mr. Banks) made about the politics of behaviour. The subject goes beyond the routine party exchanges and invites us to consider more widely some of the issues that underpin the measures proposed in the Queen's Speech. Frankly, we have a problem and we all know it. In the past generation or two, society has advanced in all sorts of ways. People are richer, they can do more, they consume more, they travel more and their access to everything has increased. Yet alongside that, two other things have happened.

First, there has been an erosion of what could be described as the civic infrastructure. That is why we complain about the loss of community. We feel that something has gone. It is not surprising that some of the older people in our society feel that most acutely, because they remember—and tell us—how it used to be.

Secondly, a behavioural revolution has happened. If we are honest, we will admit that we have witnessed a coarsening of our society in all sorts of ways. It goes beyond the way in which one party attacks another, and invites us to examine matters with a much longer perspective and consider some of the large causes. Most people would accept that something profound has happened to the traditional authority structures in our society, especially to the major institution of the family.

We can play the figures endlessly but I shall give one version. Almost 90 per cent. of children born in 1958 still lived, at the age of 16, with both natural parents. For children born in 1970, the figure was down to 82 per cent. For children born in 1984–85, it was down to 65 per cent. In a quarter of a century, a 25 per cent. drop occurred in the number of children who live with their natural parents at the age of 16. That must have an impact on the quality of relationships and of life in our society. That is reflected in the crime figures.

Almost all the other indicators in our society in the past generation or two have moved in the right direction, but crime has not. I am not considering only the past few years, when the Government have a good record. Since 1950, crime has increased tenfold. Violent crime has increased by 1,375 per cent. Why do we spend so much time discussing what is happening to our town centres? Why do we spend so much time talking to our constituents about the fact that they feel fearful in their streets and neighbourhoods? Because they do: the fear is not invented; the quality of their lives has deteriorated.

We should be ashamed that beautiful foreign cities are tortured by the booze cruisers from this country and that 75 per cent. of admissions to accident and emergency departments at the weekend are caused by people who are fuelled by alcohol. We see what is happening all around us, and it comes down not to what a Government or party do but to behaviour in our society, which is reflected in the media, where images of violence—trivial, casual violence—are pumped out round the clock. On "EastEnders", people shout at each other. When they do not shout at each other, they hit each other. Such images are constantly pumped out.

My comments are abbreviated, but I conclude that it is no wonder that the politics of behaviour has come to the top of the political agenda. However, if Government are being asked to fill the gaps that the decline in other institutions leaves, can they do it? The answer is that I do not know, but if they do not try, they will be letting down the people we represent

6.49 pm

Mr. James Clappison (Hertsmere) (Con): It is a pleasure to follow the hon. Member for Cannock Chase (Tony Wright), who made a thoughtful speech, especially on the subject of the family. However, if he and the House do not mind, I shall return to identity cards, which have played quite a part in the debate.

I confess at the outset that, up to this Parliament, I was not one of those who were passionately exercised about identity cards; I certainly was not a passionate advocate of them when they were being discussed under the last Conservative Government. My right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley) eloquently put the arguments against—I accept that there are arguments for and against in principle—and as he said, the idea has been around for a considerable time.

The benefits of introducing identity cards will be very small—with one exception—on, for example, issues such as illegal immigration and benefit fraud, whereas the costs will be great. Taking all that into account, I have not been greatly exercised about the issue. However, serious though the arguments in principle put by my right hon. Friend and others are, there is another consideration, which we in the House must also take seriously. I took it seriously as a member of the Home Affairs Committee when we considered the evidence. We received evidence from the Government, who wobbled a little from time to time, and from the police and other expert sources that identity cards would make a contribution in dealing with the threat of terrorism.

Serious though the issues of principle are, and serious though the issues of illegal immigration, benefit fraud and organised crime are in their own way, terrorism is something that we in this Parliament must learn to treat as of overriding importance. If we are told that there is evidence that identity cards will assist in dealing with terrorism, we have to take that seriously, even though they may not be the complete answer and only one of a number of ways of dealing with it.

This is where I part company with the Government, who have been wobbling on this very question. I rely not on the evidence from them but on the evidence that the Committee received from the Association of Chief Police Officers and others. The Government have made this part of their case, but I find very surprising the time scale that they have set out for introducing identity cards. If identity cards will assist in dealing with

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terrorism and if, as the Government have accepted, identity cards have to be compulsory to achieve the full benefits, why on earth are the Government proposing to proceed in such a leisurely way?

This afternoon, the Home Secretary talked about looking back in a decade's time, perhaps after some terrorist incident, to see whether we did everything we possibly could, but it will be nearly a decade before identity cards are in force. As I understand it, according to the Government's original timetable—I want to hear from the Minister if there is any alteration, because different versions have emerged—it will be another three years before identity cards become available, and then only as and when people apply for one, or for a driving licence or a new passport.

Then, there will be a number of years—up to four—during which people gradually acquire identity cards. Then, and only then, will there be a further debate and a vote in the House on an affirmative resolution as to whether identity cards will be introduced. That will not be until 2012 or 2013. Presumably, there will then have to be a further delay while all those people who do not have an identity card are issued with one.

All that will take a considerable time, which brings to mind this country's last experience of identity cards, when it faced a serious threat in 1939. Over a time scale not dissimilar to that which the Government now propose for getting around to introducing compulsory identity cards, identity cards were proposed, introduced, implemented and used, serving their purpose until people got a bit fed up with them and it was nearly time for their abolition. It does not add up.

If it is the Government's case that identity cards are part of the fight against terrorism—I am prepared to accept that we should take that seriously—why on earth are they taking such a long time to introduce them and why are we dealing with them in this way? The whole thing smacks of interdepartmental wrangles and a lack of grip in taking decisions. We have already heard this afternoon that the Government have been discussing this matter for three years; if it is urgent, let us get on with it quickly.

Mr. Miller: I am sure the hon. Gentleman agrees that the 1939 typewritten and carbon copy version would not be adequate to meet the needs in respect of modern fraudsters, so would he be kind enough to tell the House what off-the-shelf technology he would introduce for use today?

Mr. Clappison: I am grateful to the hon. Gentleman because he has made an important point about the Government's proposals. I look to them for an answer on this question: is it their case that something inherent in the technology that they are using is preventing them from introducing identity cards on a faster time scale? If so, I look forward to hearing about that from them. If they have decided on this leisurely introduction for other reasons, we must take that very seriously indeed.

I want briefly to discuss some other issues that have been raised, two in particular. The one issue that my constituents put to me more than any other is the fact that they would like to see more police out on the streets and more police tackling crime. I am sure other hon. Members have heard the same thing. On the question of numbers, the Home Secretary has again this afternoon, as has the Prime Minister on a number of occasions, spoken of the increased police numbers under his stewardship. The more I hear the Home Secretary talking about the increase in police numbers, the more I think he is launching a savage attack on his predecessor, because for every year between 1997 and 2002 police numbers in England and Wales were lower than those inherited by this Government.

At the beginning of the debate on the Queen's Speech, the Prime Minister said to one of my hon. Friends:

> "I hope that the hon. Gentleman would agree that 12,500 extra police officers—record numbers of police officers and community support officers—is something that the Government can be very proud of."—[*Official Report*, 23 November 2004; Vol. 428, c. 23.]

He happily lumped police officers and community support officers together, but does that mean that he should have felt shame just before the last general election—

Chris Bryant (Rhondda) (Lab): Will the hon. Gentleman give way?

Mr. Clappison: The hon. Gentleman should contain himself for a moment. Does that mean that the Prime Minister should have felt shame just before the last general election when there were 3,000 fewer police officers than in 1997? I do not remember him going around the country parading his shame.

Chris Bryant: The hon. Gentleman is arguing that during the first four years of the Labour Government the number of police officers fell. Does he not accept that that might be because we followed Tory spending plans for the first two years?

Mr. Clappison: Oh dear. I think it was a mistake to give way to the hon. Gentleman. He is being selective, as the Prime Minister is being selective, about police numbers. I shall come to another issue on which the Government are being very selective, but my constituents in Hertfordshire have had the worst of all worlds: there has been the substantial increase in police precepts, which the hon. Gentleman might be aware of and which has certainly taken effect in other parts of the country, as well as other forms of taxation, yet we are not getting fair treatment from the Government over police funding, because we have lost out under the police funding formula, which was implemented two years ago as part of the local government funding formula.

Now we have the spectacle of the chief constable of Hertfordshire and the chairman of the Hertfordshire police authority—both well-known Tories, I am sure, Mr. Deputy Speaker—coming to the House to ask Members of Parliament of all parties to help them in their fight to try to keep police numbers in Hertfordshire at the same level. I can tell Ministers that my constituents are absolutely fed up with the Government over this. They are very worried about a reduction in police numbers and they are right to be so.

The other area of great Government selectivity is crime statistics, and I am afraid that we had another example of that this afternoon from the Chairman of the

Home Affairs Committee, on which I serve. Although I agreed in large measure with many of the other things he said, I am afraid that the Government have nothing to give themselves a pat on the back about in respect of crime figures and claiming that they are winning the fight against crime, other than the fact that they are prepared to be very selective indeed in their use of crime figures.

I remind the House that this Government, in choosing between the British crime survey figures and the recorded crime figures, which give different outcomes, now disregard the recorded crime statistics and choose to rely on the British crime survey figures—

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): The Conservatives set it up.

Mr. Clappison: I will give way to the Minister in a moment if she wants me to. This Government do that even though they chose to rely on the recorded crime statistics over and over again in chastising the last Conservative Government. Comparing like with like, what do the recorded crime statistics show? Even making statistical allowances for changing methodology, recorded crime has gone up and violent crime has gone up by 44 per cent. since this Government took office.

If we examine the British crime survey figures, on which the Prime Minister is now wont to rely, even though he himself used the recorded crime figures previously, we see that crime has come down, but the problem for the Government is that they show that crime started to come down in 1995. I do not remember the then Opposition going round the country in 1997 saying that the Government were doing a good job because crime was coming down, as measured by the British crime survey. The fact is that crime was coming down much faster between 1995 and 1997 than it has been since. Even in those British crime survey figures, there are some worrying trends, such as in gun crime, which has doubled, on any view, over the past five years. There was no mention of that in the Queen's Speech, and the Government are showing great complacency and no determination to try to get the figures back to the level to which the country was used before gun crime became all too frequent. In the brief time that I have left, I shall give way to the Minister, if she still wants to make an intervention—no, she clearly does not.

I hope that the Minister will take some of my comments to heart, because the Government have nothing to be proud about on tackling crime. The country is looking for a much more radical approach, especially on police numbers: people want a greatly increased number of police used in a much more effective way.

7.1 pm

Mrs. Ann Cryer (Keighley) (Lab): I want to concentrate in my eight minutes on the Identity Cards Bill.

I wish that we still lived in a world in which ID cards were not necessary, and in which there were no suicide bombers, but we now live in the global village, facilitated by the jet engine. I am also totally in favour of managed migration, but that is facilitated by people having the skills and ability to get jobs in this country, which is different from what is happening in my constituency, where too many young men are getting entry visas on the back of marriage to young girls, many of whom are born in my constituency. It is totally unacceptable that the human rights of those girls are being abused simply for the economic enhancement of families in Pakistan, and sometimes families in Keighley.

Aspects of the ID card legislation will make that more difficult and disrupt the behaviour of young men coming in as husbands. Increasingly, in my constituency, young men are coming in as husbands to girls who have been forced to marry them, and who then come to me to try to get out of acting as a sponsor. We call them reluctant sponsors, and there are too many of them in Keighley. Frequently, the young man does a disappearing act—he leaves the girl, sometimes shortly after arrival, sometimes after they have one or two children, so she is left holding the baby, paying the mortgage, earning the wages and doing everything. She can do absolutely nothing about it. She then comes to me about the case, tells me that she has been married and that the man has left her. What will we do about it?

The problem is that the young man can just disappear into his extended family—biraderi—and he is lost to the girl, the Government and the various agencies such as the police. Aspects of the introduction of an ID card would help to disrupt the behaviour of those young men. We are told that the Bill will

> "Ensure checks can be made against other databases to confirm an applicant's identity and guard against fraud . . . Enable public and private sector organisations to verify a person's identity by checking against the National Identity Register, with the person's consent, to validate their identity before providing services"

Let us bear in mind that these young men who go AWOL are frequently able to use the various services available and to gain money from the social security department. The Bill would also

> "Create new criminal offences on the possession of false identity documents"

which frequently occurs—

> "including genuine documents that have been improperly obtained or relate to someone else . . . Include enabling powers so that in the future access to specified public services could be linked to the production of a valid identity card."

All those aspects would disrupt the lives of young men who leave before gaining indefinite leave to remain, and help to curb the activities of many young men who leave after—and sometimes on the very same day—that they receive their indefinite leave to remain.

This is just one aspect of curbing the activities of families who force their daughters into marriage. Other things can be done, however, which would help young girls resist forced marriages. On 27 October the Home Office published a press release, which was headed, "Promoting Human Rights, Respecting Individual Dignity: New Measures to Tackle Forced Marriage." We were discussing the final stages of the Domestic Violence, Crime and Victims Act 2004 on that day, and the Home Secretary, I understand, was going to make a statement on those lines. With your permission, Mr. Deputy Speaker, I will read out what he was going to say, had he been given the opportunity. I dislike the ugly word "filibuster", and I was not in the House on

[Mrs. Ann Cryer]

that day, but I understand that Opposition Members spoke at length so that the Home Secretary was not able—

Mr. Llwyd: I was in the Chamber at that time, and it may assist the hon. Lady to know that the Home Secretary had trailed that speech in its entirety in the press, and then thought that he might address us later with the same text. Unfortunately, the Government had not protected their work.

Mrs. Cryer: I am not sure about the Government protecting their work, but as the hon. Gentleman said, I know that the Home Secretary was not able to say to the House the things that I will read out now. It is important that we have on the record what the Home Office is promising to me and my constituents in Keighley, who are being abused in such a dreadful way.

I am not sure whether primary legislation would be required, or whether the proposals could be introduced by secondary legislation or other measures, but the Home Secretary was going to say:

"The new measures build on existing work with public agencies, the voluntary sector and community leaders to raise awareness of forced marriage and to encourage victims to seek support and advice. They also strengthen immigration controls in order to break the cycles of violence that follow forced marriage.

The package includes a new joint Home Office-Foreign Office Forced Marriage Unit; a consultation to be launched later this year on whether to create a specific criminal offence of forcing someone into marriage; forced marriage to be targeted as a specific abuse in the revision of key inter-agency guidance on safeguarding and promoting the welfare of children which will have statutory backing; the minimum age for marriage entry clearance will be raised from 16 to 18".

That follows a measure introduced a year last 1 April, when the age limit for acting as a sponsor was increased from 16 to 18. I have good reason to think that both those age limits should be 21. That would give those girls confidence and time to finish their higher education before facing the burden of a forced marriage.

The Home Secretary would also have said that

"an additional forced marriage entry clearance post"

is to be

"created in Islamabad to help reluctant spouses and increase our ability to support victims."

Most of the problems in regard to which I must intercede originate there.

I welcome the Identity Cards Bill because it will go some way towards disrupting the behaviour of young men who have taken advantage of young girls who are forced into marriage. However, I look forward to the introduction of the measures mentioned in the document to which I have referred.

7.10 pm

Sir Nicholas Winterton (Macclesfield) (Con): I am pleased to follow the hon. Member for Keighley (Mrs. Cryer), she made a brave speech, and I believe that much of what she said should be noted and acted on by Government.

When the present Leader of the Opposition, my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard), was Home Secretary in the 1990s, crime fell by 18 per cent. in four years. That is a fact. It had never happened before, and it has never happened since. In contrast, under the present Government crime appears to be out of control, and in my constituents' opinion sentences are frequently far too lenient.

Prisons have a role to play in protecting the community from dangerous offenders, and placing convicted criminals in the safest environment for themselves. Prisons per se are not the problem—but, in my view, more attention should be given to their management and to the regimes imposed within their walls. Prisons should not be allowed to become universities of crime. The endemic drug culture should be stamped out. I disagree with the hon. Member for West Ham (Mr. Banks).

Careful attention should be given to proper induction and the appropriate housing of new and young offenders. Prisoners should have a properly structured day with less entertainment, less time spent in their cells, more education, more basic learning, more work and more physical exercise. We urgently need a huge boost to police numbers, in conjunction with an energetic prison-building programme and a coherent effort to get young people off drugs and off the conveyer belt of crime.

As we have heard already today, the UK has a million hard-drug addicts for the first time ever—yes, a million. I make no apology for taking a hard line on drugs. They destroy lives, they destroy society and they render all our efforts to reduce crime worthless. As many know, the drug culture spawns the gun culture, and both help to create the culture of violence.

Today, parts of Britain are virtually no-go-areas. Towns and cities that were once peaceful are now overrun with gangs brandishing guns—and who are in the middle? The decent, hard-working people whose lives are ruined. We must never give up on the war against crime and the war against drugs.

Too many people are afraid: afraid to stay in their homes, afraid to leave their homes, afraid to summon help and afraid not to summon help, afraid to barricade their doors and afraid to be trapped behind their doors. I want criminals to be afraid: afraid of being caught, and afraid of being punished. I believe that if social cohesion is to succeed, people should be happy and secure in their own homes.

If that is the case now—I raised this with the Prime Minister in the Liaison Committee—how is it that many people on the Upton and Moss estates in Macclesfield are having their lives made hell by yob culture, antisocial behaviour such as the production of graffiti and litter, low-level crime involving theft from cars, stealing of cars, and burglary? These are the activities of a limited number of people who, sadly, are often driven by drugs.

Does the Home Secretary accept that many of those people whose lives are being made hell can no longer rely on the police? As we have heard today, the police say that they have inadequate manpower to respond to incidents on estates such as the two that I have mentioned. In my meetings with them, the police are forever telling me that they do not have the resources to

devote to dealing with the various incidents that are reported. What are the Government going to do about that, and what are the courts going to do about dealing with the young people who are apprehended and who are making people's lives hell? Too often they appear to pat them on the back and return them to the community.

Of course the answer is zero tolerance, but, as the Minister knows, zero-tolerance policing demands more police—*a lot more police, and* I mean real police. The Government have responded by recruiting 25,000 people who cannot arrest anyone. Police officers must not be employed to conduct by proxy the Labour party's war against the motorist or the country dweller; and they must not be impeded by the dead weight of regulation that the Government have imposed. Police should be properly resourced and empowered.

The Cheshire constabulary's main focus in the Macclesfield divisional command area is on the reduction of crime and the strengthening of local policing. As the Minister will know, it is about to undergo a force-wide reorganisation in order to deliver more officers to community policing in visible, accessible local policing teams. That can be delivered only through reorganisation of existing resources, and rationalisation of the way in which senior officers currently resource so-called response policing—in other words, taking officers away from the panda car role.

I could say a great deal about approaches made to me, as a Cheshire Member, by the police and the police authority about the shortage of resources. They want to undertake many very desirable projects, but that will take officers from the existing establishment. The clear alternative is, I think, the Conservative alternative. We will set the police free to cut crime.

While I support the hard work of the Cheshire constabulary and the Macclesfield division locally, the problem is that the Government's plethora of initiatives and vast bureaucracy are preventing the police from doing their job. There will be no more national targets, and no more ring-fenced funding. Those are Whitehall priorities at present. A future Home Secretary under a Conservative Government will recruit 40,000 police officers, and we must ensure that they, like all our police, are properly trained.

The Cheshire constabulary would gain an additional 640 or so police officers within nine or 10 years under Conservative proposals. They must not be diverted to perform tasks determined by political correctness. Their task must be just good, traditional policing—deterring crime and catching criminals. We should look to the example set a few years ago by the mayor of New York, Rudy Guiliani. He made New York a safer city than London.

I would like to say much more, but time will not permit me to do so. In the United Kingdom today, there is a silent struggle between the decent, respectable, law-abiding citizen who wants to look after his or her own, pay his or her dues and get on with life and a noisy minority who care nothing for anyone: people who only respect force. I think that too many people currently believe that the majority is a soft touch. We need a change of culture—a return to the values of decency, discipline and respect. That was spelt out extremely well by the hon. Member for Cannock Chase (Tony Wright). For that we need a change of Government. We need a Government who do not just talk, but are resilient and determined to succeed and to represent the interests of people.

7.18 pm

Mr. Stephen Byers (Tyneside, North) (Lab): It is always a pleasure to follow the hon. Member for Macclesfield (Sir Nicholas Winterton), not just because it means that his speech has come to an end but because, as we all know, he speaks with passion about his constituents. I noted with interest that it was a mere 44 seconds before he mentioned them.

The programme of legislation in the Queen's Speech does not just address the challenges; it embraces the opportunities of the future. It should not be seen in isolation from the Government's other actions. We are seeing record investment in our public services, coupled with the necessary reforms. There are also the five-year plans coming from Departments. I think that on Thursday, when the Chancellor of the Exchequer delivers his pre-Budget report, we shall hear more that will demonstrate the key themes that underlie this Government's programmes and policies. Those themes are the combination of security with opportunity. Developing an opportunity society will enable us to address many of the issues raised in the debate, such as keeping communities together and respect in communities and in society. If we can begin to provide people with opportunities, many of the difficulties that require the Home Office measures that we are discussing will no longer exist and we shall be able to move forward in a positive spirit. A programme of opportunity will allow people to advance on the basis of their endeavour, hard work and talent, not because of wealth and privilege, which is all too often still the case in our country.

If we are to have an opportunity society, it needs to be built on firm foundations, which requires two things: a strong and stable economy and security in our streets and homes and at our borders. The Queen's Speech rightly commits the Government to continuing on the path of economic stability. Labour can be proud of its record on the economy. It is a Labour success story. In 1997, early in office, we took the difficult decisions to give independence to the Bank of England and to stick to the two-year spending limits that we inherited from the Conservative Government—criticised by many people at the time—and because we have economic stability, we have record levels of people in work and low interest rates, and inflation is under control. That is the first part of the foundations that we need for an opportunity society.

Secondly, we need security in our homes, in our streets and at our borders. Some people have criticised the Queen's Speech as creating a climate of fear, but those critics are wrong: in reality, the measures set out in it will address the genuine concerns of people in my Tyneside, North constituency and elsewhere in the country. As a Government, we are reflecting the issues that are the people's priorities. After being in office for seven and a half years, it is crucial that a Government do not lose touch with the concerns of the people they represent.

[Mr. Stephen Byers]

When a Government or a political party lose touch, they become dogmatic. They no longer represent the people they want to serve.

Mr. Grieve: I am listening carefully to the right hon. Gentleman's contribution. Can he explain why the Government have failed over the past seven years to address people's concerns about crime? Has he any explanation that he wishes to advance to the House about why that failure has taken place?

Mr. Byers: I do not accept the premise of the hon. Gentleman's argument, as I do not feel that we have failed to address those concerns. When I look at my constituency of Tyneside, North, which I know better than his constituency, I know that, 10 years ago, when we had record youth unemployment, there were people who were prisoners in their homes. They would not leave during the day or in the evening because crime was out of control. I know the record in the Northumbria police area—the police are getting crime under control and they can do so because of the measures introduced by the Labour Government.

The Government are not complacent, however. We know that, as time moves on, the nature of crime changes, so many of the measures in the Queen's Speech deal with crimes that have developed over recent times: terrorism and the problems of the corrosive effect of drugs on our communities—something that all European countries have to face, not just the UK alone. I do not accept the argument that we have failed on crime, although I acknowledge that there is a good deal more to do to ensure that we reflect the concerns in the communities that both I and the hon. Member for Beaconsfield (Mr. Grieve) represent.

The problem is that, if political parties do not deal with priorities, they become irrelevant. The Conservative party has failed to address that problem, but it is one of the lessons that we learned when we were in opposition for 18 years. We became separate from the people we wanted to represent and they saw us as a distant party, not in tune with their needs or aspirations. Labour is now in tune with what people want, but when I look at the modern Conservative party, I see that you are repeating all the mistakes we made in the 1980s and the 1990s. You are the political party—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The right hon. Gentleman must get his terminology right; this has nothing to do with me.

Mr. Byers: I apologise, Mr. Deputy Speaker.

The Conservative party is now the body that is out of tune, and while it remains out of tune and out of touch, it will be seen as dogmatic and irrelevant by the people of this country. That is my message to Opposition Front-Bench Members: they are repeating all those mistakes.

I was interested to hear the views expressed by the hon. Member for Winchester (Mr. Oaten), who speaks for the Liberal Democrats. He seemed to be saying that liberty and security were mutually exclusive. The important thing is to get the balance right. If we ensure that people are secure, they will be able to exercise the freedoms we want them to have. I congratulate the Home Secretary on getting the right balance in the measures that he is proposing to the House. He is being responsive, not reactionary; strong but fair; informed, but not intolerant. The measures are right for our time.

Mr. Grieve: Has it ever occurred to the right hon. Gentleman that the Government's constant zeal for regulation and their imposition of solutions through legislation on crime may in fact be contributing to the problem?

Mr. Byers: I accept that over-regulation that leads to an increase in bureaucracy can stand in the way of tackling crime, but I do not accept that regulation per se is inappropriate or wrong. On many occasions when I was in office, I received representations from people who wanted the Government to act, and that is all too easy. When they were in government, some Opposition Members might have responded to such proposals, but sometimes the right thing is to say, "No, we will not introduce measures because there are other ways to tackle the issue."

If we are to have an opportunity society, built on the strong foundations of a good economy and security in our homes and streets and at our borders, we must as a Government tell people what that opportunity society will bring. The Prime Minister set out some of those things in his speech to the Labour party conference, but we still need to address two major issues. We need, first, to tackle child poverty and, secondly, to increase home ownership.

The Government have an excellent record on tackling child poverty. We have made a commitment to eradicate it by 2020 and, by next year, 1 million children will have been lifted out of poverty. Any centre-left Government could be proud of that record, but the next stage will be the real challenge so, in 2005, I hope that we shall have a clear commitment that, by 2010, we will lift a further million children out of poverty.

The number of owner-occupiers has been stuck at 70 per cent. since the early 1990s. If we are serious about providing opportunities, we have to increase that number dramatically.

It takes political courage to be a Government of change and reform. I welcome the fact that the Government have rejected the easy, safety-first option. We are providing opportunity and security in a changing world. It is an ambitious goal that is reflected in the Queen's Speech, and I am confident that it will commend itself to the House.

7.29 pm

Mr. Roger Gale (North Thanet) (Con): The right hon. Member for Tyneside, North (Mr. Byers) has just accused the Conservative party of being out of touch. I am proud to declare a non-pecuniary interest as a serving special constable—something I do to enable me to keep in touch. I hold a warrant with the British Transport police, as does another hon. Member, and I believe that I am right in saying that one further parliamentary colleague holds a warrant with the Home

Office force. I want to comment on some omissions from the White Paper and the Queen's Speech, in neither of which was the British Transport police mentioned at all.

The Minister for Crime Reduction, Policing and Community Safety—sadly, she is not with us at the moment—would no doubt say, "Ah, that is a transport matter." Well, let us look at a few of the facts. The British Transport police are responsible for covering 10,000 miles of railway track. We deal with 3,000 depots and stations. There is a travelling population of 5.5 million people per day and a further travelling population of 130,000 rail staff on the trains, at the stations or travelling to or from work. Just as an aside, the railways carry 400,000 tonnes of freight a day, which is also policed.

The BTP deal with every Home Office crime except bigamy. That includes homicide, crimes of violence, sexual offences, robbery, theft, fraud, as well as railway offences, accidents, fatalities and suicides—those delightful things that delay hon. Members on the tube known as "one-unders"—and it is the British Transport coppers who go down under the train and get out the bodies. I noticed that the Home Secretary, when launching his White Paper two days after the Berkshire train crash, could not bring himself to mention the fact that BTP officers were under that train in the dark, pulling out the living and the dead. The BTP deal with anti-terrorist strategy, graffiti and major incident handling, such as the Berkshire crash. They also police travelling sports fans.

The BTP comprise 2,280 police officers. If that number is divided by the accepted figure of 5.8, to take account of sickness, training, shift patterns and holidays, we are left with 400 police officers to cover the entire railway network—10,000 miles of track and 88 police stations—at any time. We work in pairs, so there are 200 pairs of police officers to deal with all that.

During a day, more people go through Oxford Circus tube station than live in Kent and, at any time, Oxford Circus tube station is policed by two police officers. That is a transport matter, of course, not a police matter, because the Government do not fund the railway police effectively. The railways operators are required to fund—or underfund—the people who do that job. The inspector of constabulary and the Home Affairs Committee have both acknowledged the fact that the force is underfunded. That force, which deals with as much terrorism—possibly much more—as any other force in the country, has been given a year's funding by the Secretary of State for Transport to help it deal with terrorism.

A year ago this Christmas, I was out on patrol at Waterloo station, and there was considerable hostility coming towards the uniform from the public. A few weeks later, a bomb went off in Madrid, and I was on patrol at King's Cross station and people came up and said, "Thank God you are here." BTP officers will not be there if they do not have the money to deal with terrorism. When the criminal justice information technology system is replaced under the Government's programme, the BTP will not get the funding. There is no provision for that funding in the Bill.

Much more important than all that, those 200 pairs of coppers who are out on the beat at any time arrest people, as do my local coppers who police my constituency—North Thanet—and Margate and Herne Bay. On a Saturday night, there might be half a dozen policemen on patrol in Margate and Herne Bay—if we are lucky—and if each of those pairs arrests one person, that pair of coppers is off the beat for five hours, dealing with the bureaucracy that the Government have placed on them. If there are three arrests—three drunks from three pubs—there is no police cover at all. Please do not tell me that the policing of this country is anything remotely resembling adequate because it is not.

At the start of the debate, I asked the Home Secretary how long he thought it would take to fill in form 5090—the Metropolitan police stop and search form. He said, I think, that he could do it in 90 seconds. He said that it certainly would not take seven minutes, which rather gives the lie to the idea that he had not heard any complaint from anyone because that is the figure used by John Stevens, the commander of the Metropolitan Police. Anyone who filled in that form in 90 seconds could not possibly have done the job properly. Of course, the Home Secretary then said that, if the person that he was dictating to was slow, it might take a bit longer.

Do Home Office Ministers understand that the form that will be introduced, appropriately on All Fools day, is bigger and will take longer to fill in? When I am out on the beat interviewing someone, I do not need a pad in one hand and a pen in the other, leaving myself entirely vulnerable. I need to be able to do the job that the country requires its policemen and women to do. A Metropolitan police official—not an officer, but a member of the board—said that the policy would help the public because it would give them the chance to stop and chat to policemen. The form is nonsense.

I have 33 seconds left. Let me say this to the Minister: whatever else she does, she must keep the promise and get rid of the bureaucracy. The Government have not got rid of 7,000 forms; they are piling the forms on to the police. We have not got time to fill them in, and we have not got time to do the job.

7.36 pm

Mr. Michael Meacher (Oldham, West and Royton) (Lab): We all share the regard and gratitude for the British Transport police that the hon. Member for North Thanet (Mr. Gale) has just so eloquently and passionately described, but I shall not follow him down that route.

This is a strange and uncomfortable Queen's Speech. A quarter of the 32 Bills are about tougher action on terrorism and crime and imposing tighter security measures generally, so the Speech has been described, rather sensationally in my view, as stoking the politics of fear. The motive is far more likely to be neutralising and wrong-footing the Tory party in the one remaining area where it might have some appeal. The problem with that strategy is, of course, that it has a high price; we defeat the Tories by adopting something akin to their policies. Moreover, if the objective of the Queen's Speech is to demonstrate that the Government are tough on security, we would do well to remember the catchphrase that the Prime Minister once highlighted, which needs only a small adaptation now; we should be tough on terrorism, and tough on the causes of terrorism.

[Mr. Michael Meacher]

The cause of terrorism in the current context are surely, clearly, our participation in the US invasion and occupation of Iraq, when it was known that Saddam Hussein had no connection whatever with the 9/11 attacks. Our involvement in Iraq is exposing the country to the possibility of terrorist counter-attack, and the most effective means of reducing that exposure would be not to restrict civil and human rights in this country, but to make known our commitment to a staged, early troop withdrawal as soon as elections and the security situation feasibly allow.

Of course, I entirely understand that it will be said that the deteriorating security situation does not allow such a policy; but, again, the key fact is that 150,000 foreign troops are occupying the country, and the brutal methods used by the US forces in pacification are now feeding the insurgency. In the last analysis, the Iraqi invasion is a US policy, not a British one. If we want to reduce the threat of terrorism in this country, by far the most effective route is to disengage as soon as we can from this US venture in Iraq and to make public our intention to do so.

The Queen's Speech, however, proposes something rather different. It foreshadows a new draft counter-terrorism Bill which, it has been suggested, may include using Diplock-style, no-jury trials in terrorist cases. That proposal has already some discussion.

Mr. Grieve: Will the right hon. Gentleman give way?

Mr. Meacher: I would rather go on.

Mr. Grieve: On this point.

Mr. Meacher: The hon. Gentleman has already made a point on this issue, and we heard it. I am actually agreeing with him.

It has also been suggested that the draft Bill would include allowing phone tap evidence to be admissible in court and would introduce a new offence of "acts preparatory to terrorism". That is worrying on several counts. We already have the Anti-terrorism, Crime and Security Act 2001, the legality of which has been challenged. There must be doubt as to whether draconian legislation is achieving its purpose at all. Home Office figures show that, of the 644 people arrested since September 2001 on suspicion of terrorism in this country, only 17 have been convicted. All of them were Irish nationalists, Sikh militants or members of organisations with no connections with al-Qaeda. Not a single person convicted has been shown to be a member or associate of the al-Qaeda network.

What is most worrying of all is that although harsh anti-terror laws may not be very effective in achieving the purpose towards which they are ostensibly directed, they coarsen the policing culture over the much wider area of domestic law; for example, in lowering the burden of proof in court and emasculating the right to silence. That is too high a price to pay when anti-terrorist gains are very limited.

Those are all reasons why we should be uncomfortable with the Queen's Speech. However, what is disturbing is not so much what is in it as what is not in the speech. It has been said in the current highly popular market lingo that this is the third-term offer. If it is, it is rather disappointing to say the least that there is nothing in the speech about the great underlying injustices in Britain today. They include the growing inequality in income and wealth, a greater centralisation of power than ever before, the erosion of human and civil rights to which I have referred, the lack of adequate workplace protections in so-called flexible labour markets, increasing marketisation of public services undermining equality of provision and the need for a foreign policy more independent of the United States.

In the time left, I would like to give one or two examples. Although the Government have—I very much agree with my right hon. Friend the Member for Tyneside, North (Mr. Byers)—done a good deal to assist the incomes of some of the poorest in society, the level of poverty remains, as he indicated, far too high. There are 12 million on income support, and inequalities are still growing. The basic state pension is only £79 a week while the latest survey shows that the average income, including bonuses and incentives, for the chairmen and chief executives of the top 100 FTSE companies is now £1.6 million a year, which works out at more than £32,000 a week. That span of inequality is grotesque. The very least that should be done is to increase the pension in line with earnings while subjecting the fancy pay increases for the richest executives to shareholder approval.

I refer to one other fact that has come to light in the past few days. When 2 million pensioners get a pension of less than £80 a week, it is frankly indefensible that judges who get pensions of between £75,000 and £90,000 a year should be, as now seems mooted, exempted from the tax that the rest of us will all have to pay if our total pension funds exceed £1.5 million. I hope that the Government will have another look at that.

On civil and workplace rights, it is crucial that the draft corporate manslaughter Bill is brought forward quickly and is not watered down. The Health and Safety Executive has indicated that 80 per cent. of deaths in the workplace are due to managerial negligence or incompetence, yet the average fine is only £30,000. That needs to be looked at again.

7.44 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): It is always a pleasure to follow the right hon. Member for Oldham, West and Royton (Mr. Meacher), who made a thought-provoking and brave speech.

Looking at the events of the day of the Gracious Speech, it seems a rare feat of timing for the story of the foiled terrorist attack on Canary Wharf to have broken on that very day. It was subsequently discovered, if I am right, that if the incident had been real, it would have occurred a long time ago. The Queen's Speech was laden with references to security and terrorism, so it was a good day to exhume security news albeit of dubious provenance and vintage. Do we really live in a society that is so much on the edge that it should warrant 10 Bills out of 37 to be on security and crime?

Is there any confusion here? The Government are in favour of 24-hour drinking. They famously targeted young peopled before the last election saying, "If you want 24-hour drinking, vote Labour." However, they

also talk about an alcohol harm-reduction strategy that is aimed at reducing the harm caused by alcohol misuse. However, the strategy is led by the very industry that produces more and more alcopops each year, with the drinks being targeted at the young and frequently consumed to huge excess by the very young and under-age. When will the Government stand up to the drinks lobby and outlaw such drinks? When will the Government tackle the whole question of under-age drinking by ensuring that licensees uphold the law? Or are the Government, as Sir Simon Jenkins said in a piece last week,

"mesmerised by the drinks lobby, which it means to indulge with longer drinking hours"?

Earlier today, the right hon. Member for Haltemprice and Howden (David Davis) said that there also appeared to be muddled thinking on drugs policy and the relaxation of the laws on cannabis. According to health statistics, we are told that its increased use has been phenomenal, and one wonders what the proposed drugs Bill will do about that. I fully accept that the Misuse of Drugs Act 1971 needs to be reviewed, and I look forward to seeing the details of the proposed Bill.

The raw truth is that more than two thirds of all property crimes before our courts emanate from a need to feed drug addiction. That is an appalling statistic. We may be in danger of looking at the symptoms rather than the cause. Are we not tough enough on the causes of crime, to coin a phrase? That is where I welcome moves to increase the effectiveness of drug interventions and programmes, but I must say to the Minister that they may prove to be no more than empty words unless they are provided with far more resources. In Wales, fewer than 40 rehab beds are available for the country and, in many towns in rural settings, we need more than 40 just to serve those areas.

Chris Bryant: I think that the hon. Gentleman was telling the Government off for reclassifying cannabis, but I thought that his party's policy was to legalise cannabis.

Mr. Llwyd: Yes, but I am very much against that policy. I will remain within the party and always will, but I am very much against the policy and have spoken many times against it. I am on the record on that. I accept the hon. Gentleman's point.

Against the constant barrage of the impending terror for which we must all wait, we will shortly consider the counter-terrorism Bill, which I suspect the Government will not publish until the Judicial Committee has considered the legality of aspects of the Anti-terrorism, Crime and Security Act 2001. From what we already know, the proposed Bill will be a little worrying. The use of Diplock courts cannot be justified. We will only feed terrorism at the end of the day if we are, indeed, under threat. Should not a terror suspect face the same legal procedures as any other suspect? Why should they be different in that regard? What is the distinction based upon? There is a danger that, by not extending full judicial guarantees under the rule of law to all suspects, martyrs could be created. That would surely serve to exacerbate the problem that the proposal attempts to address. The right hon. Member for Oldham, West and Royton referred to the phrase "acts preparatory to terrorism". I am also worried about that, and I hope that it will not be a euphemism for convicting people with a lesser evidential burden.

Mr. Grieve: It is.

Mr. Llwyd: I hear from the hon. Gentleman that that might well be the case, but no doubt we will be able to discuss such matters in due course.

In principle, I see the need for the Serious Organised Crime and Police Bill because it is clear that organised crime today is as sophisticated as it gets and that the fight against it must take a different form. I accept that a new body to co-ordinate effort and concentrate on the problem could be useful, but such a body must be accountable and the way in which it exercises its powers must be as transparent as possible. The body's powers will no doubt be vast, so it must be a priority to build in from the start a robust system of accountability so that the public are happy with channels of complaint, if that is necessary, and, more importantly, so that their confidence is gained from the beginning.

I welcome the announcement of a youth justice Bill. During my years of practice in the youth courts, I often did not see the point of sending youngsters away to learn more about crime because that seldom had positive results. However, I saw the way in which the hard work of probation officers and social workers could turn youngsters about. We all know that there is good and bad in everyone. I welcome the intensive supervision and surveillance orders, inasmuch as I know the detail about them, because they will provide a useful alternative to custody. They will not be a soft option, but will offer a more creative approach. It will be far better for youngsters to remain in the community doing something useful than to go to a place where they might meet peers who know more about crime than them.

I remain totally unpersuaded by the arguments for the Identity Cards Bill, which has finally come forward after the Home Secretary's heroic struggles. Although we are supposed to be in a climate of fear, which is meant to soften us up for the Bill, there was strong opposition to the proposal when it was last discussed and I think that that will be equally strong today. We were told in the past that the two main justifications for the cards were to combat benefit fraud and terrorism, but I do not accept that at all. It is plain that we would not have avoided 9/11 or the awful occurrences in Madrid by having identity cards. Furthermore, if the cards are so necessary to combat this urgent threat, why will it take up to 10 years to introduce them? We are told that official figures show that the cost will be about £3 billion, but that will no doubt double by the time that the cards are introduced. However, even £3 billion would pay for about 60,000 new police officers on the beat, or even cover 25 per cent. of Wales' public spending over a year. We could put the money to far better use.

Hon. Members have mentioned the database, and we know of the Child Support Agency fiasco and the situation in the Department for Work and Pensions last week, so we must ask whether the Government are capable of putting together a proper information technology system. The scheme could be divisive and might lead to more "sus stops", with people from ethnic

[Mr. Llwyd]

minorities being stopped far more often than white people; it is a dangerous path to go down. I believe sincerely that identity cards are an irrelevant, expensive and unproven measure that should have no place in our society. When we debate the details of the Bill, I hope that the House will reject the ill-conceived and, perhaps, illiberal measure.

7.53 pm

Helen Jones (Warrington, North) (Lab): We have heard much about the need to rebuild civic society. I agree with that point and hope to return to it later. However, a precondition for doing that is making people feel secure. If people feel insecure, they do not look outwards at society, but turn inwards to themselves and their families. A society that is insecure is not confident and outgoing, but prey to every charlatan and peddler of racism, xenophobia and other weird so-called solutions to people's fears. That explains why I welcome the measures outlined in the Gracious Speech on improving security. I am especially keen for the Government's proposals on tackling organised crime and the menaces posed by drink and drugs to be put on the statute book.

Like the right hon. Member for South-West Norfolk (Mrs. Shephard), I think that the Bill to provide for cleaner and safer communities is important. It is undoubtedly the case that such things as vandalism, graffiti and yobbish behaviour make people feel insecure in their neighbourhoods. Such actions can cause the decline of a neighbourhood into one in which there is more crime. The Government have done a good job on tackling crime and improving policing, but there is no doubt that we need to do more. I commend the work of Superintendent Julia Clayton and her team in Warrington. They are putting more resources into community policing and piloting a project that begins with the environmental audit of a neighbourhood before moving on to examine the priorities for the police and other agencies in conjunction with community representatives. I hope that the cleaner neighbourhoods Bill will assist them and others in that task.

We talk about the police tackling such behaviour, but other agencies must also play their part, especially housing authorities. Those authorities must tackle antisocial behaviour by tenants. There are parts of my constituency in which a small minority of people—often only one family—make life hell for the people around them. All too often, housing officers do not use the powers that we have given them to tackle that problem, and that is a disgrace. They seem to accept such behaviour as a norm, but I grew up on a council estate and know that it is not the norm, so it is unacceptable for them to behave in such a way.

Although housing officers must use the powers that we have given them, we must also examine housing allocation policies carefully to prevent such problems from occurring in the first place. For example, there are small blocks of flats in nice parts of my constituency in which the authority consistently houses people with drug problems, people who are vulnerable and people with other assorted difficulties. As well as tackling the bad, we must help people who are vulnerable, which means that we should provide much more supported housing. Such housing is expensive, but the cost will be more expensive in the long run if we do not provide it.

I welcome the Government's proposals to tackle binge drinking, but I hope that they will also examine the amount of under-age drinking in our society and address not only pubs, but off-licences that sell to under-age drinkers. I would like to see an offence of knowingly buying alcohol for a person who is under age because the problem is often caused by those who enter such premises to buy alcohol for under-age people.

We must remember that the majority of our young people are good and decent, and we need to offer them more than we do at the moment. We do not provide properly for our young people, so I would like to try to encourage the good in our youngsters as well as tackling the bad. We should not only think about what we offer them in schools. We should also stop telling them that education is about only economics, although an education system that does not equip people to earn a living will, of course, fail. We should offer our young people the best to allow them to expand their interests in arts, science and sport outside the curriculum, and the Government's proposals on extended schools will go a long way towards achieving that.

We also need to examine our youth services closely because they are underfunded and inadequate. They are often the first services to be squeezed when local authorities are in difficulty because they are not statutory. I want youth services to consider the way in which they work with schools and voluntary organisations to provide our young people with opportunities and challenges. If young people are not given challenges, they do not grow up and do not take responsibility. Every parent remembers the first time that they sent their child to deliver a message or to post a letter on their own while they hung out of the window, ensuring that their child was all right. Unless we allow our children to do that, they do not grow up and we fail them.

I also hope that we utilise the facilities that we already have but which are underused. It is a great scandal that loads of facilities in schools are not used for most of the time because it costs governors to open schools out of hours. We need to find ways to support them in making those facilities available to the public, especially to young people, all the year round. Again, there is a cost, but it is far less than the cost of building lots of new facilities.

We need a two-pronged approach of making people feel secure and rebuilding our civic society. That rebuilding has to be done primarily by making better opportunities available to our young children and by giving them a better example. We may have failed the current generation, but it is vital that we do not fail the next one.

8.1 pm

Mr. Edward Garnier (Harborough) (Con): There is much that has been said by hon. Members on both sides of the House with which I can agree. I am attracted to the suggestion by the hon. Member for Warrington, North (Helen Jones) for a new law that makes it an offence to buy alcohol for those who are under age.

However, there is no purpose in it unless we have the police to enforce it, and unfortunately we do not seem to have them available to enforce such wonderful ideas.

I want to concentrate on identity cards. In particular, I want to associate myself with my right hon. Friend the shadow Home Secretary's analysis of them. He displayed a welcome scepticism about the good sense and practical utility of introducing identity cards. I also wholeheartedly agree with what the hon. Member for Winchester (Mr. Oaten) said about them. His analysis was entirely correct. I also take note of the practical experience and analysis of my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley), who as a Cabinet member saw at first hand the pitfalls that are inherent in trying to introduce an identity card system.

There is no point in repeating what has been said, but I agree with the right hon. Member for Oldham, West and Royton (Mr. Meacher) that there is an unattractive illiberal tinge to the Queen's Speech. When we consider identity cards and their practical utility—let us forget about the principle for a moment—it is important that we weave that in with all the other pieces of legislation with which the Government wish to frighten the public between now and the next general election.

The argument seems to rest on the somewhat strange idea that if someone has nothing to hide, he has nothing to fear, and on that basis we should all accept with open arms the introduction of identity cards. There is a huge flaw in that. I still practise at the defamation Bar and remember acting for newspaper defendants who were the respondents in applications for interlocutory injunctions, which are interim injunctions that prevent them from saying anything defamatory. The counsel for the claimant would point out that if the newspaper was not intending to say anything nasty about his client, there could be nothing wrong with my client agreeing to be bound by an undertaking that he would do nothing of the sort. That is, of course, an insidious change of the balance. It is up to the claimant to demonstrate that the newspaper or anyone else is going to do something unlawful. It is wrong to place that burden on the defendant.

One might just as well say, "If you're not going to do anything criminal, you can't object to being bound over to keep the peace. If you're not going to do anything criminal, you can't object to being subjected to a curfew order from 11 o'clock at night to 7 in the morning. If you're not going to do anything unlawful, you can't object to being subjected to an order for bail. If you're not going to do anything unlawful, you can't object to being subjected to a tagging order." The whole insidious move behind the Government's proposals is to reverse the burden of proof and the balance of power between the citizen and the state.

The state has a duty to protect, and I, as a subject of the Crown, have a duty to obey the lawful commands of the Government. However, the balance requires the Crown in Parliament—the Government—to respect my rights and freedoms as a citizen. The Identity Cards Bill and some of the other illiberal measures in the Queen's Speech will insidiously change the climate.

The right hon. Member for Tyneside, North (Mr. Byers) spoke about the freedoms that the Government want to give to the public. I do not know whether that was deliberate or accidental, but it was instructive. Freedoms belong to me as a matter of right and they are not a gift from the Government. When he speaks, he does so on behalf of the Chancellor of the Duchy of Lancaster, who speaks on behalf of the Prime Minister. In that one expression, the Government's whole agenda was exposed, and it is one that we should recognise and speak up loudly against, irrespective of our views on terrorism, antisocial behaviour, illegal immigration and bogus asylum seekers.

The agenda that the Government wish to encourage between now and the general election, whenever that may come, is that they will decide what protections people need and they will feed out certain privileges, which they describe as freedoms. One of the great freedoms will be the compulsory possession of an identity card, with which people can walk freely in the streets without being hindered by a law officer of the Crown.

At the end of the 18th century, there were two great revolutions—the French and the American. If I had to make a choice, I would want to follow the example of Jefferson in my attachment to revolution and personal freedom and in my refusal to accept a Government who wish to place burdens on me. This Government have chosen the route of Robespierre. I am not suggesting they are going to cut our heads off literally, but their metaphorical position is to set up a committee of public safety to allow them to control every aspect of our lives, and to ensure that they control the levers of our very breathing and the way in which we exist and go about our lawful business. *[Laughter.]* It strikes me that, despite the guffaws of Labour Members, they are trapped in the Government's agenda, as outlined by the right hon. Member for Tyneside, North.

The atmosphere of political engagement and discourse is changing in a way that the Government are too stupid to realise is happening—or perhaps they are not too stupid and know what they are doing, hoping that we are too stupid to realise what is going on. I urge the House to be extremely careful about the illiberal measures that the Government are introducing.

8.9 pm

Mr. Piara S. Khabra (Ealing, Southall) (Lab): I congratulate the Home Secretary and his Department on a number of proposals in the Queen's Speech. Many of the ideas in the agenda get right to the heart of the concerns felt by many of my constituents. I am sure that there is much in the proposals that they will welcome. I am particulary pleased about the emphasis on security, as the issue of law and order—whether it be concern about drugs, antisocial behaviour or any other activity—features regularly in my constituency postbag. It is not just the victims of crime who suffer. Even non-violent crimes can cast a shadow over entire neighbourhoods; communities are faced day in and day out with graffiti, abandoned cars, noise nuisance and cycling on the pavement.

With that in mind, the clean neighbourhoods and environment Bill should further equip local authorities to deal with quality-of-life issues, which the residents of my constituency raise with me quite often. The Bill is rooted in the broken-windows theory of crime: if we tackle low-level problems such as fly posting and graffiti

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quickly and aggressively, we will send a message that will bring down the levels of more serious crime. That method undoubtedly works when applied properly. Although we have to act sensitively when dealing with diverse communities such as those in my constituency, the results can be extremely positive.

On a completely different scale, I welcome the Serious Organised Crime and Police Bill, and specifically the establishment of a Serious Organised Crime Agency, which will take over a number of functions. It hardly needs saying that we live in an increasingly globalised world, where ease of travel and electronic technology have brought not only great benefit but real challenges, as criminals, not to mention terrorists, can exploit such advances to work across international boundaries. That is especially true of drug smuggling and people trafficking, as well as of the growing problem of organised criminals who smuggle migrants—often at great risk to those migrants; it has been reported many times that migrants have drowned in the sea while travelling—while generating large profits for themselves.

Tackling those criminal groups effectively will require a co-ordinated response that the new agency should be able to provide. It could also enhance our effectiveness in combating terrorist organisations and their sympathisers who may fund their networks through other criminal activities, as is so often the case. Of course, there are challenges with creating such a new body. As the Police Federation notes, there needs to be an effective integration of the new body into the existing structures, so that intelligence and information are passed on and not lost or withheld in counter-productive turf wars.

Although the agency will be useful at a national level in challenging drug trafficking, it is essential that we provide the police and courts with the powers necessary to tackle drug use locally. Just last week, I received a fax signed by a number of local shopkeepers who were concerned that groups of drug users and dealers loitering outside their stores were having a damaging effect on local businesses and the community at large. I hope that the provisions in the drugs Bill will therefore go further not just in reducing the number of users but in ensuring that those taken off the streets are given the support and treatment that they need to beat their addictions so that they do not offend again.

On balance, I support the introduction of identity cards. Various sections of the community oppose the proposal, while others support it. Of course there are real concerns, which should be aired and discussed, but ultimately, as long as the card is used not to create profiles but simply for identification, it should be a means of ensuring that someone is who he or she claims to be. Law enforcement professionals and the public as a whole appear to support the introduction of ID cards—at least, as far as the public are concerned, as long as the card remains affordable. Last week's report that identity fraud occurs every four minutes in the United Kingdom is a sobering reminder of the challenges that we face.

I am not sure how I feel about the Police Federation's call for the compulsory carrying of cards, as I do not believe that the card will be useless if the law does not compel people to carry it at all times. However, that is probably a moot point, as the Government have said that it will not be compulsory to carry a card. If someone has not broken any law, I do not see why the police would have any further interest in them. The trick will be for the Government to ensure that the system is efficient and secure, so that the public can have confidence in it.

I also support the introduction of an equality Bill, which is to include a new commission for equality and human rights to replace existing equality bodies and to oversee new laws on age discrimination, sexual orientation and religious beliefs. As a Member of Parliament who represents a hugely diverse constituency, I can certainly see the benefits of a body recognising the challenges faced by different racial and faith groups. However, bringing the issue of equality under a single umbrella organisation should encourage further moves towards fair treatment of all groups, including women, and underscore the point that any discrimination is wrong and will be tackled vigorously.

As should always be the case, the Government will need to be mindful of the reservations that people may have, and do have, about legislation. When dealing with issues of security, safety and even terrorism, it is all too easy for legislators to undermine a sense of well-being even as—

Madam Deputy Speaker: Order. The hon. Gentleman's time is up.

8.17 pm

Mr. Adrian Flook (Taunton) (Con): The Home Secretary told us in his opening remarks that his drugs Bill will allow test on arrest, not on charge. Like all the Bills in this Queen's Speech, that is nothing more than grandstanding for the electorate. It sounds tough, it looks tough, but in county towns such as Taunton it will not be the answer.

The issue of drugs is the biggest one in our society. It has moved way beyond that of the permissive society of the 1960s, when drugs were generally used by the middle classes. Drugs have now permeated every element of our society. Many hon. Members might not understand or appreciate the fact that the drugs in supply at the moment are much stronger, if cannabis, and less pure and far more dangerous, if heroin, cocaine or crack.

After 15 initiatives, a number of summits and even a drugs tsar, what has changed in the past seven years? The answer is that drugs have tightened their grip on our society. There are 1 million more violent crimes a year—up 44 per cent.—and a great number of them are committed by those who are looking to acquire money for drugs. Gun crime has doubled from 12,000 to 24,000 crimes, and nearly all of that increase will be drug-related. Two thirds of property crime is drug-related. Perhaps the biggest, loud and clear message to many young people has been that cannabis has been downgraded to a class C drug.

I accept that not all those who have smoked, will continue to smoke or will ever smoke cannabis will end up as class A drug addicts—that is absolutely not the case. However, it is 100 per cent. the case that every heroin addict in our country started off smoking cannabis. I ask those who say otherwise to interview

people who come to us looking for help for their drug addiction. Every one of those whom I have asked in the county town of Taunton has said that they began by thinking that drugs were not really a problem because cannabis is not a problem. The battle for hearts and minds in our society is being lost. It is a sad fact that more people are being caught with cannabis and fewer of them are being arrested, while more are doing drugs.

Like many other county towns, Taunton suffers from late-night loutish behaviour. The Government, mindful in the past year or so that they were about to introduce 24-hour drinking, have woken up to the concerns of many people in Taunton about antisocial behaviour, and have asked the local police to concentrate on it. The police are mainly concerned to maintain law and order on the street, the knock-on effect of which is that the policing of drugs and their excessive use has, unfortunately, been reduced in Taunton. Drugs, however, have not gone away—it is simply the case that fewer resources are thrown at them.

Locally, we have campaigned for an ioniser machine, which produces readings showing whether club-goers have handled drugs. Some hon. Members will know that a large number of £20 notes bear traces of drugs, mainly cocaine. The ioniser machine produces sophisticated readings that can be used to determine whether someone has been handling drugs to such an extent that they are likely to be a supplier. Unfortunately, in Taunton, there has not been enough money to fund the required number of police or supply a machine. However, thanks to Chief Superintendent John Snell, who has managed to raid another budget, we will have that £30,000 machine, but we do not have enough money to fund the police officers needed to operate it. We have had to turn to the clubs themselves to provide the money. Clubs spend a huge amount on business rates and raise large sums for the Treasury from the tax on alcoholic drinks. To some extent, it is fair that they should fund the policing that is needed, but by the same token, we should provide county towns such as Taunton with the wherewithal so that the police can operate the drugs machine and undertake associated duties.

I am grateful that the police are finding the funding for the machine, but if drugs are the biggest scourge of our society, we could do much more. Seventy-six per cent. of people think that we are losing the battle against drugs, with 1 million class A drug users and more 15-year-olds smoking cannabis than ever before.

Angela Watkinson (Upminster) (Con): Does my hon. Friend blame the style of drugs education in this country, which is more like drugs information? Young people in school learn more about drugs as a result of what passes for drugs education, which creates curiosity by providing information about a range of drugs. They are told how to take them and which ones should not be mixed together, which encourages drug use.

Mr. Flook: No doubt, drugs education will enhance the interest of some inquisitive individuals and lead them to experiment. However, it is important that young people are made aware of the danger of drugs. To some extent, that can be done through education, but a great way to educate anyone who might be thinking of dabbling in drugs is to show them a user who has gone too far. I therefore welcome the picture sequence that the Government used to highlight the plight of three drug users—over a period of time, their faces were completely destroyed and at least two of them are no longer with us. I welcome the fact that the Home Secretary said that there would be a huge expansion of drug treatment programmes under his drugs Bill, but it is not enough. It is Conservative policy to increase the provision tenfold.

Caroline Flint: Can the hon. Gentleman explain what he means by drug treatment? The Government have ensured that the number of people in treatment has increased by 54 per cent. Treatment is not just residential, and we recognise that people continue to need support in the community where they live. We need prescribing by GPs and many other forms of treatment. What does he actually mean by treatment?

Mr. Flook: It is not for me to tell a Home Office Minister precisely what drug treatment means, when two thirds of drug testing orders in prisons and elsewhere fail. The Government have been in power for seven years but they are still not giving proper attention to drugs. We know that for the simple reason that more people take drugs now than in 1997. As a result of misguided education and other factors, we are not getting the message across. The Government have missed an opportunity, and it is a shame that in the week following the Queen's Speech we have heard much more about identity cards than about drug testing and treatment orders. Much more could be achieved if the drugs problem, and not just ID cards, received front page coverage.

8.25 pm

Mr. David Clelland (Tyne Bridge) (Lab): I apologise to the Ministers on the Front Bench, because most of my speech does not relate directly to home affairs. It does, however, relate to the motion on the Order Paper.

I am disappointed that the Queen's Speech does not include a Bill on regional government. It is said that devolution is a process, not an event, and despite the result of the north-east referendum, that remains true. The region still has to struggle with the north-south divide and a politically and economically strengthened Scotland, Wales and London. The process must continue, and I hope that the legislative measures promised by Her Majesty will deal with other relevant issues. The continued representation in Cabinet of Scotland and Wales must be ended in the interests of fairness, as we must attempt to create a level playing field. There is no justification for continuing to dedicate parliamentary time to Scottish and Welsh questions, now that both countries have devolution. That is not a sideswipe at Scotland, Wales or my hon. Friends who represent such constituencies—indeed, I have great respect for them—but a recognition that the balance has shifted and must be corrected.

The Barnett formula must be revisited, although I do not believe that scrapping it would necessarily bring huge economic benefits to the north-east. It has been overtaken by circumstances and the process of devolution, and contributes to the imbalance of economic power in the United Kingdom. The Gracious Speech does not contain any reference to the ongoing issue of reform of the House of Lords, although a

[Mr. David Clelland]

brainstorming session by a small cross-party group resulted in its stated intention to introduce a draft Bill in the current Session. Its ideas turn on the principle that the majority of Members of the second Chamber should be directly elected. Members of the group seem to have learned little from the recent experience in the north-east, where it was clearly shown that there is little enthusiasm among the electorate for more elected politicians. Perhaps the idea of abolishing the Lords and replacing it with an elected House should be put to the people in a referendum.

I welcome the sudden conversion of the official Opposition to the cause of local government. Current trends, which were started by the Conservatives, should be put into reverse and power should be transferred back to local authorities. The ongoing review of the balance of funding between central and local government is an opportunity to begin the process, but will Ministers have the guts to do so? Is there a real belief in subsidiarity in the Government or in the official Opposition, or is subsidiarity merely a means of bypassing local authorities by giving the impression of empowering local communities, while Whitehall holds tightly on to the power and the purse strings?

The education Bill as outlined in the Gracious Speech cannot be criticised for its stated intention of raising standards in all schools, but when I read that it will introduce yet another new relationship with schools, I get very nervous about the direction in which it might take us. I repeat the warning that distancing schools from local authorities will be inconsistent with the Every Child Matters initiative. Now we have the self-styled guru of education, Mr. Chris Woodhead, dedicating himself to the reintroduction and strengthening of elitism in our education system. Perhaps those of my hon. Friends who embraced Mr. Woodhead in 1997 will reflect on the warnings they were given then, and listen more carefully now.

During the previous Session of Parliament, I raised the issue of consumer credit and the horrendous effects that the activities of some of the less desirable companies can have on members of the public and I gave examples of constituents who had suffered. Ministers promised that they would look seriously at the matter, and I welcome the inclusion in the Queen's Speech of a consumer credit Bill to begin to tackle abuses in this area.

Measures financially to assist and encourage young people who choose further education and/or training are also welcome. I draw attention to the recent report on the performance of colleges of further education. I am proud to say that any criticism in the report applies to a minority of colleges and certainly does not apply to Gateshead or Newcastle colleges in my constituency. Those colleges provide a wide range of excellent opportunities for young and not so young people in the Tyneside and wider area. They are an example of how further education and training should be provided and are a vital part of the regeneration of the area. Our region badly needs to train new craftsmen and to retain and retrain those we have.

In that regard I make a plea to Ministers to revisit the smart procurement policies talked about in 1997 but never effectively implemented. It must make sense to ensure that highly skilled workers are not cast aside because of temporary gaps in order books, when Government Departments know that they will be needed at a foreseeable time to carry out new work. There ought to be a way of planning the procurement of equipment in the Ministry of Defence and elsewhere so that we do not lose vital skills and families do not suffer unnecessarily.

I welcome the inclusion in the Gracious Speech of a Railways Bill. I hope that that will give us the chance to look not only at the national rail infrastructure and services, but how that links into local and regional services in a proper integrated way. I ask the Secretary of State for Transport to look again at the modernisation plans that our local passenger transport executives have in their filing cabinets and help them to realisation. Tyne and Wear metro system is popular and efficient, but it needs upgrading and extending. Plans to do just that will be presented to Ministers in the next few months, and I hope that they will receive a fair hearing and a favourable response.

I make a plea for more local control over local bus services. The Railways Bill is intended to tackle the dysfunctional system that resulted from Tory privatisation. The Tory privatisation and deregulation of local bus services has ended up with an equally dysfunctional system. Recent changes to services in Gateshead have highlighted the inappropriateness of reliance on the profit motive to provide essential local services, and I hope that the Government will look favourably on reintroducing local regulation into local transport systems.

The successful bid for the franchise for the north-east main line will be announced soon. In general, GNER has done a good job and, on the basis of my experience, would get my vote, but I hope that during the process Ministers will look at another aspect of the responsibilities of franchisees. I refer to our great railway stations. These give rail travellers their first impression of the place where they alight, and it is much more important to the town or city than it is to the train operator—so it is with Newcastle central station in my constituency. GNER looks after its customers very well and the areas used by GNER passengers are generally well kept and well maintained. However, other areas used by local and regional trains are less well catered for. The station would be far better managed by local authorities.

There is much to be commended in the Queen's Speech. I support the proposals to introduce new measures to clean up neighbourhoods and protect the environment. I welcome the proposal that there should be more visible security on our streets. The street wardens and community support officers that we have are popular and effective.

Finally, I welcome the reference in the Queen's Speech to security, for "security" is a word that encapsulates all that most of my constituents want from life. People want and need to feel secure in their homes, in their communities, in their jobs and in their retirement. They want to be secure in the knowledge that there are good, efficient public services to support them and their families and to help them live long and contented lives.

8.33 pm

Mr. Damian Green (Ashford) (Con): It is always a pleasure to follow the hon. Member for Tyne Bridge (Mr. Clelland). It has been a particular pleasure to hear the range of views expressed from the Government Benches in the course of the debate, ranging from pure 24 carat, 100 per cent. new Labour from the right hon. Member for Tyneside, North (Mr. Byers) to the lucid and cogent demolition by the right hon. Member for Oldham, West and Royton (Mr. Meacher), not just of the Government's security measures in the Queen's Speech, but of the Government's record on civil liberties. I would not necessarily go quite as far as he did in criticising the Government's record on civil liberties, but he was on to the central issue that we should be discussing when we consider the Home Office contributions to the Queen's Speech.

I shall talk about freedom. There are times when the House needs to address directly some of the fundamental issues that concern us, and a debate on a Queen's Speech that is dominated by Home Office Bills is one such occasion. The key question that should concern the House is whether the restrictions on all our freedoms that are proposed by the Government are necessary to provide us with safety and security. If the answer is no, as I believe it is, to approve this raft of legislation would be a betrayal of our duty to stand up for the rights and freedoms of all citizens. We should learn from history. Governments that hide under the cloak of promoting public safety are often more concerned with their own administrative convenience.

As my hon. and learned Friend the Member for Harborough (Mr. Garnier) said, great crimes have been committed under the guise of "committees of public safety". Fortunately, in our democracy, we are not at risk in that way. However, we are at risk in more subtle ways.

Every instinct of a parliamentarian, whether of a broadly left-wing or right-wing perspective, should bridle at Governments who promise more order in return for a little more intrusion of the freedom of the citizen. All too often, the result is that the freedom disappears and the habits of intrusion remain, and the order never arrives. The streets do not become any safer and the terrorist threat is not reduced. Given the various Bills laid before us, it does not require Nostradamus-like predictive powers to see that we are faced with just that sort of bad deal. It is predictable that those who oppose some of these Bills will be accused of being soft on crime or even soft on terrorism. That will be a cheap and ridiculous accusation. We must be firm in sticking to our duty in assessing the details of the proposed legislation and always remembering our other duty of maintaining the freedoms of our citizens.

In the raft of measures that are before us the country is being offered ineffective authoritarianism. If the Home Secretary gets his way with these Bills, he will end up harassing the innocent and missing the criminal. All these Bills need to be put in the context of what has come before from the Government. Across the range of Departments we have a Government who believe that Whitehall knows best and that if it is needed to make criminals out of people who need to be discouraged from wrong behaviour, they, the Government, will be effective in making society safer. That will not happen. In the end, the Government will be wasting police time by taking police officers away from dealing with serious criminals and, at the same time, damaging the relationship between the police and the overwhelmingly respectable and law-abiding members of the public.

It is a testament to the dangers of the Home Secretary's approach that millions of people now believe that they are much more likely to have a policeman after them if they drive a car than if they deal in drugs. After eight years of this Government we can see why they have reached the point where they are ineffective authoritarians. That is a charge that it would have been impossible to lay at most previous Labour Governments, some of whom were famously liberal.

It is a peculiarly new Labour trait to believe that old is always bad—that the burden of proof lies on existing practices and institutions to show that they still matter. So the ancient freedoms represented by the right to trial by jury or the right not to have an official document proving one's existence just do not register with this Government. If they find that people feel unsafe in their communities, as many Labour Members have admitted they do after nearly eight years of new Labour Government, old freedoms can act as no barrier for new powers to this Government.

The next problem—it is a key problem for many of the proposed Bills—is whether the new powers will be effective. This is where I join hon. Members on both sides of the House who have expressed a strong and sensible degree of scepticism about the likely effect on law and order and safety in our community of the various Bills that have been laid before us.

I was one of those who had not been against identity cards in principle as long as they met my original criterion of providing us with safety and security in return for the restriction of freedom. However, I must tell Ministers, as have other right hon. and hon. Members on both sides of the House, that the more I look at the detail, the less likely it seems that we will be getting a good exchange—that we will have more security and more order in return for less freedom.

The Law Society has made a cogent case against the Government's proposals. It states that it does not believe that

"adopting an identity card scheme is a proportionate response to the challenges which the Government is trying to address."

It also says:

"Many of the proposed benefits the Government claims for its proposals can be achieved without a costly and complex identity card scheme."

There has been much discussion of the costs of the scheme that the Government propose. Currently, bids range between £3 billion and £10 billion. History tells us that the amount will be at the top end rather than the bottom end. All experience with computer-driven Government projects says that the Government's ambition of getting the project through in 10 years is also probably ridiculously optimistic.

There lies the nub of why the measure will be ineffective. If it is urgent in the fight against terrorism, the Government should be getting on with it quickly. If it is not urgent in the fight against terrorism, benefit fraud or illegal immigration, the Government are trying to lead the people up the garden path and into thinking that identity cards will be an effective solution to those

[Mr. Damian Green]

problems. The Government, I hope in this House and certainly in another place, will be well advised to drop this idea.

The Serious Organised Crime and Police Bill is basically a good idea, but there are elements that will damage relations between the police and ethnic minority communities in particular. On the drugs Bill, my hon. Friend the Member for Taunton (Mr. Flook) eloquently made the point that many of the measures would appear ineffective.

That is the root of the problem—ineffective authoritarianism and false populism. Various polls have been thrown about, but I point the Government towards the poll carried out by the Reform think-tank showing that 71 per cent. of voters believe that the Government are imposing too many infringements on their civil liberties. If these Bills pass into law, they will diminish our historic freedoms without adding very much to our security. The final verdict will not be what the Government want, which is that they are tough on crime; it will be that they are weak on freedom and the defence of freedom, and that would be shameful.

8.41 pm

Mr. Martin Salter (Reading, West) (Lab): It is a genuine pleasure to follow the hon. Member for Ashford (Mr. Green), with whom I share a dark secret: we are both avid supporters of Reading football club, although I have less distance to travel to see the home games.

I pay tribute to my right hon. Friend the Home Secretary not only for what he is trying to do to make our communities more secure, to help break the link between drug addiction and crime and to give local councils such as Reading and local police forces new powers to tackle antisocial behaviour or for his efforts to combat serious organised crime. He rightly deserves praise for all those measures and many more besides, but my admiration for him goes far beyond the fine job that I think he is doing as Home Secretary. He is a man of great integrity and unquestionable honesty and commitment. At a time when others are trying to use his personal and private life to bring him down and destroy him, he needs to know that, on the Labour Benches and elsewhere in the country, he has our full, absolute and unflinching support. He has earned that, and he richly deserves it.

I wish to speak in favour of much, but not all, that is in the Queen's Speech, although I fear that, with the general election perhaps only a few months away, many of the measures will not see the light of day without the re-election of a Labour Government for a third term. Although we should take nothing for granted, I believe that that seems an increasingly likely prospect. I have not spoken to a single Conservative Member who believes that the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) will inherit the keys to No. 10 Downing street, but I have met hundreds of voters who are more than alarmed at the prospect of his inheriting that position.

In this short contribution, I want to deal with three specific issues: Traveller encampments and the problems associated with them; antisocial behaviour and binge drinking; and the link between drugs and crime and the use of drug dealer assets. I have two Travellers' sites in my constituency, and they create different problems. One is at Pangbourne hill and the other is at Portman road. Both involve breaches of the law of the land. At Pangbourne hill, a group of Irish Travellers have legally purchased a plot of land, but have breached every planning law in the book by creating hard standings in an attempt to establish a permanent caravan site in an area of outstanding natural beauty overlooking the Chiltern hills and well outside the settlement boundary as defined in the local plan. It is to be hoped that the new stop notices, which are about to go out to consultation following the introduction of the Planning and Compulsory Purchase Act 2004, will provide a useful measure to enable local authorities to prevent the construction of permanent unauthorised encampments.

On Portman road, the problem is of an entirely different nature and scale. There, on a roadside verge in an industrial estate next to many residential properties, a group of Travellers has created a disgusting rubbish tip around their squatter camp. Local businesses were threatened with violence if they did not offer employment to the Travellers, who had the brass neck to go on to local radio and say that they are claiming income support as a means of subsistence. Local residents have had to endure loud noise, drunken revelling, fighting and Travellers breaking up cars within a few yards of their homes.

Why on earth do we not use the welcome new antisocial behaviour orders to deal with such conduct? Those Travellers' behaviour is every bit as bad as, if not worse than, that of groups of drunken teenagers in my constituency, who have rightly been subject to youth dispersal notices and ASBOs. Merely moving on groups of Travellers from one location to another does precious little to address the two underlying issues—the conduct and behaviour of some Travellers and the lack of suitable sites.

Mr. Grieve: Those Travellers who act unlawfully on sites that they have purchased have used the mechanism of the Human Rights Act 1998 to prevent themselves from being removed or stopped. Indeed, I question whether a stop notice will be effective when the 1998 Act is invoked. ASBOs are not used against Travellers because the police do not have sufficient resources.

Mr. Salter: The hon. Gentleman knows that we have had a welcome increase in police numbers in the Thames valley. The use of stop notices raises no problems with regard to human rights and we are yet to see whether they will be as effective as the Government claim.

I welcome the clean neighbourhoods and environment Bill announced in the Queen's Speech. It seems to address the problems of fly-tipping, abandoned cars, noise nuisance and litter, which are all problems experienced by my constituents as a result of the Traveller encampments at Portman road in Reading and, sadly, replicated elsewhere across the country.

Moving the problem around is no solution. Laws that apply to the rest of us must also apply to Travellers. As yet, no ASBOs have been used to control the nuisance, threats and intimidation experienced by people living near to some, but not all, those temporary

encampments. It is rich for the Conservative party to seek to make political capital out of that issue, because in 1994 a Conservative Government decided to remove the obligation on local authorities to provide suitable Traveller sites. The current review by the Office of the Deputy Prime Minister is considering that matter, and I hope that it will take careful note of the recommendations of the ODPM Committee to reinstate that requirement, which I suggest should be implemented on a county-by-county basis.

We have lost the carrot and stick. We do not have the carrot of a strategic network of sites where Travellers can stay and we seem reluctant to use the stick of the tough new powers that are available to curb unacceptable behaviour. A new approach is needed to break out of that cycle and I hope that the clean neighbourhoods and environment Bill will help; it is certainly the approach recommended by the majority of councils in the Thames valley region.

The second area that I want to touch on is antisocial behaviour and the application of the new powers, as well as the consequences of binge drinking in our town centres. Other hon. Members touched on that too. In Reading, we are enthusiastic users of the antisocial behaviour legislation in our communities and on our estates. We have used acceptable behaviour contracts to quieten youth disorder.

Innovatively, we have used seven ASBOs on the most prolific street sex workers. Fining drug-addicted prostitutes £40 for soliciting is plain stupid—what on earth will they do other than to go back on the streets to earn the money? I am proud that our approach to using the welcome powers that the Government have given us—if you like, tough love—has resulted in five of the seven most prolific prostitutes engaging in treatment programmes. We have used ASBOs to cut crime on the Dee Park estate by 25 per cent., and I was proud to hear today that the residents there have won £1,000 in the taking a stand awards, which were announced today by the Home Office.

Turning to binge drinking in our town centre, my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), the Chairman of the Home Affairs Committee, recently conducted a survey that was publicised this morning on the "Today" programme. It indicates that the majority of Labour Members would welcome a voluntary or compulsory levy on some pubs and clubs, and particularly the large pub chains, that are happy to draw profits from our town centres and hold happy hours to encourage young people to drink and get out of their faces, but will not face up to the consequences of the crime and disorder that the excessive use of alcohol engenders. When I spoke today to my local area police commander, Chief Superintendent Dave Murray, he told me that, when he wants to put together a Pubwatch meeting in Reading, he can get the local publicans, but not the managers from the big chains—they are not interested because they are on an incentive scheme that depends on how much alcohol they sell. It is time for the people who create some of the problems to pay back into the community the costs of policing our town centres.

The last issue that I want to consider in the brief time that I have available is the repatriation of drug-dealer assets. The Queen's Speech contains a drugs Bill, which is welcome, but we could go much further. Seventy per cent. of all acquisitive crime in my community is linked to hard drugs. The Assets Recovery Agency has been a success, but instead of the money going into a Home Office pot, why not ensure that the profits from dealing in class A drugs such as crack cocaine and heroin go into drug treatment programmes? The ill-gotten gains of drug dealers could then be spent on dealing with the problems that they themselves created: there would be a certain natural justice in that.

These proposals will be supported by my local authority and local police force. Reading would be happy to act as a pilot for such projects. In my view, there would be wide support from the community as a whole, particularly those whose lives have been damaged and families torn apart by the evil of class A drugs.

8.51 pm

Angela Watkinson (Upminster) (Con): I should like to concentrate my remarks on witness protection and community support officers.

I welcome the new measures to protect witnesses when giving evidence in court, but also necessary are ways in which to protect the identities of people who wish to help the police in gathering evidence on the everyday minor crimes that blight the lives of ordinary law-abiding people—theft, vandalism, graffiti, gratuitous noise, intimidation and drink and drug-related bad behaviour by the antisocial minority, most of whom are well known to the police but elude punishment. People are heartily fed up with that, and it looms much larger in their minds than terrorism. All that most people want to do is to pay their dues to society and to get on with their own lives without interference. That should not be too much to ask, but the antisocial behaviour of the few is now so entrenched that the perpetrators feel immune from punishment. The challenge is to teach them that they are not and to encourage witnesses to come forward.

Nowadays, the use of mobile phones and texting means that ever-larger numbers of youths congregate in public places in the evenings. Groups of six or 10 have grown to 50, 60 or even 70. When a resident or a shopkeeper calls the police to report, for example, a broken shop window, a damaged car or two youths picking up a crate of beer from an off licence and running off without paying for it, it is very difficult to identify the individual culprits out of the crowd. Even if they are still at the scene when the police arrive, as they often are because they feel so confident that they will escape punishment, it takes a brave witness to say, without any doubt, "It was him." Bearing it in mind that they all wear similar clothes, often hooded jackets, it takes a very confident witness not to be persuaded to waver when being questioned in court.

Of course, many witnesses are not prepared to go to court at all for fear of reprisals, and I am not sure that the proposals for giving evidence behind screens or via video links would adequately protect witness identity. That is a particular problem in "neighbours from hell" cases in which it is obvious where the complaint has come from. Neighbours from hell know only too well who their victims are. They enjoy making other people's lives a misery and the power that comes from intimidation. The reluctance of witnesses even to keep

[Angela Watkinson]

diaries or to report incidents of damage to their homes and cars or of threats of violence means that it takes police a very long time to gather enough evidence to support the issue of an antisocial behaviour order or an eviction order, or a drugs raid. Victims are often reluctant for anyone else to take up the problem in case they get the blame and suffer recrimination. In the meantime, victims continue to suffer day in, day out. One of my constituents recently suffered reprisals after being seen leaving my constituency office. Much more clandestine arrangements, such as confidential telephone contacts and neutral places for reporting information to police, need to be made to protect victims until the problem has been solved. Victims dare risk no visible contact with the police. Therein lies the real problem.

Only the most intractable cases ever reach the courts, yet magistrates see the defendants, polished up for the occasion and on their best behaviour, and are often persuaded to give them another chance. The effect on their neighbours is devastating and the antisocial activities are often stepped up as a deterrent to future complaints. Let us be under no illusion: the worst offenders collect ASBOs and injunctions like trophies. A common outcome is that the victims have to move house to escape an intolerable situation and the neighbours from hell prepare to claim another scalp from the unsuspecting new occupants.

Measures such as ASBOs, curfew orders and dispersal orders will not work unless they are enforced robustly and without slippage, and that takes police resources. Havering police, who are hopelessly overstretched, struggle valiantly to maintain public order when so much of their time has to be spent at the police station filling in endless forms instead of out on the streets fighting crime.

Of course, there is no substitute for beat policing, by real constables with real powers, who are familiar with their neighbourhood. Current police strength in Upminster makes beat patrolling a distant dream, but if the police we have were released from the burden of paperwork at the police station, they could be on the spot to issue fines and fixed penalty notices.

The Serious Organised Crime and Police Bill also includes a provision to increase the powers of community support officers, and that concerns me. To the untrained eye, the uniforms of CSOs are so similar to those of police constables that members of the public cannot easily tell them apart. I believe that that is intentional. I believe that the public are intended to gain the impression that there are a lot more police on the streets than there are. It is a sort of confidence trick.

When CSOs were first proposed, a presentation was made to the Select Committee on Home Affairs and I was assured that the public would be able to distinguish them from police officers. Many of them cannot. My constituents often think that they have seen two policemen patrolling their road. They have not; they have seen CSOs. They are not police. They have received only three weeks' training, they have scant knowledge of the law and no power of arrest. That is not their fault. They have applied for the job in good faith, they are doing exactly what they have been asked to do and doing it well. However, how can they possibly achieve their purpose in deterring antisocial behaviour when a police car with two real officers in it has no effect? The sort of people who commit antisocial behaviour realise very quickly that CSOs are not police.

I am running out of time and I want to read a quote from the Law Society. It states:

"we are concerned that giving civilians police-type powers risks causing an increased scope for confusion amongst members of the public as to precisely what powers non-police officers have."

My other concern is the funding of CSOs. My excellent divisional commander finds his CSOs a helpful addition to his police strength. One advantage is that they are not called away in an emergency as constables often are. However, the salient word is "addition." CSOs should be "as well as", not "instead of" police constables. My concern is about the way in which the funding of police constables is affected by the budgetary provision for CSOs. If the funding for police constables and CSOs comes from the same global budget, is the latter at the expense of the former? Whatever the answer to that question—I hope that it is no—the decision about whether there is more operational gain from four constables or six CSOs, which constitute the budgetary equivalent, should be made in response to local need and circumstances and should not be imposed centrally. I hope that the Minister will tell me that that is the case.

8.59 pm

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): Everyone agrees that law and order is a big issue but Conservative Members frequently suggest that no change is needed. I want to concentrate in the short time available on the proposals for identity cards. First, I shall focus on some of the good work that the Home Office has undertaken on electronic crime.

A number of speakers have said that the Department does not have the capacity to introduce an ID card system because of previous IT failures. That somewhat misses the point in terms of the superb work being done by, for example, the national high-tech crime unit, which launched a project called Endurance at the CBI this year, and in areas spanning simple nuisance through to extortion. Important issues surround Operation Ore and others matters in which a high level of policing was achieved by sophisticated techniques. A number of people have ended up appropriately serving jail sentences.

I want to make a point about the comments of the hon. Member for Winchester (Mr. Oaten), who seemed to argue that some conspiracy theory is developing. For example, in an article published recently, he says:

"Whether you trust them"—

the Government—

"or not, we should not pass laws which could be abused by future administrations."

I think it will be a long time before we have a Conservative Administration, but even I am not as afraid of them as that. We can confidently consider the ID cards proposals and be sure that in the civilised democracy in which we are privileged to live there will be a stable system that can be used.

My preferred system would be akin to that described in a good letter in today's edition of *The Times*. The writer argues:

"A universal reliable identification scheme which curtails their activities"—

that is, those of criminals—

"will do far more for me than the rights lobby's hysterical fixations ever will.

None is remotely secure enough to prevent someone else doing these things in my place and there is little or nothing in any of them to establish my unique identity. So let us move the debate on to what data an identity card would hold, where and when it should be required, and how the data disclosed should be used."

That, clearly, is the whole point.

We can move forward in a positive way. We need to ensure, as the draft Bill seems to do, that when a police officer, with just cause, asks to see information he can legitimately do that. Eventually, as the system evolves, if a police officer seeks information from someone who has committed a road traffic offence, no one in the House will disagree that it is perfectly reasonable to use electronic data to ensure that that person is adequately insured. Of course, such an inquiry should go no deeper; it should stick at the matters relating specifically to the offence that has been committed.

Important issues need to be looked at and we should consider the booklet published by the NO2ID campaign. I see that the hon. Member for Winchester is looking across the Chamber; he is a contributor to the booklet. It is almost as if no Government could possibly procure any IT system, but that is manifestly daft. However, I urge the Government to heed advice that I have given before. First, they should ask why the function is needed. We have debated that this evening. Secondly, they must involve the end user and customer in design and development. That includes involving the public. Thirdly, they must ensure that the project is scaleable, which presents a real challenge to any IT designer. Most importantly, they must procure outcomes, not grey boxes. I strongly urge my hon. Friend the Minister to ensure that whatever contract is put out for the procurement of an ID system, not a penny piece is paid over until the system is up and running and working. If contractors do not want to participate on those terms, then we should not invite them to tender.

The Opposition expressed some concern about Henry VIII clauses in the Bill. They would not, I hope, extend that concern to Henry VIII clauses about technology. We do not want a technology-specific Bill. We need a Bill that is sufficiently broadly drafted to ensure that, as technology evolves, new technologies can be applied without having to consider fresh primary legislation. Clearly, the principles as to the limits to which the Bill can take ID cards need to be firmly established, but how they work technically should not be dealt with in the Bill. We need a technology-neutral Bill.

I have covered briefly some of the whys in relation to the ID card. I agree with the Government, and would go much further in terms of my model ID card. I have also covered some of the hows, but I advise caution on going forward. As I said, the Bill must be flexible, not technology-specific, and it must evolve as some of the questions that I pose are addressed. But the proposal is not an alternative to policemen and women; it is just a tool, which could, if well designed, be of great use to the state and the citizen, and to the private sector.

9.7 pm

Peter Bottomley (Worthing, West) (Con): Eighteen years ago, 5,600 people a year died on our roads. Of those, 1,200 died because the driver or motorcycle rider had consumed more than the legal alcohol limit. The figures are now much lower; 2,000 fewer die on the roads, and about 800 fewer die because of drink driving. Little of that was changed by the law; most of it was changed by culture and people's expectations.

I look forward to the day when we no longer have 2,400 new serious criminals each week, and when a third of young men have not collected by age 30 a conviction for which they could have been sent to jail for six months or more. In the short term, I look forward to the Home Office having and publishing cohort studies showing what is the experience of, say, each six-month cohort of young people, each year, so that we get regular figures, which, I hope, will show improvements. Once we learn what begins to make an improvement, we can reinforce what works, and stop doing what does not work.

Too often, when there is a problem, Ministers, as well as Back Benchers, propose to the House one of three solutions: a law to make something a crime, in the expectation that that stops it, although I have illustrated that with 2,400 new serious criminals each week, that does not work; tax and spending, which the present Government have shown does not work well; or exhortation, and there is no real evidence that that works either. What is needed is to try to get into people's minds and habits, and, occasionally, to use low technology.

Unlike the hon. Member for West Ham (Mr. Banks), who thinks that constituency casework is in some way a bore, I find it rather useful in terms of illustrating national issues with local experience. To deal with drugs dealing in my constituency, I should like the police and local authority to use low-tech camera surveillance, some open and some covert. Wherever there is a suspected drug dealing place, especially if it is someone's home in a residential area, I should like the police openly to put a camera outside and to film the people who go in for a couple of minutes' business and then come out. I suspect that most of the amateurs, most of whom probably fund their illegal drugs habit by dealing, will find it awkward. The more we make things awkward, the less likely it is that that will happen.

I am not an expert on drugs. I was just too young for national service, and just too old to be invited to join the permissive society. I thought I might wait until I was 60 to try some of these things; now that I am 60, I think I shall wait until I am 70 or 80. I believe, though, that it is possible to deal with some of the young people who go in for experimentation, first by making it more awkward for people to offer them drugs free, and then by helping them to understand that trading in drugs—even at the lowest prices—leads to the kind of life that they would not choose to live. We must give them that choice, as well as bringing about the culture change that worked with drink-driving.

I wish that the Government were as interested in justice as they are in law. Every Member of Parliament will see a report from the Criminal Cases Review Commission stating that a problem involving pension costs for its own staff is leading to a significant delay in cutting the waiting time for people with well-founded

[Peter Bottomley]

cases for a review of their own position. In those instances people have been convicted, the appeal system is not working, and the CCRC thinks that it is worth investigating their cases in detail. There is a reasonable suspicion of injustice, and in some cases—including one or two cases that affect constituents of mine—there has definitely been an injustice.

I should like the Government to spend a little less time on their rhetoric and on the treadmill of law that they produce in the House, and a bit more time on ensuring that—at least for the next two years—the CCRC is given a budget that will allow my former constituent Mr. Derek Jack Tully not to wait until he is dead to have his case reviewed. I cannot argue to the CCRC or even to Ministers that his case is as urgent as that of those who are still in jail, because he is out of jail now; but I do believe that he needs a chance to exonerate himself, given that he should not have suffered his conviction.

Mr. Tully's case, however, is not the main point that I am making. My main point is that the Government should spend money on what actually aids justice. I should also like the Minister to tell us which Minister is responsible for the people locked up in Belmarsh jail who will not face a trial, and which Minister is responsible for the British nationals and British residents in Guantanamo Bay who—whether or not they will face a military commission—have not been given representation. Indeed, we cannot be sure that those in Guañtanamo Bay have not experienced things that, in plain English, would be called torture; unacceptable behaviour.

Who will stand up on behalf of the Government and say "I will take responsibility for answering questions"? Who will say "I will say what we, the Government, have done with the American authorities while trying to protect people here, there and around the world"? Who will say that the Government recognise that people are not protected by being put in a legal limbo where they cannot, in fact, be protected from the kind of behaviour that I thought our free countries were dedicated to stamping out throughout the world?

I hope that we can also deal, through law, with some of the Government's changes involving the fast-tracking of people whose presence in this country is suspected of being unauthorised; failed asylum seekers or illegal migrants. On Saturday I took up the case of Crispen Kulinji, a Zimbabwean who, I understand, had spent four days in Malawi in his life. He had clearly been tortured, and clearly had to escape. He came here, and because the only way in which someone in his circumstances can come here is by obtaining a Malawi passport or something similar, he has been fast-tracked back to Malawi via Harare, where it is very likely that the authorities will have taken hold of him. I hope that the Government will take account of such cases. I hope that they will consider whether they have gone too far in cutting off legal aid that would enable people to secure competent lawyers to put their cases. In Mr. Kulinji's case, I suspect that the expulsion order would have been overturned.

We have some business remaining from last year. I support the Government on the Mental Capacity Bill. I will not vote for euthanasia, and I hope that those who condemn the Bill on the grounds that it supports euthanasia will read the Bill and understand the 15-year campaign behind it. I support the Law Society's doubts over the Mental Health Bill, and I hope that the Government will try to explain why the Law Society and I should feel more relaxed about it.

I think that the Government have scored less than 50 per cent. on law and order. That is not good enough, and I hope we can soon unite those who want a Tory Government with those who think that the Tories will act in the national interest rather more effectively than the present Government. As I suspect everyone knows, there are too many Labour Members of Parliament, and voting Liberal is not the answer to any serious national problem. My party has the national interest at heart, and I hope that we are as successful in the next election as we were in the referendum in the north-east.

9.15 pm

Chris Bryant (Rhondda) (Lab): I enjoyed much of what the hon. Member for Worthing, West (Peter Bottomley) said until the last couple of sentences. He seemed to take off in flights of fancy.

The debate has been interesting. I particularly enjoyed the contributions of my right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson), who made some important points about the need to remove the blasphemy law in favour of a measure to outlaw incitement to religious hatred, and of my hon. Friend the Member for Warrington, North (Helen Jones). She made an important point about the youth service, which is often forgotten—a Cinderella service—in the whole crime and law and order debate.

I was somewhat perplexed when the hon. and learned Member for Harborough (Mr. Garnier) accused the Government of being the French revolution of the modern era. In fact, from the speeches we heard today, if there were to be a Danton-style triumvirate, it would be the hon. Members for North Thanet (Mr. Gale) and for Macclesfield (Sir Nicholas Winterton) and the right hon. and learned Member for Folkestone and Hythe (Mr. Howard).

I had thought to speak about identity cards, not least because while rummaging through some old papers yesterday, I found my mother's old ID card. However, when I realised that she was given it in 1969 by General Franco's fascist dictatorship in Spain I thought that it would not really help my cause.

I decided instead to talk about drugs, for two simple reasons. First and foremost, as many have already said, drugs are one of the major problems that face every community in the land. About 38 in every thousand people in the country have some kind of drug dependency problem, although I want to correct the figure touted by many people in the debate—that there are 1 million drug users. That is overstatement by a considerable degree. It is certainly true that a million people say that at some point in their life they have taken a class A drug, but that does not make every single one of them a problem drug user. It is important that we get the figures right, and I think that the number is more like 250,000, although that is not to deny that there is a significant problem.

In my constituency, we have a significant drugs problem. Some time ago, the major regional dealers in Birmingham and Bristol decided to start marketing their

services in the south Wales valleys. Unfortunately, that has led to the devastation of many families and individual lives, characterised, as many Members will know, by a potent sense of desperation and powerlessness, which undermines the strong sense of community historically experienced in many mining constituencies, such as mine.

I have especially in mind the problems we experienced in the Rhondda in 2002 when, over 10 days, 12 young people died through drug-related problems during the weekend of the Queen's jubilee. We have not had many drugs deaths since then. Some of the policies that the Government have implemented have changed things and given people the possibility of moving away from their drug dependency, although there is still a significant amount of work for us to do.

I want to draw the House's attention to some specific areas where there is work to be done, although I recognise that the Bill that will be introduced will help us to ensure that criminals with a drug dependency problem are given the right treatment from the moment they enter the criminal justice system, especially through the requirement that there will be drug testing on arrest and not just when a person is charged. There are a few issues on which the Government need to move faster. It is important that we get the statistics on drug-related deaths right. Members may have seen the claim in *The Times* a few days ago that Spalding in Lincolnshire was the country's drug death capital, linked to a report that showed that 12.1 in 1,000 deaths in Boston and Spalding were drug-related. In fact, contrary to the headline, the figure for Brighton and Hove was twice that number, at 25.3 deaths per thousand—a significant number.

It is easy to take such figures for the truth, yet since 1984 the Government have produced no advice on how coroners should determine whether a death is drug-related. Some coroners will record a death as drug-related only if a needle is found in someone's arm; others will do so if there is a positive toxicology report of any kind. The truth is that it is time the Government produced new guidance for coroners. They promised to do so two years ago, but there has still been no new set of guidelines. Some drug-related deaths may be going unreported in some areas of the country, and if we are to ensure that we get the right resources to every part of the country, we need to get the statistics right.

Secondly, of course, we need to tackle the waiting list problem. We have done a significant amount in the past few years. Two years ago, the waiting time for the various kinds of drug treatment in Rhondda was about 18 months to two years. We have now cut that down to about four months, thanks to a significant extra amount of money from the Welsh Assembly Government for a new drug treatment centre in Llwynypia. The Government have done sterling work in cutting the average wait from about 12 weeks in 1997 to just over two weeks, but waiting times are still considerably longer in a significant number of areas of the country.

Helen Jones: Will my hon. Friend give way?

Chris Bryant: I will not give way to my hon. Friend because I know that at least one other very important Member wishes to speak on this subject, and she has already had a go.

I agree with those hon. Members who have said that we need to tackle not just the regional dealers but the small dealers in local communities. Often when I have spoken at secondary schools on any random set of subjects, many young people come up to me and say, "We all know where the dealers are, but the police never do anything about it." That is the problem. Sometimes, the police decide that it is better to know where the local, small-time dealer is, because they are trying to catch the big, regional dealer. The problem for youngsters is that they always know where they can go to get their drugs. We need to destabilise the supply at local level, which involves tackling the small-time dealers.

We also need to focus much more significantly on education. The Government have done a great deal with the Frank programme, which is excellent. In some parts of Wales, we have had the drugs awareness resistance education programme—DARE—which has also been good, but we need to go a step further. It is not enough just to have schools teaching about drugs; it is much more important to ensure that the home environment enables youngsters to talk with their parents about drugs and the problems that they face.

In Sweden, there is a programme whereby every parent of a 13-year-old is sent readily comprehensible information that they can use with their children. Building that relationship is one of the important things that we could do to tackle the problem of drugs. It is not particularly important to get macho, as the hon. Member for Winchester (Mr. Oaten) said earlier, or to be tough. The important thing is to get the policies right, and I believe that the Government are travelling in the right direction, but we still have a significant way to go.

9.23 pm

Iain Wright (Hartlepool) (Lab): I welcome the opportunity to participate in the debate on the Queen's Speech and to concentrate on home affairs, especially when the quality of the debate has been so high on both sides of the House. I was particularly struck with the thoughtful contribution made by my namesake, my hon. Friend the Member for Cannock Chase (Tony Wright), who made a subtle and incisive speech. I also agree with my hon. Friend the Member for Warrington, North (Helen Jones) on many of the points that she made.

The Queen's Speech contained many proposals that will directly benefit my constituency. Its focus is right and reflects the achievements made after seven years of a Labour Government, but I should like Ministers to consider some points to ensure that my constituents gain even more from the proposals set out in the Queen's Speech.

The Government are right to focus on safety and security, and to provide reassurance in our communities. As the Home Secretary said earlier in the debate, the economic competence of the Chancellor in the face of several global recessions since 1997 has ensured that, in my experience, my constituents are no longer saying, "Why can't we find work or a training place?" They are now concentrating on quality of life issues, and rightly so.

Nevertheless, there is a clear link between crime and economic prosperity. Let us consider a potential business man or woman. I imagine that they would not

[Iain Wright]

contemplate setting up a business in an area where they run the risk of losing stock or machinery through burglary on a nightly basis or having to repair their property time and time again after acts of mindless vandalism. Promoting safer and more secure business communities would greatly reduce social costs and help to rejuvenate deprived areas such as Hartlepool. I urge Ministers to do more in that regard.

On the proposals on drugs in the Queen's Speech, further progress with drug rehabilitation is a welcome step. I completely agree with the setting up of the Serious Organised Crime Agency. I ask Ministers to ensure that a key part of the agency's remit and the drugs Bill is to crack down on dealers. All too often for the young men and women growing up on our estates, the most successful member of their peer group is the local drug dealer, with a flash car, decent clothes and plenty of money in their pocket. The Proceeds of Crime Act 2002 was a great step forward, and I hope that the proposed legislation as outlined in the Queen's Speech will go further towards ensuring that people, including present and potential dealers, recognise not only that crime does not pay but that they will be punished severely for peddling drugs in our neighbourhoods.

I also welcome the proposals to extend financial support for 16 to 19-year-olds involved in education and training. By giving real financial incentives to continue studying or training, the Government will help the economy by producing a high-skilled work force and, as a nod to the antisocial behaviour theme, help keep people on the straight and narrow.

I believe a central element of the Queen's Speech is the Government's determination to do more to tackle antisocial behaviour. I applaud that, because this is the major concern of my constituents. People's quality of life is blighted by petty crime—from graffiti and noisy neighbours to gangs of youths on street corners threatening and alarming residents. We in Hartlepool are in a curious position in which crime has come down by 20 per cent in the past three months, yet fear of crime is rising. I shared a platform on Saturday with the head of Hartlepool police, Chief Superintendent Dave Nixon. He specifically said that crime is reducing in Hartlepool as a direct consequence of the Labour Government's initiatives.

When I talk to my constituents about the fear of crime, however, it is the specific fear of antisocial behaviour that concerns them. It is walking past a gang of youths on their way to the shops to buy a pint of milk that intimidates them. I do not think that the proposed legislation should scare people, but reassure them. Responsive neighbourhood policing by which residents know the name of their local policeman or woman or community support officer is precisely what my constituents want. This will reassure them and help to reduce the problems on our streets.

I would also like Ministers to consider whether technology could be used to tackle the problems. I have been on a Friday night patrol with the local police, and I asked the officer concerned about the point continually made by the Conservative party about additional bureaucracy. He responded that he did not think that there was such bureaucracy. On the contrary, he said that he thought the number of forms was being reduced. However, he made the valid point that technology, such as hand-held BlackBerries to capture information, could be used. I ask Ministers to consider the provision of such technology on the front line for police to act against crime.

Most of all, I hope that the details in the proposed Bills in the Queen's Speech help to ensure that communities can take control of their own lives. For when residents say enough is enough and communities set their own standards of behaviour, great advances can be made, and I do not mean that in a way that encourages vigilantes. However, given the tools, the powers and the freedoms to make a difference in their areas, normal, decent hard-working people will lift their communities forward. That has been seen in my constituency in areas such as Burbank, where local residents, empowered by the Government, have reclaimed their streets and are making a real difference. It also means providing relevant and up-to-date places for young people to go, so that they can socialise without being intimidated themselves or intimidating others. I do not mean rewarding people for bad behaviour, but recognising that boredom and a lack of appropriate facilities often help to cause antisocial behaviour. I ask Home Office Ministers to provide funding in my constituency and others to allow for good facilities to nip problems in the bud.

I hope that the Government go further in stripping away empire building, which means that agencies such as local authorities, the police and registered social landlords do not share information for fear of losing some of their perceived power. My constituents do not care about that—they want results. They want their streets safe and clean, and the local villains locked up. Hartlepool has been massively successful in pulling together agencies to ensure that results can be delivered, but we need to go further to ensure that all relevant agencies co-ordinate more of the information available to them so that problems are responded to quickly and antisocial behaviour is minimised.

The proposed charities Bill is also a welcome step. Ministers have a real opportunity to co-ordinate legislation in the Queen's Speech by linking the Bill with antisocial behaviour legislation, thus granting greater powers to voluntary and residents' groups. Hartlepool has strong residents groups, and they are a key reason why we are tackling the problems in our town. However, I ask the Government to consider whether the charities Bill's powers will be sufficient to allow charitable status for residents associations, for example, or to reduce bureaucracy sufficiently so that more money will be available on the front line for residents associations to tackle the problems in our neighbourhoods.

The Government have done much to reduce crime in my constituency and throughout the country, and the measures in the Queen's Speech are a further step in the right direction. We need to do more to reassure my constituents in respect of their fear of crime and antisocial behaviour, and the proposed legislation, if enacted, will help to do that.

9.31pm

Mr. Dominic Grieve (Beaconsfield) (Con): As is so often the case in Queen's Speech debates, we have had a wide-ranging discussion on difficult issues, freed from

some of the constraints we face when considering individual Bills. Several aspects of the debate were extraordinary. The hon. Member for Cannock Chase (Tony Wright) attempted an analysis of several of the underlying causes of crime and disorder in our society. I did not disagree with the views that he expressed with his characteristic care.

As I listened to the hon. Gentleman, I was struck by the fact that he was raising a real issue that Labour Members should perhaps consider. He rightly identified a society that is getting richer and consuming more, yet in which there is erosion of civil infrastructure while the behavioural revolution seems to be moving in the wrong direction. We must pose the question, on a cross-party basis, of how that has come about. It seems to me that it is at least partly a result of a system in which traditional values have been eroded and consistently undermined by those seeking change and education has been transformed, but in which—we must also accept this—the desire of many for permissiveness has not always been matched by people respecting the obligations that go with that.

At the other end of the spectrum, we heard the depressing, albeit honest, vision of the hon. Member for West Ham (Mr. Banks). Freed at last from the constraints of his constituents, he effectively told us that he had reached a point at which he believed that the only solution to his constituents' problems was an armed police force. He went on to say that only enforcement to prevent people from doing such things as playing nasty war games would start to moderate behaviour. Is it not the case that over the past decade, we have consistently seen one legislative attempt after another to moderate people's behaviour by regulation, yet that has completely failed to achieve desired goals? The Government come along and ban the shooting of .22 pistols because they say that that will send a powerful signal that violence is unacceptable. Far from that doing anything of the kind, however, the use of guns has risen, yet law-abiding people and those who might have attained a state of responsibility by being allowed to use a handgun in a gun club are prevented from carrying out a legitimate activity.

The right hon. Member for Tyneside, North (Mr. Byers) provided us with an astonishing Panglossian view of the world. After seven years of a Labour Government and seven years of endeavour, he asserted that somehow the consequences of the rise in crime that now concerned him could have nothing to do with Government policy whatsoever.

I regret to say that the right hon. Gentleman's comments were echoed by the right hon. Member for Southampton, Itchen (Mr. Denham), who I am afraid made a speech that could have been written for him by the Home Secretary. There was no criticism of Labour, yet in his important capacity as a Committee Chairman he highlighted the very fact, which he failed to do today, that there is not much point in criticising the judges for the Sentencing Guidelines Council and its recent guidelines because the fault lay with the Home Secretary for failing to draft the Bill properly, which led to the introduction of those guidelines. The consistent view of the House is that we have insufficient time to consider legislation.

We had many contributions from hon. Members on both sides of the House, identifying what was going on in their constituencies. It was a pretty unhappy picture, but all the more telling because it came from their own experiences. My hon. Friend the Member for Taunton (Mr. Flook) talked about the widespread use of cannabis and the disintegration of communities in his constituency. My right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) pointed out that as her police force is chronically underfunded, it is a bit difficult to expect it to carry out its functions, something that was picked up by other hon. Members.

My hon. Friend the Member for Hertsmere (Mr. Clappison) went into considerable detail on his views on identity cards. He also highlighted the problem of police precepts. My hon. Friend the Member for North Thanet (Mr. Gale) said that the police are hamstrung by bureaucracy and gave telling personal experience of that, which the Home Secretary denied in the course of the debate.

My hon. Friend the Member for Upminster (Angela Watkinson) explained that community support officers in her constituency are not well regarded. They have been referred to as scarecrows within the police force. I might not agree with that pejorative term, but if the Government want to introduce neighbourhood policing, they will need police officers to bring it about.

Mr. Salter: The hon. Lady did not say that.

Mr. Grieve: I used the expression "scarecrows", not my hon. Friend.

Chris Bryant: You put it into her mouth.

Mr. Grieve: No, I did not. I certainly did not intend to. It came from my mouth, not hers.

My hon. Friend the Member for Macclesfield (Sir Nicholas Winterton) described how drugs were so destructive in his community.

I am bound to say that there were also some interesting contributions from Labour Members. The right hon. Member for Oldham, West and Royton (Mr. Meacher) highlighted his anxieties about current trends as the Government try to tackle the problems. He was worried about them establishing Diplock courts in terrorist cases, but they are not contemplating that because they already have the power to set up such courts. It is clear from what the Home Secretary said that he is thinking about setting up a form of special court, similar to the Special Immigration Appeals Commission, to try terrorist cases in a completely different and, I suspect, inquisitorial fashion from the way in which they are tried at the moment. There can be no other explanation for what he said on the "Jonathan Dimbleby" programme one Sunday. That fills me with great foreboding.

The problem is that the Government have form when it comes to our civil liberties. If they were saying that we had to alter jury trial for terrorists or introduce identity cards after years of libertarianism, I would listen carefully, but instead they tell us that those things are necessary when, over the past three years, we have had a procession of illiberal authoritarian measures, which, as my hon. Friend the Member for Ashford

[Mr. Grieve]

(Mr. Green) rightly said, combine authoritarianism with ineffectiveness. We had the attack on jury trial generally; the ruthless attempt to get previous convictions and bad character mentioned, before we reined them in, even in cases in which it would have been manifestly unfair; and the disgraceful attempt to oust the jurisdiction of the courts in the case of asylum seekers, who are not a popular group. At the end of that, the Government tell us that the measures that they are introducing will reconcile and balance liberty with security.

As my hon. Friend the Member for Ashford, my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley), my hon. and learned Friend the Member for Harborough (Mr. Garnier) and my hon. Friend the Member for Worthing, West (Peter Bottomley) pointed out, all these measures, particularly when they refer to the undermining of jury trial for terrorists or, for that matter, religious hatred, to which I shall return, and certainly on identity cards, need to be considered very carefully in the context of their impact on our civil liberties. I have to say that I simply do not trust the Government at all on those issues any more.

I note that as usual the crude mixture of populism and necessity is invoked to justify the measures, while at the same time the Government have failed so badly in getting a return on the massive investments that they have made in trying to curb crime. We hear about drugs, but we know that the drug treatment that the Government envisage is a pale imitation of what is available in Sweden, or indeed, in the more enlightened states in the US, and has not worked. We hear about ASBOs, but from what we see on the ground, most of us believe that they are not working at all. *[Interruption.]* Not only is there a 36 per cent. failure rate through breach, we know that many other ASBOs are regularly or routinely breached but never taken back before the courts. When I put that question to the Minister, she said that she was terribly sorry but that there was no central collation of that information.

The Government's record is a poor one. Will ID cards work? We are pragmatic; we will listen to what the Government have to say, we will scrutinise the legislation in detail and we will try to come up with constructive suggestions to ensure that our civil liberties are not eroded and lost. We shall certainly look askance at any attempt to diminish jury trial.

The matter of religious hatred exercised the enthusiasm of the right hon. Member for Holborn and St. Pancras (Mr. Dobson), but I am unpersuaded by his argument that the measure will not have the unintended consequence of leading to a general blasphemy law under which all religious groups will hurl insults and insist on the prosecution of each other as they engage in such criticism. That is the experience in Australia where such a law has been implemented. I recommend that the right hon. Gentleman look carefully at those issues.

This Government's problem was highlighted in a comment made just before the 1997 election. I was listening to a radio programme on which Mr. Charles Powell, as he then was, was asked for his opinion of the Leader of the Opposition, as the Prime Minister then was. Mr. Powell was asked what the right hon. Gentleman was trying to achieve for his country, and after a moment's pause, he answered that he thought that the then Leader of the Opposition found Britain too feudal and wanted to make it more Napoleonic.

I thought that that was pretty bad at the time, but it now dawns on me that Mr. Powell did not specify whether he was talking about Napoleon I or Napoleon III. This Government are indeed modelled on the Government of Napoleon III. There is the crude populism, the use of referendums to try to get results and to rubber-stamp Government decisions, the undermining of governmental procedure, the willingness to cut corners and, on some of the edges, the whiff of corruption—*[Interruption.]* Oh yes. On some of the edges there is the whiff of corruption in the way in which the Government suborns the civil service. That was highlighted by my right hon. Friend the Member for Haltemprice and Howden (David Davis) in his speech. The truth is that the Government are not succeeding at all in curbing crime, but my goodness they are successful in restricting our freedoms.

The point was made during the debate that in many parts of the country the police are seen less and less as the protectors of freedom. That has been my experience in my constituency, and it worries me enormously. The fact that the police are ineffective in dealing with crime but very good at imposing the regulations that the Government have introduced brings them into disrepute with the public. This country needs a proper reassessment of what can be done to reduce crime, empower local communities and introduce proper community policing. We must ensure that sufficient police officers are available to achieve that aim and we must ensure that there are proper immigration controls. As a result, people will be reassured that they can live in a society where they can engage with one another for the common good. The Government seem to be incapable of delivering that—all that they can deliver is more law, more regulation and more failure.

9.45 pm

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): We have had an excellent debate in which we went from Napoleon to Robespierre in a couple of contributions. There were 26 speeches in what was, rightly, a popular debate.

There is no more important challenge than home affairs facing the country today, and the policies and measures that we have set out should help us to build the foundation of security on which we can establish hope and opportunity in the years to come. The Government have tried to look forward in a changing world and anticipate the challenges, using our ingenuity and imagination to formulate the ideas to meet them. There is a fundamental difference between the Opposition and us, and it is best summed up in the recent words of the Prime Minister, who said:

> "I am an optimist about Britain; and the difference between an optimist and a pessimist is not that the optimist believes that the world is wonderful and the pessimist believes it's beset by challenges; the difference is the pessimist believes we will be defeated by them; the optimist thinks the challenges can be overcome."

I am an optimist too. Whether it is identity cards, which will help us to disrupt terrorism, prevent people trafficking and ID fraud, combat illegal working and ensure proper access to public services, or measures

under the Serious Organised Crime and Police Bill to enable us to keep ahead of sophisticated and dangerous criminals to make this country the most hostile environment for them to operate in, we are trying to meet the challenges of today and tomorrow.

We heard a number of excellent contributions, including the speech by my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), who was absolutely right to say that our measures were not about stoking the fear of crime but promoting security and making sure that the criminal justice system was on the side of the decent majority. I could not agree more. The hon. Member for Winchester (Mr. Oaten) welcomed a number of our measures, including those set out in the Serious Organised Crime and Police Bill and the offender management Bills. I am delighted that, once again, he supported measures on antisocial behaviour. Are we witnessing the rehabilitation of the Liberal Democrats? I hope that there will be no reoffending. The hon. Member for Southwark, North and Bermondsey (Simon Hughes) opposes ID cards in principle, while the hon. Member for Winchester opposes them in practice, so the Liberal Democrats, like the Tories, may be facing both ways on the issue.

My right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson), in a thoughtful speech, expressed his long-standing commitment to press us to abolish the offence of blasphemy. We will keep the matter under review. He also talked about the balance between security and liberty. He knows that we will introduce draft legislation, but it is a difficult balance to strike. In a supportive speech, the right hon. Member for South-West Norfolk (Mrs. Shephard), for whom I have the greatest respect, talked about parish councils' ability to impose fixed penalty notices. Many parish councils have asked for those powers and they can band together to try to increase their capacity to implement them in their area. I am sure that she will welcome the extra 85 police officers and 12 community support officers announced last week for her community.

My hon. Friend the Member for West Ham (Mr. Banks) must be demob happy, as he set out his proposals for ID cards, a national DNA register and the arming of all police officers. I am afraid that I cannot agree with the last suggestion, and neither can I agree with his proposals to legalise harmful drugs that ruin far too many lives, particularly those of young people. The right hon. Member for Hitchin and Harpenden (Mr. Lilley) spoke about the period when he was a member of the Cabinet. I am afraid that that was quite a long time ago. The world is changing very fast and I had the sense that he, together with a number of his hon. Friends, was looking backwards, not forwards. The purpose of our proposals in the Queen's Speech is to try to anticipate future challenges.

In an extremely thoughtful speech, my hon. Friend the Member for Cannock Chase (Tony Wright) spoke about the politics of behaviour, the fact that we have lost many of our community facilities, and the importance of the quality of relationships—a matter to which I shall return in my comments about the hon. Member for Macclesfield (Sir Nicholas Winterton).

In a serious and thoughtful contribution the hon. Member for Hertsmere (Mr. Clappison) set out his support for ID cards. He spoke about the need to get the technology right, and I entirely support him on that. He spoke about the difficulty of getting more police officers in his area. I am sure that he would not want to go back to the day under the Tories when we had 1,100 fewer police officers and no community support officers at all.

Mr. Lilley: The hon. Lady said that things have moved on. I pointed out that, in my day, when we asked the police, the immigration service and the security services whether they valued identity cards enough to contribute their own budgets towards the immense costs of such a scheme, they said no. Have things changed? Will they pay out of their own budgets for the scheme or do they not really want it?

Ms Blears: I can tell the right hon. Gentleman that the police, the security services and all those charged with our protection welcome enormously the prospect of identity cards to tackle serious and organised crime, terrorism and the other threats that face us. Again, I ask him to try to look forward, not back.

In an excellent speech, my hon. Friend the Member for Keighley (Mrs. Cryer) set out her commitment to making sure that young women in particular are not exploited in forced marriages. She argued that the world has changed remarkably and that, in her words, we now live in a global village. She is right and I am sure that she will make a valuable contribution to the consultation that is to take place.

I could not resist the speech of the hon. Member for Macclesfield when he spoke about the importance of decency in our communities and being able to tackle antisocial behaviour and other things happening in his community. I am not given to self-promotion, as the House knows, but I commend to the hon. Gentleman a pamphlet that I wrote recently, entitled "The Politics of Decency", which sets out my belief that decency is a left-wing progressive value that underpins modern socialism. I wonder whether the hon. Gentleman will welcome that. I am happy to give him a free copy.

My right hon. Friend the Member for Tyneside, North (Mr. Byers) emphasised that Labour was in tune with what the people want, that our proposals are the people's agenda and that the Tories are in danger of repeating the mistakes of the 1980s.

The hon. Member for North Thanet (Mr. Gale), who I know is closely involved with the British Transport police and plays an important role there, rightly highlighted the contribution that they make to tackling crime. I can tell him that they have had extra resources for street crime and for implementation of the Airwave facilities. The recording of stops is being used by the police on Merseyside to gain intelligence to enable them to target their resources on hot spots, and they are finding that extremely useful.

My right hon. Friend the Member for Oldham, West and Royton (Mr. Meacher) made some allegations about the implications of Iraq and the effect of that on terrorism. I reject his allegations. He spoke about the policing culture being coarsened. I believe that the policing culture is becoming more in tune with our communities.

The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) wanted us to stand up to the drinks lobby. I am delighted to tell him and other hon. Members that we are making the alcohol industry take its

[Ms Blears]

responsibilities seriously. We are getting rid of happy hours and irresponsible drinks promotions, and I have said clearly that we want a voluntary scheme for the industry to contribute to the costs of policing, but if the voluntary scheme does not work, I have not ruled out the prospect of legislation.

My hon. Friend the Member for Warrington, North (Helen Jones) rightly called for it to be made an offence for people to buy alcohol for under-18s. I am delighted to tell her that that is an offence and we have recently made it the subject of a fixed penalty notice.

The hon. and learned Member for Harborough (Mr. Garnier) said that the political discourse is changing. It was he who spoke about Robespierre, but unfortunately I was not present at the time. He is right. Political discourse is changing. The measures that we are proposing have the support of the people. We are addressing their concerns and we are on their side.

I welcome the support of my hon. Friend the Member for Ealing, Southall (Mr. Khabra) for ID cards. The hon. Member for Taunton (Mr. Flook) wanted us to tackle drink and drugs. We are doing a great deal on that agenda. My hon. Friend the Member for Tyne Bridge (Mr. Clelland) wanted more involvement of local authorities, particularly on antisocial behaviour. We are committed to making that happen.

I am worried about the hon. Member for Ashford (Mr. Green). I see that he is in his place. I was not sure whether he should be a Lib Dem. I can see that he has moved this evening. He is on the Tory Benches but closer to the Liberal Democrats. I am delighted to see that he is edging that way.

My hon. Friend the Member for Reading, West (Mr. Salter) is a champion of his community. He raised the issues of binge drinking, the need to use confiscated assets for drug treatment and the need to use antisocial behaviour powers on Travellers. I commend my hon. Friend for speaking up on behalf of his constituents. We shall certainly examine all the matters that he raised.

The hon. Member for Upminster (Angela Watkinson) talked about witness protection. She will be delighted that we will be extending the special provisions to victims of antisocial behaviour cases. I am sure that she is delighted also that the Met police are getting an extra 250 community support officers, some of whom will no doubt patrol her constituency.

My hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller) is an expert on information technology matters. I remember him advising less computer-literate Members such as myself about our computers. He had some wise words for us about the contracting process for ID cards, which I am sure that my right hon. and hon. Friends will take seriously.

The hon. Member for Worthing, West (Peter Bottomley) talked about the need to change the culture of crime among young people. I am sure that he is aware of the measures that we are taking to do exactly that.

My hon. Friend the Member for Rhondda (Chris Bryant) raised the drugs problem in his constituency. I am sure that many of us face the same problem in our constituencies. We need to get more people into treatment and have tough sentences for drug dealers. The new drugs Bill will do exactly that.

My hon. Friend the Member for Hartlepool (Iain Wright), in an excellent contribution on behalf of his constituents, raised the importance of safety and security. He made the link between economic prosperity and crime. He said that we should take tough action on drug dealers, and he was absolutely right. I know how hard he has worked to tackle antisocial behaviour in his community. His constituents can be proud of an extremely active Member working on their behalf.

All our proposals are about balancing rights and responsibilities and liberty and security. It is a difficult balance to get right but we are determined to do it. We will have tough enforcement for those who break the law, from perpetrators of antisocial behaviour to serious criminals, including drug dealers. We will also provide help for those who want to change their lives and live in a different and better way, with youth work, drug treatment, help with parenting, reducing reoffending and intensive supervision.

We have not heard much this evening about the policies of either Opposition party. We could have tough liberalism or we could have compassionate conservatism. They are easy slogans but let us judge them as we will be judged, which is on what they do, not just what they say. Both parties have got records. They both have form on these issues. The Lib Dems voted against the antisocial behaviour powers to disperse teen gangs. They voted against imprisonment for the possession of drugs. They opposed fixed penalty notices and said that they were a gimmick. They want to raise the age of criminal responsibility.

The Tories want to freeze the Home Office budget. There would be £1.6 billion of cuts. How many police officers and community support officers would be involved? The Tories have form. Crime doubled while they were in office. There were 1,100 fewer police officers, record numbers of prison escapes and mass unemployment. For me, that is the real politics of fear—fear of unemployment, fear of crime, fear of poverty and fear of homelessness. Our programme is about creating hope, building communities that are free from fear where everyone has a chance to do well. There will be a clear choice for the people of this country at the next election, whenever it comes, between optimism and pessimism, between security and fear and between hope and despair, and I know which side we are on.

We are on the side of the decent majority of people who go to work, who pay their taxes, who look after each other and who want their children to do well. Our measures will lay the foundation for success. I am sorry that Conservative Members have not acknowledged that the decline of decency that we have all talked about might be the fault of Tory values, which for nearly two decades made virtues out of greed and selfishness and vices out of service, duty and community spirit. Does anyone really doubt that mass unemployment juxtaposed with yuppie culture in the 1980s, with some young people living high-octane lifestyles and others with nothing to look forward to but the giro, did nothing but breed resentment, anger, criminality and antisocial behaviour? I commend the measures in the Queen's Speech.

Debate adjourned.—*[Mr. Ainger.]*

Debate to be resumed tomorrow.

Debt and Financial Advice (Forest of Dean)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

9.59 pm

Diana Organ (Forest of Dean) (Lab): I have called for this debate as I was alerted to the escalating problem of debt and the significant rise in the demand for money advice by the Forest of Dean citizens advice bureau. Over the past two years, the team has dealt with debt totalling almost £4 million in 332 cases, and there has been a 35 per cent. increase in the number of cases over the past 15 months. The work is usually urgent, as more and more creditors have initiated county court actions to secure their debts and have secured charging orders on property, so clients may be at risk of losing their homes. It is complicated work. There is a pattern of increasing numbers of creditors: sometimes, people have as many as 20. It is not unusual for clients to have 10 separate credit card debts. The service, which is free, independent and of high quality, is straining to meet the needs of people with a debt crisis. The team anticipates that if the rising trend continues, it will be unable to provide an effective service to new clients—and that could be the case in the next few months.

This debate is particularly timely in the run-up to Christmas, when everyone is encouraged—nay, pressured—to spend and spend again in the high street, while in winter they also have to spend more on heating and electricity. The pressures on pensioners on fixed incomes and on families on low incomes to have what they might consider a proper Christmas are now high. For many, such pressures will mean a debt crisis in 2005.

Credit is now an integral part of our daily lives, but this was not so years ago. It is even a factor in driving our successful economy. Credit cards number two to every one person in the population. British consumers borrow at a rate of about £1 million every four minutes. The total amount of borrowing is more than £1 trillion. British household debt is now equal to the total amount owed by Africa, Asia and Latin America to international banks and through loans from other countries. The ratio of debt to income is at an unprecedented high. For most people, debt or credit is not a problem, as it is managed and budgeted and paid for, but for others it is unmanageable—it is out of control and it is ruining their lives. The National Consumer Council has said that about 6 million families are struggling to keep up credit repayments and are in a debt trap, taking on more borrowing to service their existing debts.

What I was alerted to by the Forest of Dean citizens advice bureau is happening across the country. Nationally, Citizens Advice has said that the number of debt cases has increased by 45 per cent. in the past five years, with a million people seeking advice from their money advice service. Some are using credit to survive from one pay day or benefit cheque to another. Such people see borrowing as the only way of solving their problems of paying ordinary household bills or getting a new bed or washing machine when they need it. They cannot consider the effect that it could have in future; they just have to deal with today. More than 3 million households now rely on the services of moneylenders or loan sharks. There has been an explosion in unsecured debt, which currently stands at £172 billion and is growing by almost 10 per cent. a year.

For anyone, it is far too easy to get credit. Anybody who goes up and down the high street tomorrow will be offered a 10 per cent. discount when they make their purchase, if they will only take up the opportunity of getting a store credit card. On going next door, they can get the same treatment and pick up another card. In the next store, another can be picked up. At the end of one day, somebody can have almost a pack of store or credit cards. They can spend up to their limit—hundreds and hundreds of pounds—and there is little to stop them doing so. It is easy and tempting for many, and at this time of year, it puts particular pressure on people to take up those opportunities, but it is not clear to people what is really being offered to them. Unlike other products, credit cards do not come with health warnings about the damage that they could cause to people's health and life. The interest rates are high enough quickly to double a £200 spend—if it is not paid off—through late payment charges and compound interest rates of more than 30 per cent.

Debt is not only accrued by consumers who are tempted on the high street. It can be accrued by unpaid rent, mortgage arrears and council tax, gas, electricity and water bills—the everyday needs of people trying to manage. If people do not know how to manage, have never been taught or given assistance and have never received help or advice about how to budget on a limited budget, the situation can become impossible.

Added to that, loan companies vigorously promote the idea that the way to solve financial difficulty is to round up the various debts into one, new, big debt with them. They advertise on television and radio and by unsolicited promotions through the letterbox, offering increasing numbers of people that way out. What are they really offering? They are offering more credit, even to people with a bad credit record.

The personal debt crisis must be tackled, because it is ruining lives. Advice and reliable information are required, and regulations and legislation must be implemented to control and protect people. I know that the Minister recognises the importance of advice, support and money counselling. He knows the importance of the money advice service provided by citizens advice bureaux to so many, particularly those who are less well-off in our community.

The Minister may not know that Forest of Dean CAB has warned that cuts in its vital money advice service are inevitable unless extra resources are made available. Its important work is funded by the Legal Services Commission, the lottery community fund, The Forest of Dean district council and Forest of Dean housing. Smaller funds are provided by town and parish councils, Gloucestershire county council, Lloyds TSB and others. Forest of Dean CAB's current expected costs for its money advice projects, which relate to debt work for 2004–05 is more than £126,000.

Forest of Dean CAB's main source of funding is its current three-year contract with the LSC, but it has told me that that contract is unwieldy. The system is not easy

[Diana Organ]

to use and involves burdensome administration—it contains silly little items such as having to work out six-minute blocks of time with a client. It is complicated and allows Forest of Dean CAB to claim only a maximum of 1,300 hours of debt work. Effectively, debt work is capped, but the number of people coming through the door is not.

The system allows Forest of Dean CAB to claim only for eligible clients, who are those on benefit or with very low incomes. Sometimes, the LSC refuses to extend the hours beyond the initial 10 allotted per case, but the work must go on, so Forest of Dean CAB funds it from elsewhere. We must examine that system and review the funding stream. The contracts from the LSC must be made more flexible, so that the citizens advice bureaux can deliver their vital work.

Some finance companies or banks contribute to money advice work. In the Forest of Dean, for example, Nationwide and Lloyds TSB contribute, and nationally Barclays, MBNA, Provident Financial and the Royal Bank of Scotland all provide funding for money advice—citizens advice bureaux are the largest free money advice suppliers in the UK. However, many other operators in the financial sector do not contribute. Many banks, finance and loan companies and all the high street stores that offer credit cards make no contribution, and they make considerable profit from credit. We need to build on the CAB's money advice to ensure that we have a network of independent financial advice. That should be supported by credit providers and the investment industry, with contributions from all major players in the financial credit sector and the independent money and debt advice sector, as well as from the Government through the LSC and local authorities.

More needs to done to give people accurate information on what they are getting into and what products are being offered them so that they can make the correct decision. We need stronger enforcement to prevent misleading—in fact, inaccurate—advertising by debt and loan companies. We need much better advice from a variety of sources so that people are able to go not only to the CAB but to other advice services. The consumer must be given a clear health warning on credit cards and store cards, and there must be much more vigorous monitoring and enforcement by trading standards in relation to the excessive interest rates on those cards. I hope that there will be a greater tightening up of the granting of credit licences to companies and more policing and regulation of their operations and tactics and use of unsolicited credit promotion.

In July 2004, the Government announced a series of initiatives, one of which was a pilot scheme offering a helpline that will act as a gateway to specialist debt advice. That will be of enormous help in the Forest of Dean, and we look forward to it. However, as the Minister no doubt agrees, free and independent information, advice and counselling from the existing provider—the money advice service of the CAB—is a vital service to the rising number of people facing a debt crisis, and we must ensure that it has the resources adequately to tackle this growing problem in future.

I have suggested that the finance sector itself should make more contribution to these services. However, as the Government are already, through the community legal service, the major provider of funds for the money advice service, I now look to them to give the Forest of Dean citizens advice bureau the reassurance that the resources will be available to meet the rising demand for its much-needed services.

10.12 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I congratulate my hon. Friend the Member for Forest of Dean (Diana Organ) on securing the debate. I am delighted to have the opportunity to discuss this subject with her. I know that she recognises the work that the Government have already done through the launch of the consumer credit White Paper, which dealt with many of the issues to which she alluded, including greater transparency of credit agreements and the need to ensure that newspaper adverts carrying these apparently wonderful offers make it very clear what is proposed.

My hon. Friend is right to point to how the consumer credit situation has changed dramatically. The Consumer Credit Act 1974 is 30 years old. Thirty years ago, there was one credit card and an annual debt of about £32 million, at today's prices; now, there are 1,500 products in the marketplace and debts into the billions. It was therefore right and necessary for the Government to honour their manifesto commitment to examine the issue of consumer credit, and a great deal of work has been done. This debate is fortuitous given the announcement in the Queen's Speech of the forthcoming consumer credit Bill, which will address many of the issues that my hon. Friend raised. As far as I am concerned, as the Minister responsible, the transparency and responsibility of the lender, and the responsibility of the borrower, are key issues.

I pay tribute to the Select Committee on the Treasury, which has done a great deal of work on store card interest rates, and to my hon. Friend for the work that she is doing in her constituency and for listening to the citizens advice bureau and to several other organisations that offer advice. I also thank her for the parliamentary questions that she has tabled to make sure that we cover properly the many issues that she raises.

My hon. Friend raised over-indebtedness, which has several distressing effects and costs for the communities that we represent, whether rural or urban. She spelled out clearly some of the specific problems that it has caused in her constituency. I am sure that hon. Members would recognise them from all our surgeries. The papers have been full of the fact that the amount of personal debt is at an all-time high.

As my hon. Friend said, we are told that personal debt is currently more than £1 trillion, or approximately £25,000 owed by every adult or £40,000 owed by every household. We have to be clear about what that means. Some four fifths of the £1 trillion represents investment in property and roughly a quarter of the population are buying their houses and securing their futures. By doing that, they are much better off than previous generations.

Of the more than £1 trillion, some £179 billion is unsecured consumer credit. Of the consumer credit loans that are taken out, some 70 per cent. are for home improvements or to purchase cars. All that increases the net worth of individuals. As my hon. Friend said, the majority of credit is used sensibly. Indeed, credit is an integral part of the daily lives of many of us. It is used to benefit consumers and improve their situations and to allow them to participate fully in the marketplace. Consumers use it to smooth out their income, spreading payments over successive wage packets. That makes a vital contribution to the United Kingdom economy, driving economic activity by allowing consumers flexibility in the way in which they choose to access the marketplace and manage their finances, and enabling resources to be put to the most efficient use.

Despite global uncertainty, households remain confident in their finances. Although debt has been increasing, assets have also risen. Household total net wealth has increased by more than 50 per cent. since 1997. Real household disposable incomes have continued to improve, growing by 3.1 per cent. a year on average since the first quarter of 1997, compared with 2.3 per cent. in the 1992–97 Parliament.

The low interest rates that greater macro-economic stability delivers have ensured that household interest payments remain low by historical standards. That contrasts with the over-expansion in demand in the late 1980s, with interest rates peaking at 15 per cent. That led to the collapse of the housing market. The proportion of repossession now is historically low. Although debt is rising, household finances are in a strong position, with net wealth up by nearly 70 per cent. since 1997.

Households pay a significantly smaller proportion of their income in interest payments than they did in the early 1990s. Household total interest payment is 7.6 per cent. of disposable income. That figure is for the first quarter of 2004. Household total interest payment peaked at 15.1 per cent. in the second quarter of 1990. Household total net wealth has increased by more than 50 per cent. since 1997 and household wealth is almost six times greater than the debt.

Since 1997, UK gross domestic product growth has been more stable than that of any other G7 country. Employment has increased by more than 1.8 million since early 1997 and unemployment rates are close to their lowest levels since the 1970s.

The majority of those who become over-indebted do so through a sudden change in circumstances: a death, an illness, a separation, divorce, sudden unemployment or a business failure. However, some consumers do not use credit sensibly. Indeed, they use it irresponsibly. They over-spend and run up huge sums of debt that they cannot repay, thus becoming over-indebted. However, I am pleased to say that they are a minority.

More worrying are the people who are over-indebted due to low incomes or mental health problems. We need to help those vulnerable consumers, who are often unable to help themselves. For people on low incomes, over-indebtedness is a very real possibility, which can result in significant costs for the individual and society. There are clear links with the problems of financial exclusion, in which the Treasury has a special interest.

We have all heard distressing stories of people who have found themselves in debt and resorted to acts of desperation to get out of it. There have been some well publicised suicides recently, due to debt. They are a minority of cases but they act as a focus of attention on the costs of over-indebtedness. All too often, they could have been avoided if the victim had sought or been given help.

I am well aware that my hon. Friend knows that the Government take the issue seriously and that she supports our work to tackle over-indebtedness and ensuring that help is available. As she said, on 20 July I published "Tackling Over-indebtedness—Action Plan 2004", which sets out the large number of initiatives that various Departments and others are undertaking to deal with the problem.

It is clear that many issues may be involved, such as how local government and central Government collect their own debts, which can contribute to the problem. However, the plan sets out a number of priority areas that need to be addressed. These include improving financial literacy, ensuring access to affordable credit and improving access to free debt advice, among others.

I chair jointly with my hon. Friend the Under-Secretary of State for Work and Pensions, the hon. Member for Gravesham (Mr. Pond), a cross-Government ministerial group on over-indebtedness. This ensures that progress and new thinking on measures to tackle over-indebtedness are joined up and take account of other Government initiatives. The group includes colleagues from Her Majesty's Treasury, the Department for Constitutional Affairs, the Office of the Deputy Prime Minister and the Department for Education and Skills, all of whom have a keen interest in this area, particularly with regard to how we ensure that consumers are empowered to deal with over-indebtedness.

Two further groups—an official group including representatives from those and other interested Departments and an advisory group including representatives from consumer groups such as Citizens Advice, the credit industry and academia—have also been convened to support this work. We have publicly committed to update on progress on the priorities set out in the report during the summer of next year.

My hon. Friend the Member for Forest of Dean raised the issue of money advice from CABs. I have to say that they are doing a great job, but are under a great deal of pressure; I acknowledge that pressure. Citizens Advice and other free debt advice providers offer a vital service for consumers who find themselves with debt problems. The majority of people who are approached and asked will be aware that Citizens Advice provides free debt advice, among other offerings, but it deservedly has a well known brand and does a wonderful job providing holistic advice to people who need help with their debt problems.

As my hon. Friend said, individual CABs are contracted by the Legal Services Commission to deliver a certain number of hours of advice. It has been recognised that often the contracts entered into with CABs oblige the staff to carry out a number of bureaucratic administrative tasks. The Legal Services Commission is conducting research on contracting with the not-for-profit sector and is likely to publish a report

[Mr. Gerry Sutcliffe]

in the new year. It has already looked at ways to undertake audit and inspection in proportion to contract value and tailored to risk in solicitors' contracts under its preferred supplier pilot.

So, I fully agree with my hon. Friend as to the importance of ensuring that all those who benefit from the supply of free debt advice should support it. She gave examples from her own constituency of who contributes and who does not. We must ensure that everybody contributes and we are looking at the issue of sustainable funding. As she said, too much time and resources are wasted by management teams in free debt advice providers, the majority of which are charities seeking renewals of annual funding.

We are encouraging funders of free debt advice services to commit funding for three-year periods, allowing providers greater certainty. We have been encouraged by evidence of the credit industry's willingness to provide such sustainable funding, with the Royal Bank of Scotland committing £1.8 million over three years to providing training for free debt advice providers. We will continue to monitor which companies support the initiative and will take the appropriate action with those that do not.

The Financial Services Authority is developing a national financial capability strategy that aims to provide consumers with the education, information and generic advice needed to make financial decisions with confidence. Financial capability will allow consumers to make the most of financial opportunities and to avoid expensive and inappropriate products.

The Government are committed to ensuring that consumers attain a reasonable level of financial literacy education and recognise that there is a strong link between poor financial understanding, poor basic skills and social exclusion. The FSA has set up seven groups: schools, young adults, work, families, borrowing, retirement and advice. Particular attention is being focused on teaching children in schools about credit and other financial products. If my hon. Friend will take my word for this, that is an area where I feel a great deal of attention needs to be applied. We will be ensuring that that is the case through the consumer credit Bill and the supporting policies that we need to deliver those things.

I also strongly support the need for high-quality, independent, free debt advice. The capability to access free debt advice is extremely important in helping people cope with their debts. It is therefore imperative that we ensure that everyone is aware that appropriate advice and help is available, and that they are able to access it. My hon. Friend is aware from her local citizens advice bureau that the demand for debt advice is putting a lot of pressure on the advisers supplying it. All free debt advice providers are reporting rises in the number of people approaching them for help and the number of people being helped. A number of those people are seeking help earlier in the cycle than had previously been the case, which is encouraging. But there are still more people trying to access free advice services than there is capacity to deal with them. We are considering innovative ways of addressing that issue, working with the credit industry and the free debt advice sector.

For that reason, I strongly welcome and support the work taken forward jointly by the Consumer Credit Counselling Service, Citizens Advice, the Money Advice Trust, Advice UK and Payplan, with the support of the credit industry and Government, to develop a gateway that will allow consumers to be referred to an appropriate service for their needs. The gateway will provide an additional route into those services. It will provide a point of contact, which will filter calls, identifying the requirements of the caller and directing them to the appropriate advice provider for their circumstances. The caller will then be passed on to one of the free telephone debt advice providers involved in the gateway for advice straightaway, or their details will be passed on to one of the participating face-to-face providers for an appointment.

Evidence from the proof of concept stage, which is currently being carried out in Yorkshire—no coincidence—indicates that the gateway is providing a valuable additional service. We are expecting to pilot the gateway early next year, and when operational, we hope that it will be able to relieve some of the pressures currently facing citizens advice bureaux and others. We have focused in the first instance on telephone advice as it is a particularly cost-effective means of providing advice, accessible to large numbers of people easily, with no geographical limitation. Evidence from the evaluation of the National Debtline made it clear that while most people would prefer to access face-to-face advice, 85 per cent of those who use telephone advice are satisfied with this means of providing advice. We recognise the importance of face-to-face advice for vulnerable consumers: for example, those with low financial capability skills and those needing support and representation among others. And we recognise the burdens that that places on free face-to-face providers such as citizens advice bureaux, and we are taking steps to address those.

As announced in the 2004 spending review, the Government wish to see a significant increase in the capacity of the free face-to-face money advice sector over the spending review period. The Government will invite proposals to expand the provision of advice from potential providers and will also pilot different models of debt outreach. More detail on those proposals will be published later this year.

My hon. Friend talked about stronger enforcement and what we are doing in that regard. The current regulatory regime has significant shortcomings, in particular with regard to the OFT's powers to pursue complaints against companies acting in a manner which calls into question their suitability to hold a consumer credit licence. The Bill will strengthen the licensing regime to regulate the modern credit market effectively in order to protect consumers. The reforms give the OFT more powers to keep rogues out of the market and to regulate businesses in the market proportionately. The new licensing regime includes: an improved standard of fitness testing, allowing the OFT to look at competence to conduct consumer credit business; the ability to impose intermediate sanctions on licensees; better powers to obtain information; and indefinite licences to be monitored routinely by the OFT. Various consumer groups have been given powers under the Enterprise Act 2002 to launch super-complaints. A super-complaint would be, for example, where the

National Consumer Council brought a super-complaint against the home-collected credit sector. Citizens Advice has been given similar rights to bring super-complaints.

A great deal of work is going on in this area. I am grateful to my hon. Friend for raising these issues, which particularly concern her in her constituency, but which affect all Members of the House in our surgeries. It is a vital area of public policy, in which we need to get the funding regime right, in terms of how we support Citizens Advice and similar bodies. The loan shark hunter pilots that we have introduced in Birmingham and Glasgow remove those people who offer extortionate credit unfairly. The new unfair credit test will lower the hurdle, so that people can get out of unfair agreements.

While a great deal of work is being done, there is a great deal more to be done. I hope that we can sort out the difficulties affecting citizens advice bureaux. Negotiations are taking place, as she knows, in terms of funding—

The motion having been made at Ten o'clock, and the debate having continued for half an hour, MR. SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at half-past Ten o'clock.

House of Commons

Tuesday 30 November 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

WAYS AND MEANS

SESSIONAL RETURNS

Ordered,

That Returns be laid before this House for Session 2003–04 of information and statistics relating to—

(1) Business of the House;
(2) Closure of Debate, Proposal of Question and Allocation of Time (including Programme Motions);
(3) Sittings of the House;
(4) Private Bills and Private Business;
(5) Public Bills;
(6) Delegated Legislation and Regulatory Reform Orders;
(7) European Legislation, etc;
(8) Grand Committees;
(9) Chairmen's Panel; and
(10) Select Committees.—*[The Chairman of Ways and Means.]*

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Elections

1. **Mr. Mark Lazarowicz** (Edinburgh, North and Leith) (Lab/Co-op): If he will ask the Electoral Commission to submit evidence to the inquiry into voting systems and electoral boundaries in Scotland. [199378]

The Secretary of State for Scotland (Mr. Alistair Darling): The Electoral Commission is independent, but I very much hope that it will contribute to the Arbuthnott commission inquiry. Indeed, I understand that Sir Neil McIntosh, who is one of the commission's members, attended a meeting of the Arbuthnott commission on 1 November, when he discussed the Electoral Commission's work and role.

Mr. Lazarowicz: As my right hon. Friend will be aware, from May 2007, as things presently stand, the Scottish electorate will on the same day vote for constituency MSPs under the first-past-the-post system, for regional MSPs under the regional list system and for local councillors under the single transferable vote system of proportional representation, with different boundaries for Scottish and Westminster parliamentary constituencies. Does he agree that it would be particularly valuable to get the Electoral Commission's views on the effects of that complexity on voter turnout and voter understanding of the political process? On boundaries, can he tell us when we can expect to hear an announcement on whether we will fight the next general election in Scotland on the old or the new boundaries?

Mr. Darling: On the first point, my hon. Friend is right, which is why I set up the commission in the first place; these issues need to be looked at.

On the second point, I can tell the House that, at long last, I received the boundary commission's report just half an hour ago, and I thought that the House would want to be the first to know that happy news, in which I have a very keen personal interest. Under the Parliamentary Constituencies Act 1986, I will lay a report before the House as soon as I have had the opportunity to consider that, and I expect to do so very shortly indeed.

Mr. Peter Duncan (Galloway and Upper Nithsdale) (Con): I am very grateful to the Secretary of State for that timeous reply, but will he give a more specific indication? He will appreciate that there is genuine concern that the Government are seeking to evade their responsibilities. How long does he expect it to take before the order is laid before the House?

Mr. Darling: I can understand the hon. Gentleman's irritation that his prepared question has now been overtaken by very recent events—that is very hard, but it happens to the best of us.

I have the report and I need to consider it. I understand that it comprises some 17 chapters, which I will have to look at, but I intend to lay the order before the House as quickly as possible. All being well, assuming that it gets the approval of both Houses, I hope that it will be in force in February, in ample time for any election that may take place next year, or indeed the year after.

Mr. Duncan: I thank the Secretary of State for that, but he will also be aware that local authorities have an important role in adapting to any boundary change. What discussions has he had with local authorities about how long they need to react to the order when it is laid? In particular, what request has he had from them about the time delay that they need to adapt to those changes?

Mr. Darling: I have had no such request at all. I think that most of those in Scotland who concern themselves with these things have been well aware that this change has been coming—certainly, all the political parties are proceeding on the basis of the new constituencies—and the local authorities are also aware of it. The boundary commission report took longer than we expected to be prepared, but it has now been produced. As I have told the House, I intend to proceed as quickly as possible because that is in everyone's best interests, so that we can get on with the new constituency boundaries. As I said a few moments ago in response to my hon. Friend the Member for Edinburgh, North and Leith

(Mr. Lazarowicz), I also hope that the Electoral Commission will turn its attention to some of the complications that will arise from having different constituencies and different voting systems in Scotland.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I am really pleased that my right hon. Friend has got the report. I was a bit worried that I would be forced to stand again. I think of the implications of that. Seriously, though, with no disrespect to Professor Arbuthnott, I am afraid that his activities and those of his commission in Scotland are about as well-known at the moment as the activities of the Secret Intelligence Service. Will my right hon. Friend have a word with Professor Arbuthnott about some kind of public relations strategy, so that people who have a genuine interest in this issue and the wider public know about the commission's work and can submit evidence to it?

Mr. Darling: No doubt, the prospect of my right hon. Friend standing again was one of the many things that spurred the commissioners to produce their report. Although I will be personally very sorry to see the Edinburgh, Central constituency disappear as a result of these changes, I am none the less sure that we are all prepared for the new world that we are about to enter.

On the point that my right hon. Friend makes about the Arbuthnott commission, clearly it is for that commission to decide how to conduct its operations, but I know that its members intend to go around Scotland to satisfy themselves that they are getting Scottish opinion on this issue. It has to be said, in fairness to the commission, that this subject probably exercises a small number of people, but it is important that we get it right so that we do not end up with an electoral system that is so complicated that people cannot understand it. I feel strongly about that, which is why the Electoral Commission, which is independent, as all, should be encouraged to become actively involved in the debate.

Nuclear Power

2. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If he will make a statement on the future of nuclear power generation in Scotland. [199379]

The Secretary of State for Scotland (Mr. Alistair Darling): Nuclear generation contributes about a third of the electricity used in Scotland at present and it will continue to make a substantial contribution over the next 20 years.

Mr. Clifton-Brown: Does the Secretary of State think that the Scottish Executive's target of 40 per cent. of electricity from renewable generation by 2020 is realistic? Is he aware that 3,000 jobs throughout Scotland are generated by the nuclear industry and that £80 million is put into the fragile highlands economy? Is it not time that we looked again at the proportion of nuclear power generation in the electricity mix?

Mr. Darling: I am not sure whether the hon. Gentleman was here at the last Scottish questions, but I am sure that he takes a keen interest in these matters. I made the point then that we should remember that nuclear energy is very important to Scotland, not just because it generates of lot of electricity but because the industry employs many people. Some of the jobs are very skilled and much valued. The Scottish Executive are right to have a stretching and demanding target for renewable energy, because it is important that we have a mix of electricity sources.

On nuclear power, the Government published a White Paper last year in which we made it clear that if we were going to build new stations there would have to be further discussion, because of the obvious difficulties of nuclear waste that are still to be resolved. There is plenty of working life left in the two principal nuclear generators in Scotland, and I understand that it may be possible to extend their lives if that is thought necessary.

I make the point to Conservative Members that we need to do more to encourage more renewable energy. They find themselves in a difficult position, because they are in favour of renewable energy but against the means of generating it.

Angus Robertson (Moray) (SNP): Do the Government understand that energy transmission charges discriminate against projects north of the border? With a significant renewable energy scheme set for development in the Moray firth, is the Secretary of State concerned that the current exorbitant charges would, as the company has said, threaten the viability of the project?

Mr. Darling: No, I do not think that is right. A couple of issues are involved. First, the hon. Gentleman may not be aware that, this morning, Ofgem announced— *[Interruption.]* It has been very busy this morning. By sheer coincidence, Ofgem announced that it would not reach a decision on the charging regime at the moment. Instead, it will take further consultation on a different option from the one that it was considering. It still says that it will be enforced by 1 April next year, and it is very conscious of the arguments that have been made from a number of quarters that we must have a fair system of charging.

I also remind the hon. Gentleman, as I reminded the hon. Member for Banff and Buchan (Mr. Salmond), who is sadly not here, that because the interconnector charge will go, that will remove a significant barrier that faces Scottish generators. We have to look at the charges in the round, and it is important to ensure that Scottish generators are treated fairly. However, he should not overlook the fact that the interconnector charges will go under the new regime. That will help those companies.

Mr. Alan Reid (Argyll and Bute) (LD): Does the Secretary of State agree that, once the costs of decommissioning are taken into account, nuclear power is a very expensive option? He recently visited Islay in my constituency, and does he agree that the Government should devote more to the research and development of wave and tidal power, which has the benefit of bringing jobs to remote parts of the west of Scotland?

Mr. Darling: All forms of generation have their difficulties, and the hon. Gentleman is right, as I said a moment ago, to suggest that nuclear waste and

decommissioning are one of the considerations that have to be taken into account, but he must accept that nearly a third of Scotland's generation comes from nuclear power. Were that to be diminished, it would have to be replaced.

The hon. Gentleman is right: I visited Islay recently and was very impressed by the wave power pilot that is being put in place and also by the geothermal heating that is being installed in new housing. It seems to be a remarkably cheap and good way of heating houses. I shall look in my back garden to see whether I can do the same thing there. Much good work is being done on Islay on that front, and on a lot of others as well. I thoroughly enjoyed my visit.

Unemployment

3. **Jim Sheridan** (West Renfrewshire) (Lab): What assessment has been made of the levels of long-term and youth unemployment in Scotland. [199380]

The Parliamentary Under-Secretary of State for Scotland (Mrs. Anne McGuire): Claimant count unemployment in Scotland is at its lowest level for a generation and has fallen by more than 68,000 since spring 1997. Both long-term unemployment and long-term youth unemployment have fallen by more than 80 per cent. In my hon. Friend's constituency, long-term unemployment has fallen by some 43 per cent. since 1997.

Jim Sheridan: Does my hon. Friend agree that, despite the Government's implementation of the Disability Discrimination Act 1995, far too many registered disabled people in Scotland are denied the opportunity to work? Will she use her good offices to encourage employers in both the private and public sectors to open their doors to disabled people, who have a tangible and valuable role to play in our society?

Mrs. McGuire: I thank my hon. Friend for his appropriate comments. Too many people who have disabilities have seen doors shut, but the Government can take great pride in the way in which they have tried to focus support on people with disabilities. For far too long in Britain and Scotland, we have judged people with disabilities by what they cannot do, but the Government are determined to ensure that such people are judged by what they can do. A great deal of work has been done and I hope that the House will appreciate that.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): Does the Minister accept that sickness and disability are two of the biggest contributory factors to economic inactivity in Scotland? Will she assure us that the Government have no plans to restrict access to incapacity benefit in a time-limited way? Will she give a further assurance that organisations that deploy the new deal for the disabled will get proper financial arrangements so that they can do their work properly and do the scheme justice?

Mrs. McGuire: I am sure that the hon. Gentleman will agree, given his long history of involvement with benefits, that people on incapacity benefit should not be seen as necessarily at the end of their working lives. We have made a great effort to ensure that appropriate support is directed at people who could perhaps ease their way back to work. The pathways to work pilot in the constituency of my hon. Friend the Member for West Renfrewshire (Jim Sheridan) is focusing attention on aspects of that situation, but I shall draw the hon. Gentleman's comments to the attention of the Secretary of State for Work and Pensions.

Mr. John McFall (Dumbarton) (Lab): We all welcome the dramatic fall in youth unemployment and long-term unemployment, especially since 1997 when youth unemployment was such a social blight in our constituencies. The Minister will be aware of the Chancellor's recent speech to the CBI in which he mentioned that there were levels of long-term unemployment of 50 per cent. or more in some areas. Does she recognise the need for further initiatives to ensure that such individuals and their families may play a fuller role in society and get the opportunities that the rest of us in the working world have?

Mrs. McGuire: My right hon. Friend is right to focus on families and communities that have been blighted by long-term unemployment. Although I mentioned the pathways to work pilot in Renfrewshire, other Scottish pilots in Inverclyde and Argyll and Bute are doing the kind of work for which he calls.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): Does it not worry the Minister that long-term unemployment in Scotland, as measured by those claiming jobseeker's allowance for more than 24 months, rose by 8 per cent. between October 2003 and October 2004? In towns such as Wick in my constituency, the reason for that is fairly clear: a fall in job opportunities, exacerbated by the Government running down the Department for Work and Pensions office in the town. Will the Government use their own resources to help boost employment and become part of the solution, rather than part of the problem?

Mrs. McGuire: I would hope that the hon. Gentleman also recognises that although we do not want to go down the specific road of restructuring the DWP in his constituency, which he has raised before, significant Government resources have been invested in his constituency and throughout Scotland through the new deal and various pilot schemes. I would have thought that he would recognise that there has been a drop in unemployment in his constituency of 54.8 per cent. since 1997, and of 10.1 per cent. since last year.

Mr. Brian H. Donohue (Cunninghame, South) (Lab): Although I welcome the massive drop in unemployment, especially among the youth in my constituency and neighbouring constituencies, my hon. Friend will no doubt be aware of the campaign that I am leading to attract civil service jobs from London. What is she doing to attract jobs to Ayrshire, where for many years the significant unemployment level has been down to the fact that we do not have our fair share of public sector jobs in the Ayrshire conurbation?

Mrs. McGuire: I congratulate my hon. Friend on the doughty campaign that he has mounted on the undoubted attractions of Ayrshire to encourage the dispersal of civil service jobs. Perhaps he has not been back to his office this morning and is not aware that I have agreed to meet him and representatives from his area early in the new year to discuss some of the issues.

Scottish Regiments

4. **Annabelle Ewing** (Perth) (SNP): What recent representations he has received from the First Minister about the future of the Scottish regiments. [199381]

8. **Pete Wishart** (North Tayside) (SNP): What discussions he has had with the First Minister concerning the future of the Scottish regiments. [199385]

The Secretary of State for Scotland (Mr. Alistair Darling): I am, of course, in regular contact with the First Minister, and we discuss a wide range of issues.

Annabelle Ewing: Leaving aside the First Minister's dithering, will the Secretary of State undertake to the House today—St. Andrew's day—to make an eleventh-hour plea to the Prime Minister, at whose door the final decision lies, to save the Black Watch and the other Scottish regiments? Will he give that undertaking, yes or no?

Mr. Darling: The hon. Lady knows that the Army needs to undergo restructuring, principally to ensure that the regiments on the front line have the support they need in logistics, engineering, communications and so on. One thing that she, her colleagues, and indeed the Conservatives have not faced up to is that we need to ensure that our front-line troops are properly supported, which means that the Army needs to look at the organisation of the support of those troops.

The second point is that no decision has been made on the regiments. It will be made fairly shortly. The third point is the British Army has many traditions, one of which is that the Scottish regiments are part of it. If the hon. Lady had her way and if she were in power, there would not be a British Army.

Pete Wishart: But does not the Secretary of State recognise the anger and resentment in Scotland that while regiments such as the Black Watch are serving the Government abroad, the Government are stabbing them in the back at home? Will he turn up to the rally in Edinburgh two weeks on Saturday to put the Government's case on why it is necessary to amalgamate these historic regiments?

Mr. Darling: When the hon. Gentleman goes to the march, I wonder whether he will have the straightforwardness to stand up and say that under the Scottish nationalists there would be no British Army, no Royal Navy and no Royal Air Force, because that is what they believe.

Annabelle Ewing: We want a sensible debate.

Mr. Darling: Then why does the hon. Lady not answer the question of how we can best support our front-line troops by ensuring that there are proper communications, engineering, logistical support and so on. I fully understand the strength of feeling in Scotland on the Black Watch and the regiments overall, but it is important that we take the right decision and the decision that is in the best interests of our soldiers, who are asked to do a difficult job and do it extremely well.

Dr. Gavin Strang (Edinburgh, East and Musselburgh) (Lab): As an Edinburgh Member, my right hon. Friend is well aware of the capability of the Royal Scots and that they may go back to Iraq next year. Will he consult the Secretary of State for Defence on the timing of any reduction in the number of battalions available to him? Surely the Government's vision of Britain as a force for good in the world is likely to keep the Army heavily committed in the years to come. Does he accept that this may not be the right time to ask our military chiefs to plan a cut in the number of infantry battle groups that are available to us?

Mr. Darling: I remind my right hon. Friend that defence spending is increasing. I think that I am right in saying that this is the longest single period of sustained increase in defence spending for many years, thanks to the Government's commitment. The Army wants to reduce the number of battalions because of the reduced commitment in Northern Ireland—something that we should all welcome. At the same time, the Army is conscious of the fact that it is weak in logistical back-up support to the battalions and regiments deployed on the front line. The argument is being driven by what is necessary for operational reasons. It is not financial. That is why the Army wants to ensure that it gets the best possible solution to support regiments on the front line.

The answer to my right hon. Friend is that these decisions need to be taken. They affect the ability of the Army to be deployed in future. Putting off a difficult decision is not the right thing to do. We have to take these decisions. It is important that we take time to get them right. A decision has not yet been taken but it will be taken fairly shortly.

ADVOCATE-GENERAL FOR SCOTLAND

The Advocate-General was asked—

Devolution

16. **Miss Anne McIntosh** (Vale of York) (Con): what devolution issues she has considered since 26 October. [199393]

17. **Ann McKechin** (Glasgow, Maryhill) (Lab): what devolution issues she has considered since 261 October. [199394]

18. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): what devolution issues she has considered since 26 October. [199395]

19. **Annabelle Ewing** (Perth) (SNP): what devolution issues have been raised with her since 26 October. [199396]

The Advocate-General for Scotland (Dr. Lynda Clark): Since 26 October, there have been 118 devolution issues intimated to me. Twenty-three devolution issues related to criminal matters including pre-trial delay and self-incrimination. The remaining 95 devolution issues related to civil matters, almost all of which concerned prison conditions.

Miss McIntosh: I am delighted that interest in the hon. and learned Lady's work is increasing. Last time, she had only 28 devolution issues, I believe. What is the legal issue on delivering energy policy in Scotland, particularly renewable energy targets, when energy policy is reserved and planning policy is devolved?

The Advocate-General: The interest and the increase in devolution issues is not necessarily a good thing in the sense that these are allegations that various Ministers have acted contrary to the convention on human rights. I do not think that we necessarily want to have hundreds of devolution issues.

Each issue, as I have tried to explain, has to be considered in its own context, against the background of the fairly complex provisions of the Scotland Act 1998. In general terms, land use, planning and environmental protection are devolved. Energy policy is reserved. Obviously the Government work closely with the Scottish Executive in policy terms. If any challenge is made by way of a devolution issue or if it is necessary to look at legislation, that would be a matter to which I would apply my legal mind.

Ann McKechin: I am sure that my hon. and learned Friend shares my support for the introduction of a corporate manslaughter Bill for England in the Queen's Speech, and the announcement by the Scottish Executive of a similar corporate homicide Bill for Scotland. Can she confirm that it would be her intention to meet Ministers of the Scottish Executive and members of the legal profession of Scotland to ensure that these Bills will effectively dovetail with each other and provide robust protection for workers wherever they may be working in the United Kingdom?

The Advocate-General: Obviously there have already been discussions with policy Ministers. There are a number of quite complex legal issues that will be addressed in future. I will no doubt have relevant discussions from time to time about these issues. My lawyers in the Office of the Solicitor to the Advocate-General will advise the Whitehall Departments about Scottish law and how best to draft the Bill to take account of the particular Scottish law context.

Mr. Carmichael: Does the Advocate-General share my concern that the proposed power that is to be given to the director of the intended Serious Organised Crime Agency to designate his officers as having the powers of a constable in Scotland risks riding roughshod over the devolution settlement, which gives operational competence for criminal justice to the Scottish Parliament? Does she agree that that could lead to having people operating on the streets with the powers of a constable who have no knowledge of Scots criminal law or procedure? Will she speak to her colleagues in the Home Office about that?

The Advocate-General: Again, that is a matter that lawyers in the Office of the Solicitor to the Advocate-General would discuss. As for the policy view, I am afraid that I do not share the hon. Gentleman's concern, although I am anxious that Scots law provision is taken into account. I am sure that he will accept that as we have introduced the European convention on human rights in domestic law there are increased opportunities for challenge when there is difficulty in exercising those powers.

Annabelle Ewing: Does the Advocate-General believe that the UK Government's plans to reform the public inquiries system that were announced in the Queen's Speech last week will make it more or less likely that there will be a public inquiry into Deepcut? The case for holding one is surely overwhelming following the damning allegations revealed last night in the Surrey police dossier.

The Advocate-General: I do not think that the provisions will make any difference, but I understand that a statement will be made by the Minister of State, Ministry of Defence about those particular matters.

CONSTITUTIONAL AFFAIRS

The Parliamentary Under-Secretary was asked—

Legal Aid

21. **Mr. Jim Cunningham** (Coventry, South) (Lab): What percentage of the population received civil legal aid in the UK in 2003. [200054]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): It is not possible to answer this question in precisely the terms requested. We do not record the number of people assisted but the number of acts of assistance granted. One person, of course, may receive several acts of assistance. The number of civil acts of assistance in 2003 was 1.14 million.

Mr. Cunningham: The Coventry and Warwickshire branch of the Law Society has expressed grave concern about the legal aid budget, as it is set at a level that denies large numbers of people legal aid. What is my hon. Friend doing to offset that through mediation and conciliation?

Mr. Lammy: I know that Coventry has a very good law centre. We have set up a fundamental legal aid review to look at processes and legal aid costs. We are working with stakeholders—solicitors and barristers—across the piece to ensure that we have the right legal aid settlement in future. It is important to remember that our civil legal aid bill has remained static at a time when many other countries, including Sweden, the

Netherlands and Canada, have cut theirs. We are piloting mediation and arbitration in 30 centres across the country, and expect to see the results next year.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): The Minister is surely well aware that the civil legal aid budget is under constant pressure because of the criminal legal aid budget. Does he recognise that it needs to be ring-fenced if we are to avoid a situation in which the pressures of criminal legal aid, if not dealt with, result in fewer people having access to the law through civil legal aid?

Mr. Lammy: The right hon. Gentleman will know that we took personal injury cases out of scope, and conditional fee agreements are available for such cases. The Select Committee on Constitutional Affairs has discussed before-the-event and after-the-event insurance, as well as other mechanisms to enable people to access justice. We have just set up CLS Direct so that people can receive advice through a telephone service, which is particularly important in rural areas. However, his point goes to the heart of many our discussions in the fundamental legal aid review. Indeed, I have discussed all those issues with barristers, solicitors, community workers and others over the past few weeks.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister referred to the review of civil legal aid within the framework of trying to encourage early resolution and discourage unnecessary litigation. Can he reassure the House that, whatever recommendations are implemented, the baby will not be thrown out with the bathwater, and the civil legal aid budget can still target deserving cases and priority areas, as there is a risk that they will be pushed to the sidelines?

Mr. Lammy: We on the Labour Benches are rightly proud of setting up legal aid in the first place, and we are looking to ensure that we have the right settlement over the coming years. We are proud of the contribution that we make through Government to the citizens advice bureaux and to our law centres across the country. We want to ensure that people who are socially excluded—not just through poverty, but many elderly as well—receive that advice, and we have set up the funded legal aid review to ensure that they get it.

Mr. Jonathan Djanogly (Huntingdon) (Con): I am grateful to the hon. Member for Coventry, South (Mr. Cunningham) for tabling the question. I asked the same question as a written question only a few weeks ago, reference 198521. The Minister's reply today has left me none the wiser. He replied to my written question that in 1997, 52 per cent. were eligible for civil legal aid; in 1999, 51 per cent. were eligible; and in 2000, 50 per cent. were eligible; but no recent figures were provided. Perhaps that is not so strange, considering the management failures of the Department. On legal items, which cannot be capped—

Mr. Speaker: Order. Questions must be short and snappy, and the hon. Gentleman's question is too long.

Mr. Djanogly: Is it not the case that not only are the Government reducing access to civil legal aid but that the budget is being sucked dry to pay for a small number of criminal cases and also asylum seekers?

Mr. Lammy: The hon. Gentleman said he did not understand the figures, and he compares 1991 with 2004. Let me tell him what was different about 1991. In 1991 we were heading towards mass unemployment and rising mortgage costs. Those factors affect the civil legal aid budget. Because the economy is stronger, fewer people are experiencing the sorts of social exclusion that civil legal aid exists to help. Let me also say—

Mr. Speaker: Order. The Minister can write to the hon. Gentleman.

Hunting Act

22. **Ann Winterton** (Congleton) (Con): What assessment he has made of the likely impact of the Hunting Act 2004 on the future work load of the Court Service. [200055]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I am content that the courts have ample capacity to cope with any new work load arising from offences created by recent legislation, including any offences committed under the Hunting Act.

Ann Winterton: During debates on the Hunting Bill, now an Act, the Minister in charge assured the House that the costs would be the same after the Act was passed as they were before. Can the hon. Gentleman confirm that? What is the view of his Department on the matter?

Mr. Leslie: We take the view that the Hunting Bill is now an Act of Parliament, that all individuals, including hon. Members, will want to see the public uphold the law of the land, and that there should be no significant extra costs to the courts, which are perfectly capable of coping with any new offences that arise.

Rob Marris (Wolverhampton, South-West) (Lab): The work load of the Court Service could increase, because before the Hunting Bill was passed, a number of magistrates said that they would defy the Act. What steps are being taken to deal with the effect that it could have on the work load of the Court Service if we have fewer magistrates?

Mr. Leslie: The Lord Chancellor has already reiterated that all members of the judiciary clearly have a duty to uphold the law and to practise accordingly. We do not anticipate any problem in that regard.

Mr. Oliver Heald (North-East Hertfordshire) (Con): But does not the Minister recognise that there are potentially tens of thousands of extra cases that will need to be heard in courts in rural areas? What plans are there for extra court sittings? Will it be necessary to bring in more stipendiary magistrates? Does he have any indication of the effect of the new law on retention of magistrates, many of whom may find the implementation of the attack on rural England totally unacceptable?

Mr. Leslie: I am glad to see that the hon. Gentleman also supports the law of the land. We do not anticipate that there will be any extra burden on the court system,

and I do not anticipate the tens of thousands of cases of which he seems to have knowledge. I disagree with him about that.

Magistrates (Nottingham)

23. **Mr. Graham Allen** (Nottingham, North) (Lab): What plans he has to improve the contact between magistrates and the police and community they serve in Nottingham, North; and if he will make a statement. [200056]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): The Nottinghamshire criminal justice board was created earlier this year, since when representatives of the judiciary, courts, administration, police, probation, Crown Prosecution Service, police and local council have an improved regular dialogue about their local activities and priorities. The Government are keen to raise public confidence in the criminal justice system with, for example, court open days, the appointment of magistrates with local connections, and new Court Service area directors available to meet any hon. Member at their request.

Mr. Allen: I welcome the fact that the Lord Chancellor gave a presentation at the Cabinet last week on uniting the criminal justice system with the people whom it is meant to serve, but does the Minister realise that this can only take place on the ground and that there is fundamentally a lot of misunderstanding between magistrates and police officers and the community that criminal justice is meant to serve? Will he look at the nitty-gritty and detailed organisation on the ground of how magistrates connect and communicate with the communities on our estates, where crime is the No. 1 issue?

Mr. Leslie: I certainly agree with my hon. Friend to the extent that, while magistrates cannot discuss individual cases, they should be encouraged to listen to the views expressed by local communities. That is why we have established new courts boards to be operational from April, for example, in which members of the judiciary will meet representatives of local communities. There are a number of other initiatives that we could also encourage, including the magistrates in the community initiative, so that magistrates can listen to local neighbourhood concerns.

Dr. Nick Palmer (Broxtowe) (Lab): In Broxtowe, as in Nottingham, there is concern that additional police and community support officers will need further support from additional resources downstream in the criminal justice system, including the magistracy, so that police officers do not have long waits in the magistrates courts to get cases heard and prosecutions carried out, and so that they can get back on the streets to catch more criminals.

Mr. Leslie: My hon. Friend is entirely right that one of the worst inefficiencies that we have seen in the courts system historically is that police officers sometimes wait around all day for cases to be heard. We now have new processes and effective trial management systems in place to reduce that problem, including a new computer system called Exhibit, which will notify police officers of precisely when their evidence needs to be taken. I hope that that will help.

House of Lords

24. **Tony Wright** (Cannock Chase) (Lab): What proposals the Secretary of State has for the second stage of House of Lords reform. [200057]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): The Government are determined to proceed with further reform of the House of Lords. It is important to consider the proper role and functions of the second chamber, and not just issues of composition alone. Policy will be developed further in the context of the Labour party manifesto.

Tony Wright: Does my hon. Friend agree that, although the Government have a very impressive record of constitutional reform to their credit, House of Lords reform has not been one of their great success stories? I suggest to him that the Government have made House of Lords reform more difficult than it need be, as some of us across the House have recently tried to show. Will he do all he can to ensure that a reforming third term has this major piece of unfinished constitutional business at its centre?

Mr. Leslie: The Secretary of State for Constitutional Affairs has made this point himself: we want to move forward on reform of the second chamber. I do not believe that it is possible to have a legitimate second chamber without some reform. It is possible to move forward on this, but we had votes in this Chamber and there was a difference of opinion about the extent to which we should have appointment or election. We want to achieve consensus as far as possible, if it is available.

Rev. Ian Paisley (North Antrim) (DUP): Will the Minister explain to the House why the Democratic Unionist party has no representatives in the House of Lords, but all other parties have? Is that not deliberate discrimination against the largest section of the Unionist people now in Northern Ireland?

Mr. Leslie: I would agree to the extent that we need to have a second chamber that is more representative and reflective of the balance of society. To that extent, we should always try to strive for that objective. Individual appointments to the other place are not a matter for me, but I shall certainly pass on the hon. Gentleman's comments.

Mr. David Kidney (Stafford) (Lab): Is it the case that in this parliamentary year, the Law Lords will have their right to sit in the House of Lords taken away? If so, where will their alternative home be?

Mr. Leslie: We want to create a new supreme court and move the Appellate Committee of the House of Lords out of the legislature. That depends on the

progress of the Constitutional Reform Bill. I hope that we can pass it through not only the other place, but this House as soon as possible.

Mr. Paul Tyler (North Cornwall) (LD): The Government's programme for this Session, which was announced last week, states that the

"Government will continue to modernise the constitution and institutions of our country".

Does that extend to the House of Lords?' Will the Minister accept that the cross-party initiative announced last week offers a draft Bill in the near future, which would surely enable him to fulfil the promises made to the House and to the country in two manifestos?

Mr. Leslie: The hon. Gentleman knows the difficulties that we have had with House of Lords reform. We have proposed legislation, but the other place would refuse to pass it, which could create a massive backlog of other pressing legislation. We want to press ahead, but we must ensure that we achieve the greatest possible consensus. Returning to the matter in our manifesto is one way to make certain that we can make progress early in the next Parliament.

Chris Bryant (Rhondda) (Lab): Why is my hon. Friend being so coy? Why is it taking so long to see the plain obvious? Consider Ukraine, South Africa or even the United States of America, where people queued for hours to vote. What is wrong with democracy informing a second chamber? Instead of the ludicrous ping-pong between the two Chambers, we should have a new Parliament Act to reconcile this Chamber with a new democratic chamber.

Mr. Leslie: Consensus exists on some issues—for instance, on the idea that this House of Commons should be supreme and is the ultimate elected chamber. The question concerns the powers of the revising chamber and how they should be reflected in its composition. That problem is not impossible to solve, but we must return to it so that the public can make their judgment on the different parties' respective manifestos.

Sir George Young (North-West Hampshire) (Con): In the last manifesto, the Prime Minister committed himself and his party to a more democratic and accountable House of Lords. He then announced that he had changed his mind and that proposal was abandoned. How do we know that the same thing will not happen again?

Mr. Leslie: The right hon. Gentleman could go through the history of the decisions that we have taken and principles on which we have voted in this House. The Government tabled proposals for reform and the other place objected to them. It refused to entertain reform. We had to make a judgment, balanced against some of our other policy priorities, and we are progressing as best we can, but he can be sure that we will return to the matter.

Housing (Legal Advice)

25. **Ross Cranston** (Dudley, North) (Lab): What assessment he has made of the arrangements for provision of housing law advice. [200058]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): There were 81,606 acts of legal assistance in housing in 2003–04. In the west midlands, Yorkshire and Humberside, the north-east and Wales, housing advice is available through not only solicitors, citizens advice bureaux and law centres, but the community legal service direct, which was launched in July this year. We gained 56 additional housing contracts nationally in April this year, and we are introducing increased remuneration for housing lawyers, as of today.

Ross Cranston (Dudley, North) (Lab): That is good news. May I draw my hon. Friend's attention to the situation in Dudley, where the Legal Services Commission has no contract for housing advice? I declare my interest as a lawyer, but I am the last one to argue for legal solutions to social problems. However, lawyers help to ensure that landlords repair properties and local government meets its obligations to the homeless. Will my hon. Friend take up the issue with the LSC? I understand that the LSC is discussing an outreach centre for Dudley with Shelter, which is important.

Mr. Lammy: My hon. and learned Friend has raised that issue in the past. I have taken it up with the LSC, which is why Shelter has been given a contract to offer more than 1,000 hours of outreach in Sandwell and Dudley. I hope that the decision to increase remuneration for housing lawyers in litigation will help to bring more providers into the service. I have asked the LSC specifically to examine encouraging existing legal aid practitioners in Dudley to take up housing law.

Mental Capacity (Withdrawal of Treatment)

26. **Mr. Ben Chapman** (Wirral, South) (Lab): If he will make a statement on the implications of the withdrawal of life-saving treatment from those lacking mental capacity. [200059]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): A doctor who omitted to provide treatment that he was under a duty to provide because it was in the best interests of the patient, and where the omission led to death, might face criminal prosecution for gross negligence or manslaughter. He could also face legal liability and negligence and/or professional sanctions.

Mr. Chapman: My hon. Friend will be aware of the deeply felt concerns about living wills and the withdrawal of food and fluids. With the recent publication of the report by the Joint Committee on Human Rights, what reassurance can he give the House that the power to withhold treatment, particularly food and fluids, will not be transferred from medical

professions to the attorney, and that the provisions of the Bill are compatible, as a whole, with the European convention on human rights?

Mr. Lammy: I am pleased that the Joint Committee on Human Rights, having considered the Bill, feels comfortable that it is compatible with human rights, although it rightly asks certain questions, as have many hon. Members, about this very difficult area. The most important aspect of the Bill is to ensure that everything done is in the patient's best interests. We as a Government have been keen to ensure that that objective test is as good as we can make it. That is why the Bill has received so much scrutiny over the years.

It is important to bear it in mind that there will always be difficult cases such as that of Tony Bland and it is right that those should be considered in court. That will continue to be the case. It is also important that we were able to put into the Bill clause 58, which rules out euthanasia.

As to advance decisions, we had much debate in Committee to ensure that we have the right safeguards, and I am pleased that members of the Committee felt able to vote with the Government on those issues.

LEADER OF THE HOUSE

The Leader of the House was asked—

Parliamentary Questions

33. **Mr. Ben Chapman** (Wirral, South) (Lab): If he will bring forward proposals to allow tabling of written questions during recesses. [200068]

The Deputy Leader of the House of Commons (Mr. Phil Woolas): My right hon. Friend the Leader of the House has no plans to do so.

Mr. Chapman: In 2002, the Procedure Committee recommended that Members should be able to table written questions during recesses and have them answered. As Ministers continue to be Ministers, Departments continue to function and ministerial cover continues through duty Ministers, I cannot for the life of me understand why we should not be able to table questions and get them answered. After all, that is not the same as writing letters. Can my hon. Friend assure me that early progress will be made?

Mr. Woolas: I thank my hon. Friend for his question. My right hon. Friend the Leader of the House has brought about innovations to help Members with the tabling of questions. For example, questions can be answered in a special edition of *Hansard* when we are in recess, and "I will reply" letters are now placed in the Library and in *Hansard*. On the other side of the coin is the fact that, while the House is in recess, Members can write to Ministers, as my hon. Friend suggested. The Government's response to the Procedure Committee is based partly on the knowledge that, in Scotland, where such a system is in place, it has unfortunately been abused.

Mr. Oliver Heald (North-East Hertfordshire) (Con): The Deputy Leader of the House will know that the Procedure Committee's particular concern was that there should not be a three-month gap in which it was not possible to press Ministers and ask questions. Obviously, that has been eased somewhat by September sittings, but is there any proposal to tackle what will happen in September 2005, when we will not sit in September? We will be back to the bad old days of having three months with no opportunity at all to question Ministers. Can some measure be put in place to deal with that?

Mr. Woolas: As the hon. Gentleman knows, the Modernisation Committee is examining September sittings and the House will have an opportunity to consider its recommendations in due course. I am sure that hon. Members want to hear the points that have been expressed about written questions. Let me amplify. There is a serious danger that proper questioning of Ministers can be abused. There was a tenfold increase in the Scottish case. Some hon. Members of all parties table many dozens of questions. I do not believe that anyone would want to deny House officials a limited break during August. I emphasise that the option of writing letters is available.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend accept that the Government operate for 52 weeks a year and that it is therefore right that hon. Members should be able to ask questions for 52 weeks a year? Answers in *Hansard* have much more merit than letters to Ministers. I urge my hon. Friend and my right hon. Friend the Leader of the House to reconsider the matter. Under a democratic, open Government, which we profess to be—and are—we should be able to ask questions for 52 weeks a year.

Mr. Woolas: I confirm that we are indeed a democratic and open Government. That is why the innovations that my right hon. Friend the Leader of the House instigated have enabled Back Benchers to ask more questions and receive fuller replies. The innovations include written ministerial statements, which the hon. Member for North-East Hertfordshire (Mr. Heald) opposed. The Government work 52 weeks a year—24/7 is perhaps a more appropriate term. Nevertheless, officials are entitled to a break. My hon. Friend the Member for Burnley (Mr. Pike) knows that I hold him in the highest regard and I stress to him that we operate on the principle that, when we are in recess, the normal functions of the House do not take place. Hon. Members can take other measures, including writing letters to Ministers, as, indeed, they do.

Mr. Paul Tyler (North Cornwall) (LD): The Deputy Leader of the House appeared to say that the Government deserved a limited break from parliamentary accountability for three months. Surely next year, when there will be no September sitting, for reasons that we all understand, we should have a trial period to ascertain whether for at least two of those months, Members can hold the Government to account.

Mr. Woolas: I did not suggest that the Government were not accountable for 52 weeks a year. They are. During the recess, the hon. Gentleman and others speak to Ministers, write letters and ask questions. That is quite proper. To be helpful, I had already said that the Modernisation Committee is considering the future of September sittings. Doubtless, he will raise the matter when we hold that debate.

Ministerial Statements

34. **Hugh Bayley** (City of York) (Lab): If he will ask the Select Committee on Modernisation of the House of Commons to inquire into how the House considers statements from Ministers who have attended international meetings. [200069]

The Leader of the House of Commons (Mr. Peter Hain): I have no plans to do so but I am open to suggestions from hon. Members about how we might improve the organisation of business in the House.

Hugh Bayley: With the Prime Minister giving such a clear priority to Africa during the UK presidencies of the G8 and the European Union next year, will my right hon. Friend ensure that hon. Members have regular opportunities throughout the year, and beyond that, to debate Africa and question Ministers from all the relevant Departments, including the Department for International Development, the Foreign Office, the Ministry of Defence and the Department of Trade and Industry, on a cross-cutting basis?

Mr. Hain: I am sympathetic to the idea of a cross-cutting question session on Africa. I pay tribute to my hon. Friend's work and to that of my hon. Friend the Member for Clydebank and Milngavie (Tony Worthington)—*[Interruption.]* My right hon. Friend the Minister of State for Defence corrects my pronunciation of "Milngavie." My hon. Friends have done valuable work and have said that Africa should be debated more regularly in the House and that Ministers should be held to account. We want to consider a way of achieving that and cross-cutting questions is one method.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Will the Leader of the House remind the Deputy Leader of the House of the excellent procedure that is called urgent questions, whereby any hon. Member, including Government Back Benchers, can submit an urgent question to Mr. Speaker, who has the right to dispose of it one way or another? That is a good mechanism for calling Ministers to account whenever hon. Members believe that it is necessary in the context of international meetings or, indeed, anything else.

Mr. Hain: As the right hon. Gentleman knows, that option is exercised regularly and Mr. Speaker makes a decision on it.

HOUSE OF COMMONS COMMISSION

The hon. Member for Roxburgh and Berwickshire, representing the House of Commons Commission, was asked—

Accessibility

35. **Mr. Graham Allen** (Nottingham, North) (Lab): If he will agree with the Royal Institute of British Architects the rules for an architecture competition to make the House more accessible; and if he will make a statement. [200070]

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): The Commission has no plans for an architectural competition to make the House more accessible, but the hon. Gentleman will know that the Modernisation Committee recently suggested some sort of viewing gallery to enable passing visitors to see the House while sitting. The Commission, however, does not consider it feasible in the current security climate to contemplate tours passing through the Gallery, although the proposed visitor centre will have, as one of its primary objectives, allowing visitors to see at least something of what Parliament is and does.

Mr. Allen: The House will realise, having been close to some serious incidents perpetrated by extremists, that one of the things that the extremists would hate most would be more people being able to see the proceedings of the House at first hand as a result of their actions. Will the hon. Gentleman take away again the thought that we could tap into the brains of RIBA, listen to people, have a competition and perhaps let Members of the House decide whether any format that emerged would make the House more secure and, above all, more accessible to people in a modern democracy?

Sir Archy Kirkwood: The hon. Gentleman's passion for making Parliament more accessible to the public is well known and I encourage him in that endeavour, but I cannot see in the short term any realistic possibility of the Commission being able seriously to contemplate doing some architectural trick that would not prejudice security or cost a lot of money.

LEADER OF THE HOUSE

The Leader of the House was asked—

Sitting Hours

36. **Mr. Andrew Mackay** (Bracknell) (Con): If he will make a statement on future sitting hours of the House. [200071]

The Leader of the House of Commons (Mr. Peter Hain): The Modernisation Committee is completing its inquiry on sitting hours and the House will have the opportunity to debate and come to a decision on the Committee's findings in the new year.

Mr. Mackay: May I urge the Leader of the House to ensure that a decision is taken very soon? We have had enough debate. There are rather set opinions around the House and it would be helpful if, early in the new year, he ensured that appropriate votes took place.

Mr. Hain: I agree with the right hon. Gentleman, which is why, at the earliest opportunity in the new year, once the Modernisation Committee report is available to Members of the House for detailed consideration, we will have a debate.

Deepcut Allegations

12.32 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): Mr. Speaker, I would like to make a statement concerning the Surrey police papers listing allegations of inappropriate behaviour during Army training.

I make it clear first that the Army and the Ministry of Defence take issues of bullying, harassment and any form of mistreatment extremely seriously. We cannot compromise on the nature of our training, which must be sufficiently robust to prepare our soldiers for the considerable hazards and rigours of operations. An Army career has never been, and never will be, a soft option, but I would like to make it clear that violence and intimidation are not the means by which the Army produces the soldiers it needs. Our policy continues to bear down hard on such behaviour and, as far as is possible, to eradicate it completely from our bases and training grounds. We are succeeding at this. Such behaviour has no place whatever in society and neither is it tolerated in the Army.

I am aware that the media coverage yesterday of the Surrey police memorandum submitted to the Defence Committee on 13 October has encouraged those who have been calling for a public inquiry on the very sad events at Deepcut barracks. I would like to address those calls by setting out clearly what this document is and what actions are being taken in response to it.

During the recent investigation of the four Deepcut deaths, Surrey police obtained numerous statements involving allegations of inappropriate behaviour at the base and elsewhere. In their fifth report, published in March 2004, Surrey police alluded to evidence uncovered during their inquiries and indicated that some of those allegations may be subject to further examination in due course.

At the Army's request, in June 2004 Surrey police provided two confidential schedules containing anonymous individual allegations. The first concerned allegations centred on 1995 and the second on the period 2001–02. A memorandum containing these same schedules was submitted to the House of Commons Defence Committee for its 13 October evidence session with Surrey police and this has been made publicly available. I want strongly to refute the allegation that this is a leaked document, and I would call into question the motives of those in the media who have depicted it as such.

There are 118 entries in the two schedules, covering 173 separate allegations. Eighty of the entries are from 1995. The level of detail is sparse, much of it is hearsay, and much of the descriptive content is vague. Names have been excluded, as the material was provided in confidence to Surrey police. The nature of the allegations is wide-ranging. Some concern pay discrepancies, but the majority allege some form of physical or sexual harassment. Some of the allegations appear to relate to the same incident or pattern of behaviour. Nine of the allegations concern rape and all but three of those have been investigated or are still under investigation. Of the three not subject to investigation so far, in the police's judgment, two are unsubstantiated hearsay accounts. Investigations to date have resulted in one known conviction. Within the total of nine rape allegations, there is one case of multiple rape, which is currently under investigation by Surrey police.

Let me make the position on the document clear. In submitting their report, the police set out their views on the material, saying:

> "It is important to point out that, to a great extent, the witness recollection is uncorroborated and untested and thus any examples cited should be treated with necessary and appropriate caution. Many of the examples have not been formally investigated at this time as the details were given more as background information as opposed to specific allegations."

Surrey police have also made it clear that they will not be making any further inquiries themselves. The schedules have been examined by the Army and, as a result, Surrey police were approached in September 2004 with a view to obtaining consent for the relevant statements to be disclosed to the Royal Military Police. I am advised that Surrey police have contacted the individuals concerned and I understand that only two individuals have agreed to disclosure. The Royal Military Police will begin investigations into those two cases as soon as the relevant details have been made available by Surrey police.

I have heard others talk about how this document proves that a culture of fear and violence existed at Deepcut barracks. We must be very careful here. This document does not contain evidence. It contains some allegations that have already been investigated and other allegations that are worthy of investigation but that have not yet been tested.

Let me advise the House on how I intend to proceed. These are serious issues, and while I am satisfied that all that can be done is being done, there is a need for that to be seen to be done. I therefore accept the case for a further review by a fully independent figure and will be announcing details shortly.

I wish to make one further point, which is to pay tribute to the many instructors and staff at our military training establishments who produce high-quality, excellently trained and superbly motivated young men and women for our armed forces. We should not lose sight of that fact.

Mr. Gerald Howarth (Aldershot) (Con): I thank the Minister for providing me with advance sight of his statement. At the outset, I repeat what I said in May this year: our hearts go out to the parents and families of those four young recruits who died while training to serve their country.

The issues raised in the *Evening Standard*, as advance publicity for the Channel 4 documentary to be screened later this week, are extremely serious. As the Minister pointed out, it is important to note the caveat issued by Surrey police that few of the allegations had been formally investigated or tested in court and they should be treated with "necessary and appropriate caution".

Nevertheless, continuing reports of abuse of recruits at Deepcut can serve only to undermine public confidence in the ability of the Army in particular, and the armed forces generally, to discharge the duty of care that they owe to the young recruits entrusted to them. The conviction last month of Private Leslie Skinner is evidence of a substantial and inexcusable failure of the system. The official Opposition have so far refrained

from joining the calls for a public inquiry, but unless the Ministry of Defence can convince the British people that the training regime has recaptured trust in its ability to exercise a proper duty of care, it is clear that only a public inquiry will suffice.

The Minister's problem is that all opinion polls show that there is now a universal mistrust of the Prime Minister and the Government generally. Most regrettably, past evidence does not provide grounds for optimism about the Ministry of Defence's ability to reassure the public. There have been no fewer than six internal Army inquiries between 1988 and 2003, each of which has produced recommendations that have been either ignored or rejected as too expensive to implement. In his 2001 report, Lieutenant-Colonel Haes observed:

"The Army Training and Recruitment Agency is failing in certain aspects as a result of a reduction in the military workforce and increased obligations."

A report from today's *Evening Standard*, which has just been handed to me, reveals classified minutes written, apparently last month, by the Adjutant-General, Sir Alistair Irwin. He

"says he is personally 'grieved' by the 'significant underfunding' of the Army Training and Recruitment Agency . . . the organisation that runs Army training camps."

I hope that the Minister will be able to answer that point. He may not be able to do that immediately, but he must answer General Irwin's allegation that

"It will continue to be an issue to address in 2005".

It is a practical issue that is with us.

While we note the Minister's intention to appoint another independent inspector, in his statement of 24 May this year he told the House that he had appointed the adult learning inspectorate to conduct independent inspection of the armed forces training establishments. What will the new inspector do that the current inspectorate is not already doing? Is the inspectorate on track to report by next Easter, as promised, and in the six months for which it has already been operating, has it identified any significant lessons?

What was the result of the audit carried out this summer by the director of operational capability, commissioned by the Minister? What has been the trend in suicides at Army training establishments since the Government introduced new measures earlier this year? How many allegations of rape, bullying and other abuse have been made this year at Deepcut and Catterick? Are the numbers higher or lower than the trend of recent years? How do the numbers of alleged abuses at Army training establishments compare with those relating to the Royal Navy, Royal Marines and Royal Air Force? Is the Minister satisfied that there is an effective system in place to enable recruits experiencing abuse to report it without fear of retribution? Can he confirm that instructors are now themselves fully trained to identify possible abuse by other recruits?

Finally—here I do agree with the Minister—many tributes have been paid over recent months to the extraordinary professionalism and courage of Her Majesty's armed forces. It is important to recognise that those very qualities derive in large measure from a training system that has to be robust.

Mr. Ingram: I echo the sentiments expressed by the hon. Member for Aldershot (Mr. Howarth) about the families. I have met all the families. I met Mr. James, father of Cheryl James, on the eighth anniversary of his daughter's death last year. I was due to meet him again today, but the meeting was cancelled at Mr. James's request. I have met all the other families.

The hon. Gentleman referred to the case of Skinner. We have accepted that a bad decision was made at one point—to send him back to Deepcut—but I do not think that that represents a total failure of the system. He was brought to account—brought to justice. All his wrongdoings surfaced and he has now been convicted. There is a tendency to conflate the Skinner case with 1995 and 2001–02. I should make it clear that Skinner was not there during those periods. I hope that the hon. Gentleman is prepared to accept that.

The hon. Gentleman is right about the need to recapture the public's trust. We are faced with considerable criticism about that, which is why I am looking for a way of achieving it.

The hon. Gentleman did his case a disservice by trying to bring political point scoring into this. Let me repeat that the earlier incidents were in 1995, long before my time in Government and before the present Administration began. When the incidents in 2001–02 occurred, I immediately asked for a full examination of everything that was being done in all other training establishments, not just in the Army but in the Navy and Air Force. I asked for that to be done independently, through the DOC inquiry. That body has reported three times and all its findings have been made public. I have published every document relating to these matters. They were not published before but they have been published on my watch, so that I can ensure that people have full understanding and awareness of all the issues.

The hon. Gentleman referred to the decision to appoint the adult learning inspectorate, which was based on a sound and strong recommendation. It will not be examining the past; rather, this is about giving confidence for the future, and it is on course to report to me in the spring of next year. The chairman of that body has open access to me, and I have made it clear to him—he has stated this publicly—that if he finds any resistance anywhere within the system, he should immediately contact me or the Under-Secretary of State, who also has responsibility in this area. The chairman has made no such reports to date, and in fact, he is making good progress in getting full co-operation within the system. The Army, Navy and Air Force take great pride in what they do at all levels of training, and they want to ensure the public's confidence.

The hon. Gentleman asked a number of questions about the trend in suicides. It is too soon to tell and we cannot establish a trend for the period in question. However, it is worth bearing it in mind that the suicide level for the armed forces as a whole is lower than the national average, although within a particular cohort it is significantly higher. That said, the cohort in question is small, so it is very hard to reach a firm conclusion. None the less, one suicide is one too many, and we must seek to address that issue.

[Mr. Ingram]

All the information is out there and we have given full visibility. As I said, I will shortly be making arrangements for the further review that I intend to carry out.

Mr. Paul Keetch (Hereford) (LD): I thank the Minister for making his statement to the House today, and I associate myself and my right hon. and hon. Friends with the condolences offered to the families concerned.

Yesterday's allegations concerning Deepcut are truly horrifying. If only a handful of them are true, we should all be ashamed. If they were made about a British Army camp holding Iraqi prisoners of war, there would be worldwide condemnation, but this is a British Army training camp consisting of British Army trainees. It is the same training camp in which four young soldiers apparently committed suicide. Why does the Minister believe that these were individual, isolated incidents? Does he accept that those four deaths could have been linked and might they not be related to the abuse that yesterday's allegations appear to reveal? Will his review therefore cover the deaths, as well as yesterday's allegations? Will it be held in public, when will he announce it and who will appoint the person who will run it? That person needs to be independent, as well as experienced.

I do not believe that bullying is rampant within the British Army, and nor do I doubt that a tough training regime is required, but at Deepcut those lines may have been crossed. For the sake of the families who seek answers, for the sake of the good reputation of the British Army and for the sake of those young men and women who deserve our protection as they train to defend us, we believe that there should be a full and independent public inquiry. We suspect that, one day, there will be.

Mr. Ingram: First, may I correct the hon. Gentleman, who should choose his language very carefully in dealing with this issue? He has been dealing with it for some time and he should not refer to the deaths as four suicides—

Lembit Öpik (Montgomeryshire) (LD): The right hon. Gentleman said it.

Mr. Ingram: If I did, I, too, should choose my words carefully. The situation is that one of the deaths was declared a suicide, two resulted in open verdicts and one has still to be determined—*[Interruption.]* I am glad that Opposition Members agree, because these are the facts. The coroner's inquest—a due process of law—will be an open process with no limitations, and it can call for anything that it wants. It is also important to bear it in mind that it will be conducted under the full auspices of human rights legislation. Of course, it will then have to be considered in any further review.

Any further review will also have to consider the fact that there are ongoing inquiries. We do not want to prejudice a process that may result in police inquiries or in criminal charges. We have to walk a line in order to get this absolutely right, because when people are accused, they are innocent until proven guilty. Let us not run away with ourselves. We are supposed to be a House of higher thinking, placing great weight on the balance of the argument. That is what we are seeking—certainly what I am seeking—to do in dealing with this particular issue. I think that I have addressed the main thrust of what was said by the hon. Member for Aldershot (Mr. Howarth)—

Mr. Gerald Howarth: When will it be published?

Mr. Ingram: I have already said that it will be announced shortly.

Mr. Brian Sedgemore (Hackney, South and Shoreditch) (Lab): Is the Minister aware that the public are becoming increasingly bewildered by the defensive posture of Ministers towards what appears to be a pattern of bad behaviour, negligence, crime and possibly manslaughter and murder at Deepcut? It is probably too late now to find out how one my constituents, Private Gray, died, not least because the Army was itself negligent in conducting the initial inquiry. Surely it is now time not for another review, but for a public inquiry.

Mr. Ingram: I accept that there is a level of public concern about it, but let me say that, when a death occurs on an Army barracks, it is not a matter for the Army to conduct its own inquiry, but a matter for the police. The police have primacy in all of this. *[Interruption.]* I am trying to answer the questions put to me and am happy to respond to further questions later. The police and the Army have recognised failings in the way that the earlier procedures were carried out. We cannot undo that. In one sense, I do not have responsibility, because I was not there at the time.

I am trying to work through the process of recognising that we have high-quality training through our Army, Air Force and Navy establishments; otherwise, we would not have the best fighting force in the world. Between 1995 and 2002, 12,000 recruits have been through Deepcut. It is not a broken machine and it is not really as some people like to describe it. There are certainly some aspects that require proper examination; much of it has already been undertaken and more needs to be done.

Mr. Nick Hawkins (Surrey Heath) (Con): As the Minister knows, Deepcut is in my constituency. Will he join me in paying tribute to the senior officers of Surrey police and to the senior officers at Deepcut in recent times who have had to deal with the poisoned chalice of this terrible and tragic history, which did not occur when they were the commanding officers? Will he acknowledge that the Army at Deepcut has the support of the local community and that the current commanding officer, Brigadier Clive Elderton, who is about to move on to other duties, has done a superb job in trying to deal with this problem?

In his initial statement, the Minister touched on the irresponsibility of certain aspects of the media coverage of the incident. Does he agree that it has been made immeasurably more difficult for the current senior military officers—and, indeed, the police—to work in an atmosphere where correspondents hang about local pubs trying to pick up any gossip about Deepcut in

order to report it in the most sensational manner? That does no service to the families who suffered from this tragic loss and it certainly does not do the local community, the police and the Army any service.

Mr. Ingram: That was a helpful contribution. I did pay tribute to the staff and I echo that sentiment again. I also paid tribute to the work of the Surrey police in compiling and analysing the issues and taking them forward. I fully recognise the strong support within the community for the Deepcut barracks and I readily understand why that is. Deepcut is a place of excellence. Having said that, there are some unsatisfactory elements in what has happened in the past. We have to bottom it out and find the reasons for it. We are now in receipt of some of that information and we are working our way progressively through the background to it. We should all bear in mind what the Surrey police said about the evidence—I know that the hon. Member for Surrey Heath (Mr. Hawkins) accepts it—and about how many of the allegations should be treated with caution.

Mr. Kevin McNamara (Hull, North) (Lab): My right hon. Friend will be aware that the families are asking for a public judicial inquiry, and nothing short of that will satisfy them, because they believe that, in respect of the deaths and other circumstances, the Army has failed in its duty of care. They want to know what happened to their loved ones and what treatment was suffered by those who served at the barracks. They believe that that will come out only if there is a public judicial inquiry.

My right hon. Friend made an important announcement in his statement when he said that he was going to appoint an independent figure to review these matters. However, what is at least as important as the independence of the person appointed is the powers that he will have. Is he only to examine documents or will he have the power to summon witnesses and take evidence? Will the families have a right to appear before him to provide their evidence? Will the review be limited to Deepcut, given that there are continuing worries about deaths in Catterick and the treatment of soldiers there? My right hon. Friend has not covered all those points, but they are fundamental if people are to accept the good faith of the Ministry of Defence. I realise that it may be a bad thing to say from the Government side of the House, but if we are to accept the MOD's good faith in establishing this new inquiry, it must not be seen to be another cover-up and another cloud. We would be prepared to accept some delay while the criminal proceedings are finished in order to have a proper, fair, impartial, judicial public inquiry.

Mr. Ingram: Let me make it clear to my hon. Friend that there is no intention of a cover-up and nothing I have done to date could lead anyone to that conclusion. Every document has been published and all the material advice that has come to me as a Minister about all the training establishments—not just those of the Army—has been made public. Three reports have been published as a result and I hope that he has had the chance to read them. I know that he takes a close interest in these matters. If he reads, or has read, the third report, he will note the very considerable progress made in attending to some of the key issues that were referred to in the first report. There is a trend within the inquiries carried out among the recruits at these establishments, demonstrating a significant change in attitudes towards possible bullying and harassment.

Progress has been made, but I have to say that we cannot be perfect. No institution in the world is perfect. We will have bullying, we will have harassment and we will have unsavoury incidents. We have had them in the past and no doubt will in future. What we have to do, and what we are seeking to do, is to create a zero tolerance attitude towards those problems. We have tried to secure a culture in all the training establishments that encourages such openness. If anyone has been subjected to any wrongdoing, they should refer it appropriately. I make that plea time and again.

My hon. Friend asked about the status of what I have announced today. My preferred option—let me be clear about it—was to await the House of Commons Defence Committee inquiry, because it has been an authoritative, detailed and methodical examination. We do not know what the conclusions will be, but it seemed to me that waiting for it to finish and then dealing with its conclusions would be the best option. All of what happened yesterday, especially in the way that it was presented as a leaked report, has changed that. The hon. Member for Aldershot was right to say that it was about whipping up interest in a programme due to be broadcast later in the week, which I believe is disreputable behaviour by some parts of the media. Fortunately, not all the media behave so disgracefully. I am examining the best way forward, including the powers of the review, and I shall, of course, take into account the views expressed by my hon. Friend.

Annabelle Ewing (Perth) (SNP): I was shocked and horrified to read the damning allegations in the Surrey police dossier, as were the Collinson family whose 17-year-old son, James, was found dead at the Deepcut Army barracks in March 2002. Indeed, last night, James Collinson's mother said:

"It fills me with horror, guilt and regret to think I sent my son to that place".

Surely the case for an independent public inquiry into the four deaths at Deepcut is now overwhelming. The question that must now be asked is whether the Ministry of Defence is going to continue to sit on its hands.

Mr. Ingram: That is a ridiculous charge. The MOD is not sitting on its hands. I do not know how many times I must repeat all the processes that we have carried out. I regret the way in which this surfaced and the way in which it was presented, but I make the point strongly to the hon. Lady that this information has been available since October. What was she doing about it? Was she not advising her constituent about it?

Annabelle Ewing: What was the MOD doing about it?

Mr. Ingram: Well, I have explained what we were doing about it. We were aware that it had been submitted to the HCDC. I have explained that I thought that that was an appropriate forum for a full examination into some very significant allegations. I thought that that was an appropriate way forward, but what I must now do, of course, is address the public

[Mr. Ingram]

concern that has been whipped up. I hope that that is not being exploited by the hon. Lady, but she should put things in proper context. I am prepared at any time to meet the families again, if they want to do so, and to talk them through all this.

I say again to the hon. Lady that she is part of a campaign to save one of the Scottish regiments, and the type of criticism that has been mounted—much of it unwarranted—does not help recruitment into the armed forces. We must work our way through this. That is why I set in train all the examination, and it is why I published its findings to try to regain public confidence. A bit more acceptance of that open approach would be welcome.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I rise to reinforce the message about the concerns felt among families beyond Deepcut barracks. My right hon. Friend will be aware that a constituent of mine, Derek McGregor, died at Catterick, so when he looks at the terms of his review, will he receive representations from those other families because many of them, including my constituents, have been waiting a very long time for answers about the deaths of their children?

Mr. Ingram: There is a process in this country called the coroner's inquest that seeks to establish the cause of death. It is not for Ministers to determine what has happened, and it is not even for the Army. The earlier Deepcut deaths were inappropriately handled by the Army; wrong language was used and those involved should not have said what they said. Of course, we hope that they will never repeat those mistakes because that is very unsettling for the families. However, I am now faced with a demand for an open inquiry into everything that has ever happened in any barracks over any period. That is what my hon. Friend has just requested. I do not think that that is tenable, bearing in mind all the success that we achieve at Catterick, Deepcut and all the other training establishments. Hon. Members should examine the thousands of young men and women who come through those establishments—look at the output; look at the quality. Our training establishments are not broken machines but very professional and successful in doing what they do, and tribute should be paid to them for that.

Mr. John Greenway (Ryedale) (Con): Until a few years ago, initial training used to take place at Strensall barracks in my constituency. In more than 25 years of living close to the barracks, most of the time as Member for Ryedale, I know of no circumstance or events alleged of the kind that appeared in yesterday's newspapers and that have been referred to in the statement. I agree with the Minister that that speaks volumes for what normally happens in the Army. It is stating the obvious that none of this will help recruitment, but it would help if he would go a little further and reassure the families of those young people who are about to join our famous British Army in which we all take great pride that, if they encounter difficulty, there is a whistleblowing procedure in which they can have trust and confidence.

Mr. Ingram: I can give an absolute assurance on that. I believe that many of those mechanisms were in place in years past. I hope that we have strengthened them, and we have given greater awareness to young recruits and family contacts about what they should do in certain circumstances. If they think that they will not get anywhere by reporting something through the command chain, there are a lot of anonymous helplines to assist them. There is also a lot of welfare support. We are dealing with young people, some of whom are very vulnerable. Some of them come from broken homes—they may be broken in their own mind anyway—and we need to look at our success in turning around those young men and women and making them into valued members of our society.

The hon. Gentleman is right: we must give confidence to the families of current and future recruits—that is what I am seeking to do—and we hope that all the measures that we have put in place, alongside the examination that the adult learning inspectorate will carry out and the ongoing reporting by that body, will increase that confidence in the months and years ahead.

Mr. Kevan Jones (North Durham) (Lab): As a member of the Defence Committee, I am very impressed by the openness with which all three services have dealt with the Committee on our numerous visits, and I thank my right hon. Friend for that. Does he agree that the allegations in the report are tragic for the individuals involved and totally unacceptable? Does he also agree that it is important to separate the Deepcut allegations, which need to be looked at in detail, from the improvements that have clearly taken place in Army, Navy and RAF training establishments in the meantime, especially given the increase in supervision, which was cut under the last Tory Government?

Mr. Ingram: My hon. Friend is right, and I am grateful to him for his comments. The Defence Committee has carried out extensive visits to a wide range of training establishments, and I understand that its members have come away very impressed; but, as I say, I await their overall assessment.

I remind the House that I wrote to about 180 Members—I cannot remember the exact figure off the top of my head—and I suspect that I probably wrote to Members of the other place as well, inviting them to visit our training establishments. The uptake was very poor; only a handful of Members undertook those visits. If more Members had gone to see at first hand the quality of that training, it may have allayed all the unwarranted criticisms that have been made.

The allegations, if true, are totally unacceptable. We have to get to the bottom of them and find the truth in all this. I have set out the background to the Army's approach. The fact that Surrey police are carrying out only one other investigation should give us some indication of how they assess the situation at Deepcut. Let us just bear that in mind as well.

Lembit Öpik (Montgomeryshire) (LD): I am grateful to the Government for responding to my request for a statement on the Deepcut allegations.

Does the Minister realise how prejudicial it sounds to the Government's position to hear him default to referring to the deaths of Army recruits as suicides, so giving the impression that the Government have decided the verdicts before they have seen the facts? Will he clarify whether he knew the content of the allegations before yesterday? Given that Leslie Skinner was convicted of sexual abuse at Deepcut only last month, surely we must now entertain the possibility that the death of Cheryl James, nine years ago this week, and the other three deaths at Deepcut Army barracks might be linked to a culture of systematic abuse? Does he not understand that, although a full review of all those allegations is indeed necessary, only a full, independent inquiry into the circumstances of the four deaths at Deepcut will do?

Mr. Ingram: I have good relations with the hon. Gentleman, but I ask him to recognise that, if I used the word "suicide", I corrected it. I said that, if I had used inappropriate language, I should not have done so. He did not recognise that in his question. I am usually very careful in the way that I work through these issues. I make that clear again, and I repeat the point that one death was declared a suicide by an inquest, two were given open verdicts and one is still to be determined.

The hon. Gentleman refers to the Skinner case. I have set out the background to that: Skinner was not there at the relevant times, so please stop conflating the two issues. I think that the hon. Gentleman has reached a conclusion: he is saying that there is systematic abuse. I would prefer my independent review to examine that. He perhaps has a closed mind. I ask him to open his mind, and let us examine this in a more open way.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): My constituents, Mr. and Mrs. Benton, the parents of Sean, will welcome the Minister's openness in seeking a further review, but that very much depends on what that review will be, how wide it will be and how it will be conducted. My right hon. Friend has suggested in the past that the inquest process is a means of further review. May I put it to him that, for the reasons he gave today, much of the evidence could not be put before a court of law? That is why a wider review, with a much wider remit, is necessary to carry out an inquiry, rather than using an adversarial system, to find the truth of what really happened at Deepcut.

Mr. Ingram: I am not an expert on this, so I hesitate to be too definitive. However, it seems to me that if any or all of the people who made the allegations wish to make themselves available to the coroner—the one case still to be considered is a matter for the coroner—there is nothing to preclude their coming forward. As I understand the way in which a coroner's powers are defined, there is no constraint on what he can consider. That is one form of open examination, and it is important. The HCDC is also carrying out an investigation, and I do not know who it has seen. Families will give evidence to the Committee this week, and I do not know what they will say. We will follow the matter very closely and examine in great detail every allegation that is made.

I appreciate the welcome that my hon. Friend has given to the openness of our approach. We will continue to be as open and as transparent as we can, bearing it in mind that individuals are involved. Perhaps the police did not give us the names, because the individuals did not want their names to be given in a way that would have allowed a more progressive investigation to take place. We must break down that reticence on their part.

Rev. Martin Smyth (Belfast, South) (UUP): I welcome the Minister's statement, but he will be aware that people outside Deepcut and Catterick have also been involved. For example, one tragedy involved someone in the Royal Irish Regiment. I welcome the fact that the Minister has said that there has been an improvement in the investigation and linkage between the police and the Army, because, in one case, we found that things went missing. That did not give the families any confidence. Has the Ministry of Defence improved its responses? In another incident, it took a long time to get even the recognition that a simple apology would have sorted things out at the very beginning. Instead, there was a continual exchange of letters when a mother was under pressure because of the misdeeds committed by another soldier.

Mr. Ingram: I do not want to go into individual cases for obvious reasons, but I recognise that there have been examples in the past of insensitivity and the bad handling of cases—some of it quite dramatic, some of it less so, but none of it acceptable. I hope that all the lessons have been learned. The hon. Gentleman is right to say that an apology is important, but the matter should not rest there. If something wrong has been done, we have to try to discover the background. That is what Surrey police sought to do in relation to the four deaths at Deepcut.

I have every confidence in the way that Surrey police carried out their investigations and the integrity with which they approached the issue. I just hope that people have confidence in the system. We are now trying to move it forward and dealing with the more unsubstantiated information that we have. We must try to get to the bottom of that, and that point applies generally across the board.

Mike Gapes (Ilford, South) (Lab): I am grateful that the Minister made it clear that the document was not leaked, particularly in view of the allegation made by "Newsnight" last night that the Select Committee on Defence had leaked it. Can he also confirm that when the Committee announced in March that we would set up an investigation into the duty of care regime, we made it very clear that our work would involve a comprehensive study of the services' training regime—initial and other training—and that we were not a substitute for an independent investigation into the allegations at Deepcut or other incidents? Although we as a Select Committee are taking evidence and meeting the families, it is important that the public do not gain the impression that our Select Committee is the body that can do that job. In those circumstances, my right hon. Friend said that he is looking forward to examining closely the Select Committee's recommendations. Therefore, when our report is published next year, will he assure the House that the Ministry of Defence

[Mike Gapes]

will take seriously all the recommendations that we make and bring forward any necessary changes to the duty of care regime that may be required?

Mr. Ingram: That is another helpful contribution. I recognise the way in which my hon. Friend defined the HCDC inquiry and, when I referred to it earlier, I was not suggesting that it was a substitute for the other process. My experience of Select Committees is that, as they set out on a course, they sometimes pick up a lot of tangential issues that they rightly consider if they feel them important. I do not know what the conclusions of the HCDC's examination will be, so it would be wrong for me to say that will we implement whatever it recommends. We never operate that way with Select Committee reports, because we have to examine the quality of the conclusions. My hon. Friend will be aware that there is a recent report in which we take a diametrically opposed view to that of the Select Committee. I wait for the conclusions of the Select Committee's inquiry with keen interest. It will give great substance to a breadth of issues both about the past and the present, and it might point us forward in ways that can help the training environment.

Mr. Eric Illsley (Barnsley, Central) (Lab): How are the Government going to inspire confidence among the families of new recruits when those families can see the distress of the families of the recruits who died in unexplained circumstances? The reputation of the armed forces and the Ministry of Defence is being seriously undermined by these continuing allegations and by the deaths at Deepcut and Catterick. Will my right hon. Friend reconsider a call for a public inquiry?

Mr. Ingram: My hon. Friend has used the phrase "a public inquiry", but nto what? How long will it last? How many stones will be turned over because of allegations that may be levelled? None the less, every day that an allegation is made, and especially if it is lurid, the media are likely to have headlines blazing all over the place. We have to consider all that.

We are seeking to ensure that the quality of the training environment that we have in place is robust, sound, professional and delivers what we seek. I think that it does that and has been made substantially better because of the investigations that I asked to be carried out into all the training environments. For example, staffing ratios—the number of instructors to recruits—have been increased significantly because they were identified as a key shortfall.

If my hon. Friend has not had the chance to visit a passing-out parade at any of our military establishments, he should try to attend one. He will find very many contented parents who have seen the way the way in which we have trained their young sons and daughters and they way in which they take pride in what they are now being asked to do for this country.

There is still a tremendous amount of confidence in the system, but we must clearly deal with the current concerns. That is what I am trying to do. If any concerns have been raised by any of my hon. Friend's constituents, he should tell them that there are extensive and thorough welfare procedures in place for anyone who feels that they have been exposed to any form of harassment or bullying. The armed forces have zero tolerance towards that. We want it to surface, so that we can deal with it and eliminate it. We therefore need co-operation. If it is out there, let us know and we will deal with it.

Tony Wright (Cannock Chase) (Lab): Demands are made all the time for inquiries into almost everything, and it is right sometimes to resist those demands even though it can be difficult for Ministers to do so. However, in the new Inquiries Bill, the Government say that one of the purposes of having an inquiry is to offer public reassurance on an issue when that is required. Is my right hon. Friend absolutely certain that that is not a consideration that should apply in this case?

Mr. Ingram: Our announcement is a recognition that that is the case. I appreciate my hon. Friend's comments about government by public inquiry. If anything happens now, someone pops up and says. "Let's have a public inquiry." We cannot administer the country on that basis, because decisions have to be taken in advance of any inquiry. If something needs to be corrected, it should be identified by the relevant Department and relevant Ministers and corrective action taken. That is what I have done as far as I am able to do on the basis of the information that I have. We do not yet have the new procedure in the Inquiries Bill in law but if it had been available, I might have been able to use it.

Point of Order

1.20 pm

Andrew Selous (South-West Bedfordshire) (Con): On a point of order, Mr. Speaker. Given that we have learned in only the past few days that a battalion of the Royal Regiment of Fusiliers could be cut and that a decision will be taken this week, have you received any indication that Defence Ministers intend to make a statement to the House? The cut could be made despite the fact that the 1st battalion won more awards during the invasion of Iraq than any other battle group and that the 2nd battalion is the most experienced Northern Ireland battalion in the British Army. Do you understand the depth of anger that will be felt if there is no ministerial statement on the matter before a decision is taken?

Mr. Speaker: I know that the hon. Gentleman is worried about the regiment in his area, but there are Defence Ministers on the Treasury Bench and I have no doubt that they will take note of what he said.

BILLS PRESENTED

Income Tax (Trading and Other Income)

Mr. Chancellor of the Exchequer, supported by Ms Secretary Hewitt, Mr. Secretary Johnson, Mr. Paul Boateng, Dawn Primarolo, Mr. Stephen Timms and John Healey, presented a Bill to restate, with minor changes, certain enactments relating to income tax on trading income, property income, savings and investment income and certain other income; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 9].

Road Safety

Mr. Secretary Darling, supported by The Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Mr. Secretary Reid, Mr. Secretary Murphy, Mr. Secretary Hoon, Mr. Peter Hain, Mr. David Lammy, Mr. David Jamieson and Charlotte Atkins, presented a Bill to make provision about road traffic, registration plates, vehicle and driver information, motorway picnic areas and private hire vehicles: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 10].

Orders of the Day

Debate on the Address

[Fifth Day]

Order read for resuming adjourned debate on Question [23 November],

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign,

We, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament—*[Mr. George Howarth.]*

Question again proposed.

Health and Education

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Leader of Her Majesty's Opposition.

1.21 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): I beg to move, as an amendment to the Address, at the end of the Question to add:—

"but deplore the absence of any measures in the Gracious Speech which would reduce the burden of centrally-imposed targets, bureaucracy and regulation on the NHS and the Education Service; call on Ministers to implement urgently the action needed to deliver cleaner hospitals and to strengthen school discipline; regret the omission of measures to abolish top-up fees; note that legislation to reduce the size of Ofsted will merely reverse part of the huge increases in its staffing levels since 1997; reject the Government's intention to impose additional fees on those attending further education colleges and deprecate the damage this will cause to adult and vocational education; further regret the carry-over of the School Transport Bill, which will impose extra financial burdens on hard-working families; are concerned at the failure to take forward legislation on mental health in a form that would protect the rights of people with mental health problems and promote their access to treatment; further regret the lack of any proposals in the Gracious Speech to provide effective public health services; and further deplore the absence of measures to promote freedom and independence for health and education professionals or effective choice of patients and parents.".

Today we move on to debate health and education. My hon. Friend the Member for Westmorland and Lonsdale (Mr. Collins) will later address in detail the education measures—or perhaps the lack of them—in the Queen's Speech.

The Queen's Speech offered no forward momentum to raise standards in the NHS or our schools. Three years ago, Labour said that it put schools and hospitals first, but they are now being pushed to the back of the queue by Home Office measures prompted by the Government's failure on law and order. We have no health Bills and nothing that would help to raise standards in our schools. There is no vision for our NHS or any room for the politics of hope in the Queen's Speech.

At the heart of the reforms for which the NHS is crying out is the reduction of centrally imposed targets, bureaucracy and the burden of regulation, but the Queen's Speech contains no measures from the

[Mr. Andrew Lansley]

Secretary of State for Health to move us in that direction. Indeed, in the few days since the Queen's Speech, we have heard from the Healthcare Commission that it proposes the abolition of star ratings, for which Conservative Members have been calling for a long time. We demonstrated, and many people throughout the NHS entirely agreed, that star ratings were a crude and misleading measure of performance in the NHS. They were centrally imposed by Ministers, but as soon as the scheme was taken out of the hands of Ministers and put into the hands of those who are genuinely charged with delivering improvements to the NHS, the conclusion has been reached that star ratings must be abolished.

The Government have offered nothing in the Queen's Speech to reduce the burden of targets. People throughout the NHS know that they distort priorities, and we have discussed this many times. Indeed, my right hon. and learned Friend the Leader of the Opposition has stood at the Dispatch Box and challenged the Prime Minister to get rid of targets that force those responsible for infection control measures in hospitals to keep beds and wards open when they should be cleaned for infection control purposes. The National Audit Office has made it clear that those people are overruled by managers in pursuit of the Government's centrally imposed targets. That is a disgrace, but it is only one of a range of illustrations of how targets that are centrally imposed by Whitehall are distorting the national health service's priorities.

The Government told the National Audit Office that by 2003-04, their NHS plan would bring bed occupancy down to 82 per cent., but that has not happened in practice. All the trusts throughout the country with the top 20 rates of methicillin-resistant Staphylococcus aureus have a bed occupancy higher than 82 per cent., and it is more than 90 per cent. in several. We will not get cleaner hospitals by using the Government's central targets; we will only achieve that in the absence of their interference.

Even the Government do not believe in their targets. They set a target for reducing the backlog of maintenance in the NHS. The target was the reduction by a quarter of a backlog measured at £3.1 billion by the end of 2004—the end of next month. Last Thursday, however, the Department of Health concluded that it was measuring the target using a flawed methodology, so rather than adhering to the target, it said that it would recalculate the figures. In place of the backlog of maintenance, which would now be not £3.1 billion but £3.2 billion, it has arrived at what it calls, using typical jargon,

"estimated risk adjusted backlog maintenance"—

I suppose that the risk in mind was that the target might not be hit. The Department would have had to announce its failure to make any progress towards addressing the £3.1 billion backlog, but instead—lo and behold—its estimated risk adjusted backlog has become £638 million. How interesting.

The Government do not believe their own targets, but neither do people who work in the NHS. The Government trumpeted the fact that four-hour waiting targets for accident and emergency departments had been met, but only last week, the *Nursing Standard* carried a report of the Royal College of Nursing Emergency Care Association annual conference. It said:

"nurses speaking from the floor claimed there was widespread misreporting of the figures that are signed off by chief executives. Some endorse so-called 'gaming', the practice by which patients are transferred only in the final minutes before breaching the target . . . One delegate, who wanted to remain anonymous, won applause from nurses for saying that her trust 'lied' over the A&E waiting time figures it presented."

The charitable view is that the Department does not know what is going on in the NHS, but the uncharitable view is that it would rather present figures than understand and be honest about what is happening.

We need fewer targets and less bureaucracy. The cost of bureaucracy in the NHS has increased from £3 billion in 1997 to £5 billion. The number of central administrators in the NHS is rising three times faster than the number of doctors and nurses. I recently visited a hospital at which I was given a list of the inspection bodies that visit it. It is visited by 42 inspection bodies. I referred to that during a meeting at which the Healthcare Commission was represented, but its chief executive said, "No, it isn't 42. We've been counting them and it's 102." Of course the Secretary of State does not believe that, but the Healthcare Commission seems to be more in tune than he is with what is going on in the NHS.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is my hon. Friend aware that an increasing number of NHS trusts are reporting that they are moving heavily into debt? What is his explanation for that? Might the reason be that bureaucracy is stopping money from getting to the front line?

Mr. Lansley: My hon. Friend is right, and I shall come to that.

The extent to which hospitals have to comply with information requirements is a key consideration. A survey by the NHS Confederation identified that 50 per cent. of the data and information requests made to hospitals play no direct part in the performance management of those hospitals. We have to get rid of that and not only achieve a reduction in compliance costs for front-line services, but ensure that the resources get to the front line, as my hon. Friend said.

As always, the Secretary of State is all talk about cutting bureaucracy. He does it again today in a written statement, which says how he will cut the number of quangos and save money. Let us take one example. As a result of a public health White Paper five years ago, which the Government have conveniently ignored because they have made no progress on public health, they set up the Health Development Agency. They are now proposing to get rid of it by April 2005. The Government documents published today say that they will abolish it as one of their reductions in the number of quangos. What the documents do not tell us is that the public health White Paper published just a couple of weeks ago says that they will establish a new independent body to implement strategy on their behalf which will, in effect, have the same responsibilities as the HDA. Most of the quangos that the Government are getting rid of, they set up—and they are not really getting rid of them, but redeploying the staff and

incorporating them into larger bodies, so there will be fewer quangos with wider responsibilities and more staff. At the same time, however, they are creating new bodies to take over the functions of existing bodies.

Just the other day, the chief executive of the NHS gave the game away when he said:

"The department has not been massively affected by either the Gershon or Lyons reports."

So the Gershon report, for all its vaunted reduction in the cost of bureaucracy across Whitehall, is not having much effect on the Department of Health. The implementation of the changes to taxpayer value that we are discussing with the James committee will affect the Department. As my right hon. Friend the shadow Chancellor of the Exchequer set out just 10 days ago, we now envisage more than £7 billion of savings from greater NHS efficiency, reductions in procurement costs, productivity improvements, reductions in the controls exercised by the central Department of Health, and a reduction in the number of quangos and the amount of bureaucracy in strategic health authorities and primary care trusts.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): I am listening carefully to my hon. Friend's interesting speech. Is he also aware of the Office for National Statistics survey, that shows that rising inefficiency consumes as much as 9 per cent. of the extra cash put into the NHS? That amounts to a staggering £6 billion a year in inefficiency and waste.

Mr. Lansley: My hon. Friend is right, and knows much about such matters. The latest ONS productivity data show that the NHS had an increase in inputs of 80 per cent. and an increase in outputs of just 28 per cent. When the figures are deflated not for gross domestic product but for an NHS inflation factor, they show an 8 per cent. reduction in productivity over the Government's lifetime—which is probably an underestimate, because internal Government documents suggest that there is more like a 15 to 20 per cent. reduction.

Mr. David Hinchliffe (Wakefield) (Lab): In the figures, what allowance is made for improvements in the quality of care?

Mr. Lansley: Let me give an example. I am sure that the hon. Gentleman knows that finished consultant episodes are a measure of activity levels in hospitals—

The Secretary of State for Health (Dr. John Reid) *rose—*

Mr. Lansley: The right hon. Gentleman will have to wait until I have answered the hon. Member for Wakefield (Mr. Hinchliffe).

Hospital activity from 1998 to 2003 cost an extra 28 per cent. in real terms. The number of finished consultant episodes increased by 5 per cent. in hospitals. I am not talking about what happened outside hospitals. The rate of increase in finished consultant episodes after 1997 was slower than the rate of increase in activity in hospitals prior to 1997. Perhaps the Secretary of State will explain why NHS productivity has fallen rather than risen under this Government.

Dr. Reid: The problem relates to the position that the hon. Gentleman accepts, which is incorporated in the calculations. When he says that he is not talking about what happens outside hospitals, he makes the very point. The number of people who are living longer and better lives, and who are not coming into hospital, includes the 125,000 people who are saved in the primary sector, and by better drugs. Will he confirm that those 125,000 lives are regarded not as an increase in productivity, but as a decrease in productivity?

Mr. Lansley: No. The Secretary of State does not understand—*[Interruption.]* If he will forgive me, I shall attempt to answer his question before he shouts at me. I am not ignoring what is happening outside hospitals. The Secretary of State previously said that we cannot compare the increase in activity in hospitals with expenditure in the NHS as a whole because some activity has shifted out of hospitals into the primary care context. My point is that we should at least look at what has happened in hospitals in direct response to the increase in expenditure in hospitals.

As for the wider circumstances beyond hospitals, the purpose of the ONS study was to capture changes in productivity. It made certain assumptions. For example, it assumed that productivity in Scotland and Wales matched productivity in England, because it had no separate figures. Most of us would say that that was not justified. None the less, its assumptions, which are favourable to the Government, still end up with an 8 per cent. reduction in productivity, which the Secretary of State cannot explain.

Dr. Reid: In fairness to NHS staff, will the hon. Gentleman be good enough to note that the ONS press release explains that it failed to capture those things that it had tried to capture? Will he accept, and admit to the House, that if 125,000 people, who 10 years ago would have died, are saved today by the people who work in the NHS, it is absurd that that does not count as an increase in productivity for our health care system? Will he please stop running down the staff of the NHS, who have saved those very lives?

Mr. Lansley: That is a bit rich coming from the Secretary of State. People across the NHS know perfectly well that the bureaucracy, the central controls and the extent to which money is leached out of the system by administration instead of getting to the front line are the reasons why people in hospitals are unable to deliver increases in productivity commensurate with the increases in resources. That is what is going on, and he simply will not admit it.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Does the hon. Gentleman accept that much of the increased spending has gone to improve the salaries of nurses, doctors and others within the NHS? That means that my area has the doctors, nurses, physiotherapists, occupational therapists and speech therapists for whom we receive funding, because they are staying in the NHS—and, in particular, in the NHS in the south-east.

Mr. Lansley: Of course there are changes in costs inside the NHS, but incorporated into the calculation of

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the ONS statistics is a deflator for NHS prices of something like 6 per cent. The figures would have been different had a GDP deflator been applied. An allowance is made for that. The hon. Lady and I know—and I think that my hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibb), too, made this point—that this[1] year hospitals are experiencing increases in costs well in excess of that. Part of that is due to increases in contracts and changes in pay, whether they result from "Agenda for Change" or from the consultants contract.

Hospitals, rightly, are saying that it is all very well Ministers talking about 9 per cent. increases in expenditure, but if costs are rising by more than 9 per cent., how can increases in activity throughout the NHS be delivered? They are asking how that will be possible. There must come a point when people in the NHS find that they have centrally imposed costs from the Government that exceed the willingness of the Government to provide resources. They must arrive at the point where they get the resources, and there are free resources that can deliver growth in the service.

As we discussed during the debate on the Queen's Speech yesterday, the people's priorities would have been, for example, strengthening school discipline or promoting cleaner hospitals. I will not dwell on promoting cleaner hospitals because we have had debates during which we have challenged the Secretary of State to come forward with the urgent action that is necessary. That is not happening. Perhaps he can tell us why we do not have information from clinical departments that will enable people working in the NHS and those who might be referred for operations to judge where there are cleaner infection-free hospitals and where there are not.

If there is to be a matrons charter, which the Government have announced, where is the model cleaning contract referred to in that charter but not yet published? It is almost a year to the day since the chief medical officer's report entitled "Winning Ways", which said that there would be a rapid review panel for products and processes. Nothing happened for nine months, and even today, nearly a year on, the so-called rapid review has delivered no additional advice to the NHS.

The National Audit Office said that four years ago the Department began working on a national infection control manual. I met staff through a Patients Association meeting that I hosted in the House last week, and they said that it would be extremely helpful for infection control teams to have access to such a manual in providing guidance to their hospitals. It is not available, and the NAO found that no substantive action had been taken. "Winning Ways", published a year ago, referred to hazard analysis critical control point methodology, and said:

> "The . . . Inspector of Microbiology and the National Patient Safety Agency will work jointly to ensure that the techniques of . . . (HACCP) are developed for healthcare associated infection".

A year later, I can find no evidence that that work has been taken forward. Even pilot operations are not under way.

The Secretary of State's response to all the pressure that we have put on him to deliver action is typical. He talks about nothing more than the importance of dealing with infection, and promises one more target. That target is to reduce the level of MRSA—only the bit that he measures, not the whole of MRSA infection—by half by 2008, as if there is an acceptable level of MRSA infection, equivalent to the level that the Government inherited in 1997. The chief medical officer's report stated, as was made clear in the document published a year ago, that the proportion of staphylococcus aureus in this country that is MRSA is 44 per cent. The proportion in Demark and the Netherlands is just 1 per cent. The Secretary of State's ambitious and challenging target, as he describes it, is to bring the percentage down by half. That is not good enough.

The chief medical officer said that it was known how the Dutch had been able to achieve such a proportion. They did so through a search-and-destroy mechanism. It is about time there was a search-and-destroy philosophy inside the NHS to identify outbreaks of MRSA infection and destroy it to deliver cleaner hospitals, which is not happening under this Government.

Michael Fabricant (Lichfield) (Con): Is my hon. Friend aware that a nursing sister in my constituency was telling me that in a major hospital in Birmingham there is no clear guidance to ancillary staff? She gave the example of water jugs and other crockery being taken from an isolation unit and mixed with crockery—*[Interruption.]* The Secretary of State laughs, probably because he does not care about MRSA infection. Does my hon. Friend agree with me that, if crockery and jugs from an isolation unit that is known to have MRSA, are mixed with crockery that was previously sterile, it too will become infected, and so in turn will infect other patients?

Mr. Lansley: Yes. My hon. Friend makes a good point. If there is to be infection control in hospitals, there must be clear guidance about the standards that need to be maintained, whether in terms of cleaning—such as a model cleaning contract—or of the role of the infection control teams and staff. But the fact is that the manual has not been published. The Government have not given it the priority that is necessary.

Kali Mountford (Colne Valley) (Lab): Will the hon. Gentleman give way?

Mr. Lansley: No, I will move on.

My hon. Friend the Member for North-West Norfolk (Mr. Bellingham) asked me about deficits. The Labour party is always parading the fact that it is providing additional money for the NHS, but we know what is happening because the strategic health authorities tell us exactly that in their latest document. South-west London is reporting a projected total deficit for the year end of £79 million. Norfolk, Suffolk and Cambridgeshire strategic health authority, in my area, is projecting a year-end deficit of £51 million. Avon, Gloucestershire and Wiltshire SHA, in the area of my hon. Friend the Member for Westbury (Dr. Murrison), is projecting a deficit of £27 million. The projection of Surrey and Sussex is £22 million. Throughout the

country, 75 primary care trusts and 73 NHS trusts are forecasting deficit. The total across—*[Interruption.]* From a sedentary position, the Minister of State, Department of Health, tells us that we should go back to the last century and try to examine what the comparison would be. That is terrific.

I thought that the Government pretended that in the past seven years things had changed. It seems that their argument is that things are the same now as they were in 1996. If the public believe that nothing has changed since 1996, they will look to us for the change that is necessary and not to the Government, who have achieved nothing. If the Minister of State is happy that half way through a financial year 75 PCTs and 73 NHS hospital trusts are forecasting deficits because he and his colleagues have imposed costs on the NHS that are far in excess of the financial resources that are made available, along with unfunded GP contracts, unfunded consultant contracts and risks associated with "Agenda for Change"—*[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I think that the Minister of State, Department of Health should contain himself.

Mr. Lansley: Thank you, Mr. Deputy Speaker. Perhaps I should contain myself as well, or I shall raise my blood pressure, which would not be good for me, and the Secretary of State would tell me so.

Laura Moffatt (Crawley) (Lab): The hon. Gentleman mentioned the trust that covers the area in my constituency, and he is making a point about deficits. I am very much aware that the extra funding in the Surrey and Sussex trust has expanded services enormously. If he is trying to make an important point about deficits, can he tell us how much the deficit would be had the Conservatives still been in power without the spending commitment that we now have?

Mr. Lansley: For goodness' sake. I do not think that the hon. Lady can reasonably expect me to reconstruct history from 1996. Let us deal with the world as it is, not the world as it might have been. In the world as it is, Surrey and Sussex SHA is forecasting a £22.6 million deficit resulting from delayed transfers of care and the discovery of a significant number of patients on its orthopaedic register whom it has had to pay to have treated by other providers. There is also the increasing costs of drugs consequent upon the guidance of the National Institute for Clinical Excellence. In addition, there has been a 5 per cent. increase in in-patient activity. There are deficits, and the hon. Lady will have to accept that many NHS trusts throughout the country are finding that they are not resourced to meet the objectives that the Government are proposing for them.

We and the Government might at least enjoy ourselves together for a moment. I accept that the Government are committed to increasing resources for the national health service in the next two years, but in talking about finances we should have regard to the position of the Liberal Democrats. I do not know what the hon. Member for Sutton and Cheam (Mr. Burstow) will tell us about their policy, but it will not wash. When I discussed Liberal Democrat policy with the hon. Gentleman, he said that everything would be all right because over the economic cycle—he sounded a bit like the Chancellor of the Exchequer—national insurance contributions would provide sufficient money for the NHS. Having looked at the detail of the Liberal Democrat proposals, however, I discovered that this financial year there would be a shortfall of £4.5 billion between national insurance contributions and NHS expenditure across the country. Next year it would be £8.2 billion, and the year after, £12.2 billion. In 2007–08, it would be £17.1 billion. If the Liberal Democrats believe in hypothecation of national insurance to the NHS they must aim for a 5 per cent. increase in NICs to pay for the shortfall. Perhaps the hon. Gentleman will tell us later whether he will cut funding for the NHS by £17 billion in the next three financial years or increase national insurance by 5 per cent.

The Queen's Speech is lacking in health provisions. We had exchanges on public health a couple of weeks ago, but in the past week the Secretary of State has treated the issue as if it were year zero and nothing had happened in the past seven years. He published a sexual health strategy which, in some respects, simply followed our suggestions about the need for a national awareness campaign on the consequences of poor sexual health. However, I must challenge him, because his strategy simply produced more evidence that the Government cannot co-ordinate their efforts in this arena. He proposes to initiate a public awareness campaign in the coming months about the risks of unprotected sex and poor sexual health. Waiting times for genito-urinary clinics are 12 days on average for men and 10 for women, but his 48-hour target—this is all about targets—will not apply until 2008. If, in the next few months, he seeks to encourage young people in particular to attend clinics—there are no more clinics today than in 1997—that will not be consistent with the delivery of services.

In our amendment, we once again express disappointment that the Government have failed to introduce mental health legislation. One in four people are affected by some form of mental illness. In the debate on last year's Queen's Speech, we called for the introduction of legislation on mental health services.

Mr. Hinchliffe: We have got that legislation.

Mr. Lansley: The hon. Gentleman knows perfectly well that it is undergoing pre-legislative scrutiny. The Government have simply promised to undertake that process, even though they said that they would introduce legislation. We could have introduced mental health legislation that would deliver the framework that people who work in mental health services want.

Mr. Hinchliffe: The hon. Gentleman is being rather unfair, as he knows that this is a hugely complex area. The Government are right to be careful, so that the legislation will be introduced in a workable form. There are many conflicting views about the way forward on mental health legislation, so it is proper that both Houses spend time on scrutiny. That will ensure that the Bill is right and enjoys a consensus of support from people across the community.

Mr. Lansley: Of course we need a Bill that is right, which is why we called for one in our amendment to last

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year's Loyal Address. We did not want a Bill that locked people up to satisfy the Home Secretary but one that gave them the health care that they needed and the access that they were entitled to expect. We do not need a Bill that introduces fear and coercion into what ought to be a therapeutic relationship. The legislation should provide quality care for patients, and compulsion should be a tool of last, not first, resort.

Before concluding, I shall put some questions to the Secretary of State. The Queen's Speech presages the introduction of legislation on identity cards. Indeed, the Identity Cards Bill has just been published. I do not understand the relationship between the ID card and the NHS, so perhaps he will enlighten us. We are told that the card will be used to facilitate access to NHS services. According to the Bill, however, it could not be used for that purpose until holding such a card is compulsory—according to the Home Secretary, that will be in 2013. In terms of action, therefore, the card is irrelevant, because it will not become obligatory for another decade. However, the NHS improvement plan that the Secretary of State for Health published in June says on page 30:

"The Department of Health is currently considering the development of an NHS Card, which could support smart access to personal data and speed confirmation of access to appropriate care."

Are there going to be two cards—the NHS card and, later, the ID card—and what will be the relationship between them? Quite separately, the European Union requires us to replace the E111 system. A number of EU member states have already introduced a card for access to their health services that serves as an E111 entitlement when one visits those countries. Surely we will have one of those cards, so where does the ID card fit in?

Children would not have an ID card but, presumably, to access NHS services they will need an identifier for personal patient records and so on. Whether or not they have an ID card, they will have an identifier already, so what is the point of the identifier on the ID card? Entitlement to NHS services is based on ordinary residence, but the ID card will be based on citizenship. All those problems illustrate the fact that many of the Government's proposals are ill thought-out. There are questions about the NHS and ID cards to which no one seems to know the answer. Perhaps the Secretary of State will tell us later whether he has any answers.

Our amendment expresses the hope that we will soon have a chance to deliver an NHS that is geared towards patients, not the Department of Health. It will be exclusively concerned with clinical standards, priorities and the needs and wishes of patients, not central targets and the demands of bureaucracy and administrators. It will be geared to give information to patients, with all the positive impacts on quality that that can deliver. It will give choice to patients, because in an era of added consumer pressure that will deliver quality and incentivise people across the NHS to deliver services and ensure that when staff treat patients, they receive the resources that they are clearly not receiving at the moment. It will give people suffering from chronic diseases control of their care, and will increasingly empower them to manage their care to meet their needs. It will give GPs control of their budgets through fundholding. The total purchasing pilots introduced in the latter stages of the last Conservative Government were a great success, but they were abandoned by the present Government who, however, proposed to reintroduce them in a distorted, cut-down form following the failure of their measures.

Once again, in our amendment we are demonstrating that there is a forward agenda for the health service that will provide freedom and independence for the NHS, choice for patients, and opportunities for the NHS to deliver the care that its staff work hard to deliver. That is our objective, and we will seek to achieve it as soon as the election gives us an opportunity to do so. On that basis, I urge colleagues to support our amendment.

1.59 pm

The Secretary of State for Health (Dr. John Reid): First, I congratulate the hon. Member for South Cambridgeshire (Mr. Lansley) on his belated stakhanovite use of the word "patient" six times in the past minute. Unfortunately, for the first 37 minutes of his speech, patients did not feature once. That is indicative of his approach—always on the side of the providers, never on the side of the patients—until at the end of his speech he digs out the peroration written for him by someone, which says, "Mention patients several times."

Secondly, I entirely accept that the hon. Gentleman does not understand every nuance of the Government's policy on, for example, NHS entitlement cards. I find it less explicable that he did not seem to know that the Conservatives were committed by his predecessor, the hon. Member for Woodspring (Dr. Fox), to an NHS entitlement and identification card. However, I will let him study that and perhaps he can explain to us next time whether the proposal has been abandoned.

For 38 minutes, the hon. Member for South Cambridgeshire managed not to notice the elephant in the room. At no stage, even in those last repetitive uses of the word "patient", was it followed by the word "passport". The central policy of the Conservative party, the patient's passport, which received accolade after accolade from his own leader, was not mentioned once in the 38 minutes of his speech. That speaks volumes about the albatross hanging round his neck. He spent 38 minutes trying to hide the patient's passport. Perhaps that is why he did not mention patients.

Finally, I am sorry that the hon. Gentleman feels, as he said in his opening remarks, that health and education have not been given the priority that the Government promised them and have been pushed to the back of the queue in all our considerations. It is therefore with particular pleasure that I approach the Dispatch Box for the 297th debate on health in this Parliament and for the 64th debate on health in the past 12 months alone. The complete lack of priority will be obvious from the figures.

The truth is that health and education have been given every priority by the Government. That is as it should be, because there are few issues that affect people's lives so directly and so crucially as health, where everyone is potentially a patient—the word missing from the hon.

Gentleman's speech—and education, where not only parents and pupils have an interest, but we all have an interest as a country.

My right hon. Friend the Secretary of State for Education and Skills and I welcome the debate today. For the past few years we have been privileged to be involved in travelling a journey in public services—a journey of modernisation and improvement. Opposition Members, who spent most of their time in government moving backwards on public services, find it difficult to understand the concept of moving forward on a journey of modernisation and improvement. We do not underestimate the challenges that remain. The view to the horizon leaves us in no doubt about the extent of those challenges, some of which were mentioned by the hon. Member for South Cambridgeshire and some of which were not. There are still staff shortages—for example, of radiologists, midwives and nurses. Admittedly, we have 80,000 more nurses than under the previous Government, but we still feel that there is a shortage. Combating MRSA is a big challenge for us.

The hon. Gentleman continually asks us from the Dispatch Box to pursue the search for truth. He should remember the old adage—"When you keep asking for something, be very careful. You might get it." Next week, I will publish a factual history of the increase in rates of MRSA over the past 12 years, and it will make very interesting reading, especially for Opposition Members, who seem to feel that the great increase in MRSA rates occurred under the present Government. As we look to the horizon, we know the great challenges that remain.

Mr. Stephen Dorrell (Charnwood) (Con): When the Secretary of State publishes those figures next week, will he also publish the Government's plans for bringing the incidence of MRSA in British hospitals down to the levels recorded in the Netherlands and Denmark?

Dr. Reid: Almost every month, we take another step in that direction. I do not pretend, as is sometimes implied from the Opposition Benches, that there is some magic wand that will achieve that. The hon. Member for South Cambridgeshire seems to be incapable of holding two ideas at the same time. He complains that we have any targets at all, then he complains that the target we have set for MRSA is not ambitious enough. He wants a bigger and better target.

I know that that is not the view of the right hon. Member for Charnwood (Mr. Dorrell), who has held a responsible post in government. We may be forgiven for encouraging some of the younger Members on the Front Bench, who have not held such responsible posts, but the right hon. Gentleman knows that these are difficult and complex issues. He is right that there are lessons that we can learn from abroad, as well as lessons that we ought to develop internally in this country. Month on month, we are taking further steps. Next month, we are bringing some of the world's leading scientists to this country in pursuit of research on immunity to MRSA. We are examining a range of measures.

We do not regard the matter as a party political issue, and I thought it was slightly churlish of the hon. Member for South Cambridgeshire not to mention that we invited him and the hon. Member for Sutton and Cheam (Mr. Burstow), the Front-Bench spokesman for the Liberals, to put to us ideas that, if we find that they are practical and would achieve an advance for us, we will willingly adopt. I have never regarded methicillin-resistant Staphylococcus aureus as intrinsically related to either the Labour party or the Conservative party. The figures next week may show that it has crossed party politics.

Mr. Paul Burstow (Sutton and Cheam) (LD): On further steps to deal with MRSA infections in our hospitals, will the Secretary of State look again at the way in which the Government collect the statistics? They collect them on a hospital by hospital basis rather than on a specialty basis, in order that decisions can be made about targeting particular problems in particular hospitals. Is it not time to produce specialty-level data so that we can start to target the problem more specifically?

Dr. Reid: We will look at all these matters. We will examine whether collecting data hospital by hospital is sensible, or whether we need to identify particular areas within hospitals where the vulnerable are and operations are carried out. It is a cruel deceit to pretend that it will not be a continual struggle. When I said that within roughly three years I wanted to halve the rate of MRSA, I did not propose that as a ceiling; that is a floor. I hope that we can make more progress, but for the sake of some party political populist slogan, I am not prepared to pluck any target out of the air and demand that it be accomplished. That is not responsible politics.

Looking forward, we can see huge challenges ahead in our attempts to improve and modernise the national health service. However, the retrospective view from the point that we have reached leaves me and most objective observers in no doubt about the significant progress that we have made so far on that journey of improvement.

Mr. Lansley: The Secretary of State knows that the measures that I outlined to the House are a subset of those that I have suggested to him should be undertaken in the fight against MRSA infection. If he did not pluck a target out of the air, will he tell the House where the evidence base is for his assertion that by 2008 the NHS should aim to halve the current rate of MRSA?

Dr. Reid: It is not an assertion in the sense that I am saying that that is where we will be without a shadow of a doubt. A target is just that—an aim and objective. Where did I get that target? I got it on official advice as to what would be possible if we continued to combat MRSA. The advice was that, within three years, with the measures that we have now taken in our continual struggle, it would be possible first to stop the growth of MRSA, which has happened under both Governments, then to achieve a decline, and then a decline of significant proportions. That was done in the way in

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which any Minister would do it. It was done after consultation, discussion, testing and inquiry from officials.

Mr. Lansley: Publish the evidence.

Dr. Reid: The evidence on what? What evidence does the hon. Gentleman want me to publish?

Mr. Lansley: If the Secretary of State has received advice based on evidence about what measures will be taken to deliver the specific target, he can publish it. As he knows, there has been a string of reports, including the chief medical officer's report in December last year, which did not propose such a target or suggest that there was a particular path for the reduction of MRSA infection. The point that we are making is that the target may prove not to be challenging. The chief medical officer set out how a search and destroy strategy achieves substantially lower levels of MRSA infection. We need to know what the Secretary of State intends to do that he believes will deliver his target, as distinct from any other.

Dr. Reid: First, the target should be clear. Secondly, with every month that passes, we announce some further measure, and we continue to examine other measures, so what I am doing on this issue is as clear as it can be to anyone. Thirdly, the chief medical officer and chief nursing officer have been as open as they can about their advice, including in publications. Fourthly, I keep making excuses for the hon. Gentleman, who has never been in government, but I may say that officials' advice has not conventionally been made available externally. I am doing nothing more than any other Minister has ever done in this position.

The hon. Gentleman is entitled to criticise me if he feels that there are failings in what I am doing, but he is not entitled to imply that the figures have somehow been plucked out of the air with the connivance of leading officials in my Department, including some people who I dare say are as qualified as him, although I know that he brings an esteemed civil service background to this matter. He knows about officialdom and has held official positions, so it is a pretence for him to say that the advice that he gave to Ministers would be randomly issued or made public even on rare occasions. That is not the convention.

Mrs. Patsy Calton (Cheadle) (LD): Perhaps I can help the Secretary of State. What we are looking for is some practical measures that would lead to a reduction in MRSA, apart from the obvious measures on hand cleanliness and so on. What steps are he and his Department taking on bed occupancy rates, which the medical profession believes have an impact on MRSA, and on the availability of single rooms, which enable isolation?

Dr. Reid: Half of all the new private finance initiative projects have single rooms in a far greater percentage than anything that we have had previously.

I do not want to spend all day on this matter, as I thought that most of the problems were known to everybody. They include old and crumbling buildings, lack of hygiene, shortage of staff, high throughput and the increasing immunity of methicillin-resistant Staphylococcus aureus itself. I could go on and on about the individual items that are part of this complex problem. What are we doing? We are building new hospitals, employing new staff and banning the two-tier contracting out of cheap cleaning services. We have gone through a range of such issues one by one. Having identified potential causes, we are going through them and applying a remedy to each. People are perfectly entitled to think that MRSA is a tragedy and a huge problem, as it is, and they may even think that the Government have not been doing enough about it, but it is not right to imply that one party or another has a particular solution or that the Government are unwilling to listen to or act upon any sensible advice.

That is why I start my speech by saying that we know of the many challenges that we face. MRSA is one of them, but it is by no means the only one. As I said, we recognise that there is more to do, but it is also a matter of pride to all Labour Members that the nation's direction in both health and education is clear. In both, we will provide a future for our people that is fair for all of us and personal to each of us.

Michael Fabricant: Will the Secretary of State give way?

Dr. Reid: I should like to make a little progress. I shall certainly let the hon. Gentleman in, and I think that I have been fair up to this point.

In the past few years, after several decades of what I consider to be a lack of ambition, we have started to make considerable progress in service delivery in both health and education. Even our worst enemy would accept that there has been significant progress. In health, cancer and coronary heart disease survival rates are only the clearest indicator of success. That is how we should judge our health service; not on the inputs, but on whether lives are saved and are being improved. All those things, incidentally, are missing from the present way of analysing efficiency in the national health service.

Let me mention two of the most obvious improvements, which are due to the efforts of national health service staff—people who are continually run down as being inefficient, unproductive and uncaring, and who feature on the front pages of some newspapers every time something goes wrong. Let me give two figures that are to the credit of those staff. There has been a fall in the premature death rate from cancer of 12.2 per cent. in the first six years of this Government.

Dr. Andrew Murrison (Westbury) (Con): It is a long-term trend.

Dr. Reid: It may be, but is it not a good one and should we not celebrate it? If we celebrate a 12.2 per cent. fall in the premature death rate from cancer, should not all of us, including those on the Opposition Front Bench, doubly celebrate a 23.4 per cent. fall in premature coronary heart disease-related deaths, as it was six months ago? If we celebrate that astounding reduction in premature deaths, should we not also celebrate today when I tell the House that that reduction is no longer 23.4 per cent., as in the first six years of this Government, it is now 27.1 per cent.? I can hear the cheers from the Conservative Benches.

Those figures alone mean that 125,000 people are walking the streets of this country who would not have been doing so only 10 years ago. That is not some abstract statistic; 125,000 more people are alive, and do you know what, Mr. Deputy Speaker? That counts as a fall in productivity in the national health service, as those people are not going into hospital for full consultant episodes. Would it not be nice if Conservative spokesmen occasionally explained that, and explained that better health for people outside should be included in the figures? Rather than running down NHS staff, they should say that they will continue to campaign with us to remedy the measurement of good health care.

Mr. Dorrell: I am sure that all my hon. and right hon. Friends welcome, as the Secretary of State does, the improvements in public health outcomes that have occurred since 1997, but in the interests of avoiding party political game playing, perhaps he would also like to repeat to the House that there were sharp reductions in perinatal mortality during the period when the previous Government were in office, as a result not of what that Government did, but of improved medical practice in the national health service. Perhaps he will remind the House that, by 1997, average life expectancy in Britain was two years longer than in 1979. I do not remember ever claiming in public that one lived two years longer under the Tories.

Dr. Reid: The right hon. Gentleman may have missed it, but I did not once claim—I repeated the point three times—that the achievement was down to the Government; I claimed that it was down to NHS staff. I ask Conservative Members to do what the right hon. Gentleman did in 30 seconds and what Conservative Front Benchers were unable to do in 38 minutes—pay credit to the NHS. That is what I object to.

I celebrate when lives are saved through the NHS. All Labour Members celebrate the fact that, 60 years after the formation of the NHS, a young child born in this country will live nine years longer than they would have done before the NHS was founded. Although the right hon. Gentleman is never churlish—he has led that vast organisation, with all its faults and virtues—I cannot hear roars of celebration from Conservative Front Benchers.

Conservative Front Benchers do not celebrate the fact that, compared with the peak, 456,000 fewer people are on waiting lists. Waits of more than nine months for hospital admission have reduced from more than 118,000, which was the last Government's legacy, to virtually nil today. Nineteen out 20 people are seen, diagnosed and treated by our NHS staff within four hours—a world record. I cannot hear roars of applause from Conservative Members.

None of those achievements is reflected in the efficiency gains. If one waits three months, three weeks, three days or three years, it makes no difference to the present method of calculating efficiency, which is why I have said that the current method is absurd. Rather than using those calculations to beat NHS staff over the head, let us point out that the practical improvements carried out by NHS staff are not currently represented in those statistics.

Managers are the bête noire of the hon. Member for South Cambridgeshire. The NHS has about 38,000 senior managers, which is a ratio of about 3 per cent. to other staff and about one quarter of the figure in private health care. The 38,000 senior managers compares with about 400,000 nurses and about 130,000 doctors. Let us not use the weasel words that the number of managers has increased at three times the rate for doctors, because, although that might be statistically accurate, like damned lies, statistics can be misleading. It would be better to say, "However, that means an increase from 25,000 to 38,000 senior managers out of 1.3 million staff. The 38,000 figure compares with about 500,000 doctors and nurses and another 500,000 people who work in the other 71 professions in the NHS, 84 per cent. of whom provide front-line care." That is a balanced summary of what the NHS has achieved on manpower.

The hon. Member for South Cambridgeshire did not mention the huge improvements in health or, indeed, the huge improvements carried out under my right hon. Friend the Secretary of State for Education and Skills. Spending is up: since 1997–98, schools' recurrent funding has risen in real terms by £870, which represents a 30 per cent. increase per pupil to £3,740 in 2004–05. Class sizes are down: the overall pupil-teacher ratio in nursery, primary and secondary schools has fallen from 18.6:1 in January 1998 to 17.7:1 in January 2004, and hundreds of thousands of children are now in smaller classes. Teaching numbers are up: there are 28,500 more teachers since 1997. Teacher vacancies are down: they have been cut to 0.7 per cent. Most importantly for parents, standards are up. This year, the best ever primary results were achieved, with 53.4 per cent. of pupils achieving five or more GCSEs or GNVQs, and the highest ever number of students has been accepted at university.

Lives have been saved and improved. Yesterday's generation is living longer, today's generation is learning better and tomorrow's generation has a brighter future. That is not perfection, but, by any standards, it is substantial progress.

Mr. Gibb: I know that this is not the direct field of the Secretary of State for Health, but he may be aware of Professor Timms's study of primary education. Professor Timms conducts huge amounts of random testing on primary schools, the results of which are not published. His conclusion is that the real improvement is only one third of what the Government claim for English in primary schools and only two thirds of what the Government claim for maths in primary schools.

Dr. Reid: The hon. Gentleman plays a prominent role on the Education and Skills Committee, in which I think that matter will be discussed in the next 48 hours. I am not an expert, but I know that a discussion, in which he is no doubt involved, is taking place about the statistics. Importantly, nobody has said that substantial improvement has not occurred, and we are arguing about the rate of improvement. That is a legitimate argument, but that is not always reflected in some of the comments made by Conservative Front Benchers.

Those real, practical changes are a product of our core values. The matter means something to Labour Members given our commitment to fairness, about

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which we feel passionately. However, the improvements are more than that, and I want to address head on the remarks made by the hon. Member for South Cambridgeshire. Those improvements are also the product of determined, driven, systematically sustained reform programmes. We know that every pound wasted on health expenditure means that someone waits in pain longer or someone dies earlier than they should do.

We know that every pound wasted in education expenditure is a life's chance wasted for somebody, which is why we have been so committed to matching the investment of money with driving forward efficiency and reforms. I want to examine some of those reforms, which the hon. Member for South Cambridgeshire threw aside as immaterial in rather a churlish fashion. We have become more efficient. For instance, last year I announced that we would cut the number of posts in the Department of Health by 38 per cent., which involves 1,400 posts, and we are now well through that process.

I listened carefully to the comments made by the hon. Member for South Cambridgeshire about how to run an efficient organisation. He said that the percentage of top managers should not be too high, but a little modesty and humility would not be out of place: some 3 per cent. of the NHS work force is top management, but, as far as I can see by counting the number of Front-Bench posts in the Conservative party, 53 per cent. of the Conservative parliamentary party are senior managers—Front Benchers.

We will certainly do our best to reduce the number of Conservative MPs at the next election, but I have gone a huge way to reducing the number of people in the Department of Health by 38 per cent. We are already well into that process and a lot of money, which can be invested in the front line, has been saved. In May this year, I followed that up by announcing that we aim to halve the number of arm's-length bodies that support the NHS.

That was the target, but I do not know whether the hon. Member for South Cambridgeshire thinks it worthwhile. Should we not have had a target? Should we have wandered around talking about the matter, without any objectives whatsoever? *[Interruption.]* We will reduce Department of Health staff by about 5,000, expenditure by about £500 million and the number of arm's-length bodies from 38 to 20. All that money will go into front-line care.

Today, I have gone further, by publishing exactly how that will be done. I have published the next steps—the hon. Member for South Cambridgeshire referred to them—in implementing the review of NHS arm's-length bodies to ensure that the NHS gets most of the money locally and an efficient central service that offers value for money. The aim of the cuts in bureaucracy that we, the Labour Government, are impiementing is to ensure that every spare penny that can be spent on the front line is thus spent.

I used the word "cuts", but there is a difference between us and the Tories. When the Tories cut health spending, they cut training places for doctors and nurses. The hon. Member for West Chelmsford (Mr. Burns) looks astounded. Let me remind him of his party's history. Those who do not know their own history are obliged to wander aimlessly in the dark, so I will enlighten him about the last Conservative Government. Under the Tories, nurse training places were cut—I wonder how much Conservative Front Benchers can recall of their slash and burn—by 25 per cent. We are constantly told that we need more GPs. Under the Conservatives, GP training places were cut by 20 per cent. And what is the deepest personal concern expressed by Conservative Front Benchers every time they stand up? It is dentistry. No one will be surprised to hear, however, that the last Conservative Government closed two dental schools, which led directly to the staff crisis that we inherited and the requirement that this Government reinstate those places.

When the Conservatives cut, they cut training places, front-line staff and the essential provision of care. When we restrict the budget on bureaucracy, we increase the number of nurses caring for the public—there are now 77,500 more than under the Conservatives. That is not enough, by the way, so God knows how understaffed we were when that lot left office. When we cut bureaucracy, we put it towards increases in training. Another 178 dentists per annum will be trained, more GPs than ever will be in practice and in training and more nurses than ever will be employed by the national health service.

Above all, we shift the emphasis and the benefit from providers to consumers—the patients themselves. Through the bulk buying of drugs, for example, we will use the power of the NHS to do what the Conservatives used to take a pride in—run an efficient business.

Dr. John Pugh (Southport) (LD): If I follow the Secretary of State's argument, he seems to be saying that it is not necessarily a good thing to cut administrators in hospitals, but it is necessarily a good thing to cut administrators in the Department of Health? Why is that, and are those two points of view congruent?

Dr. Reid: I have great respect for administrators, officials and managers. I have never been one of those who say that administrators do not add value. The idea that doctors would run their surgeries without receptionists or that surgeons and consultants would spend their valuable time not operating on and treating patients but on doing all their typing is absurd—it could come only from the mind of a Conservative Front Bencher. [HON. MEMBERS: "What mind?"] Indeed; that is a contradiction in terms. It is absurd to suggest that a national health service, especially one of our size, can be run with much less than 3 to 4 per cent. senior management given that organisations in the private sector, including in private health, are running at three or four times that level.

If one is prepared to throw away the dogmatic obstructions that have sometimes curtailed those of us on the left of politics, one can use the size and power of the NHS to enhance efficiency inside and outside it—for instance, through the bulk buying of drugs. The recent pharmaceutical pricing regulation scheme agreement with the drug companies will save the NHS nearly £2 billion over five years. That money is going not to the drug companies but to the front line of services for the patients of this country. Through the bulk buying of

private sector health care, the NHS has succeeded in driving down not only the price of private operations for the NHS itself, delivered free at the point of need, but the price of private health care provided to insurance companies. We are leaving more operations for the NHS at the same time as driving efficiency in the private sector. Conservative Members know that, which is why they are sitting bemused, asking, "Why weren't we doing this?"

Mr. Simon Burns (West Chelmsford) (Con): We did.

Dr. Reid: Let me tell the hon. Gentleman what they did. They bought from the private sector at one-off spot prices of 150 per cent. of the price of NHS operations. The average price of our bulk buying at the moment—it is still going down—is about 108 per cent., including a start-up premium. As a result of judicious buying from the private sector, we are being given roughly the same as NHS prices.

If the hon. Gentleman wants to make contrasts in efficiency, that is a fair point—let us do it. Everyone knows that the Conservatives' policies are unfair, but they have an air of efficient business men about them. That is an illusion. Their plans are grossly inefficient, apart from being unfair. Let me tackle this head on. They believe that we should spend billions of pounds of taxpayers' money—currently £65 billion, rising to £110 billion—throughout the United Kingdom with no targets whatsoever: no objectives, no aims, no management targets, no concrete expression of their ambition. "Abolish all targets", they shout—not, "Let's have a managed transition" or "Let's have centrally driven objectives, as any business would, while we change the system", but the instant abolition of all targets. They would pour more than £60 billion of taxpayers' money into the NHS with no targets, no objectives and no drive for reform. That is today's Conservatives. They are economic anarchists throwing out billions of pounds of taxpayers' money and hoping that it will arrange itself on the floor in neat patterns and with some degree of productivity. The NHS would be the only service organisation in western Europe, public or private, to be spending billions of pounds with no objectives. How absurd can a political party become?

Alistair Burt (North-East Bedfordshire) (Con): Will the Secretary of State give way?

Dr. Reid: I have not finished yet.

A huge degree of inefficiency would be unleashed in the public sector if that money were poured in without some direct targeted control. It is almost as though the Conservatives want the NHS to fail—as though they want to produce a complete recipe for inefficiency in the public sector in order to illustrate that they can never provide high-quality and efficient services.

Alistair Burt: I have been listening to the right hon. Gentleman's argument very carefully. Earlier, he spent some time praising the management and staff of the NHS, and rightly so, but he now seems to be saying that if they are given the opportunity to use resources they will be so uncaring of them, and so hopeless, that they will not be able to drive the NHS in the direction that they need locally where they have made decisions in consultation with others who work for the NHS. I cannot see where the two parts of the argument meet. Is he saying that he has no confidence in the ability of local NHS staff and management to handle resources well?

Dr. Reid: No. I have great respect for the hon. Gentleman, but he is clearly having difficulty holding two ideas in his head at the same time. We will have a managed transition from centrally driven targets while we simultaneously change the system, making the driving and navigation force patient power, not providers' power. That is a sensible balance between two extremes. One extreme is to micro-manage everything in great detail from the centre, so that every time a bedpan falls in Tredegar it resounds in Whitehall—that is where we started from, although Nye Bevan himself never regarded that as the ultimate or the optimum structure for the NHS, because he desperately wanted to decentralise—and the other extreme is the happy-clappy friendship society that the hon. Member for North-East Bedfordshire (Alistair Burt) seems to be suggesting. That is to say that

"'in this best of possible worlds . . . all is for the best',

so here is £62 billion, go away and do something, and we won't exert any scrutiny or ask for accountability on behalf of the taxpayers." Both positions are extreme and both are silly. We want to reach a position that is in between.

If we suddenly decided to spend £110 billion on the NHS, without managed transition of the system so that it was driven by patients, and announced that we would be the only business in Britain that had no objectives, targets or aims—the official policy of the Conservative party—it would be absurd. It would unleash huge inefficiency. Hon. Members should not take my word for it but simply check the leaders of the *Financial Times* in May or June this year, which made that very point.

Matters are even worse, because the Conservatives plan to render more inefficient not only our public services but the private health care sector. The NHS used to buy operations from the private sector, but as one-off purchases, and often at high spot prices.

Mr. Dorrell: The Secretary of State is obviously enjoying himself, but he should base some of his comments, at least tangentially, on the truth. Does he genuinely believe that the idea of block purchase by the NHS from the private sector was revealed to an unsuspecting world on 1 May 1997? Is that his view of how the world worked before that date?

Dr. Reid: I did not say that no one had ever used block purchase previously. I said that the NHS used to make purchases from the private sector, often as one-offs and at high spot prices. I know what the right hon. Member for Charnwood did because we carried out a study for the Select Committee on Health, which my hon. Friend the Member for Wakefield (Mr. Hinchliffe) chairs. The average price that the right hon. Gentleman paid was about 150 per cent. of the NHS price, because the purchases were not made systematically in huge bulk. I hope that he accepts that that is truthful because it is a fact. In general, if we can agree on the facts, we get to the truth.

Mr. Dorrell: I am all in favour of agreeing the facts. I am delighted if the Government now realise, as they did not in 1997, the importance of establishing a proper partnership between the public and private sectors. The great shame is that the incoming Government on 1 May 1997 did not develop that policy from the roots that they inherited. Instead, they spent five years going off in the opposite direction. Only now is the Secretary of State for Health, like the Secretary of State for Education and Skills, returning us to a policy that he inherited on 1 May 1997.

Dr. Reid: That is interesting. I hope that the right hon. Gentleman does not suggest that there is any difference between my right hon. Friend the Secretary of State for Education and Skills and me. We are the vanguard of revolutionary transformation of public services. I am proud to march shoulder to shoulder with him.

If the right hon. Member for Charnwood finds himself in a position—as he has just done—of congratulating us on our actions, he must simultaneously condemn Conservative Front Benchers for their proposals.

Mr. Dorrell: No.

Dr. Reid: Let me explain their proposals to the right hon. Gentleman. Having unleashed inefficiency in the public sector, they would do the same, if they ever got their hands on the reins of power, in the private health care sector. Let us remember the dog that did not bark, the elephant that no one mentioned—the patient's passport—which featured in the 40-minute contribution of the hon. Member for South Cambridgeshire. The Conservative Government would let anyone who could afford it buy any operation at any price from any private sector provider. Whatever the price or value, the Conservatives would provide an automatic public subsidy for such operations. That is a combination of the inefficiency of the worst 20th century subsidy-junkie thinking and the worst 19th century Conservative iniquities and inequalities. The Conservatives have managed to combine the grossest inefficiency with the grossest unfairness. They do that with so much embarrassment that they do not dare mention the policy during a major debate in the House of Commons.

Michael Fabricant: The Secretary of State talks about unfairness. Apart from the unfairness of ascribing to us policies that we do not have, let me give him an example of terrible unfairness. What does he say to my constituent—whose name I am happy to provide to him—a young, fit guy who went jogging recently and had a heart attack? He did not realise that he was having a heart attack. The ambulance service in Staffordshire arrived within six minutes, so congratulations are due there, and staff gave him a decoagulant injection. He went to hospital for a week. He was told that he needed an angiogram to determine the precise damage that had been done. He was told that he would have to wait three months before he could be put on a waiting list and subsequently a further three to four months. However, he was then told that he could have it done tomorrow if he paid for it. He paid out of his own pocket—£1,800. Is not that inequity?

Dr. Reid: If that happened, it is a disgrace. That is why long waiting lists are a disgrace. Long waiting lists and times create demand in the private sector by those who sometimes cannot afford to use it. I have no objection to anyone going private if they wish, for reasons of celebrity, money, taste and so on, but I object to the placing of people in a position whereby they or their loved ones are forced to pay for primary and secondary health care because the quality, and the time that they have to wait, in the NHS is a problem. Tragically, year on year, that was increasingly the position under the Conservative Government.

Michael Fabricant: It is happening now.

Dr. Reid: If it is happening, and the hon. Gentleman gives me the name of his constituent, I will look into the matter. However, I stress that one of the reasons for the 27.1 per cent. reduction in premature deaths from heart-related diseases is the provision of thrombylosis and other treatment within 30 minutes. Survival rates for those who have suffered heart attacks and get treatment in 30 minutes of their arrival in hospital are huge compared with those that previously pertained. I shall revert to waiting lists shortly.

Mr. Tim Collins (Westmorland and Lonsdale) (Con): I am sure that the Secretary of State is sincere when he says that he regards it as disgraceful that people feel that they must go private to make up for the problems that they find in the NHS. However, he said that the problem worsened under the previous Government. Will he confirm that the numbers forced to do that under the Labour Government have tripled since 1997?

Dr. Reid: I cannot confirm that the numbers have tripled. They increased in the first few years of the Government. However, given the lead time, as we reduce the waiting time for an operation from a couple of years to a maximum of 18 months, then 15 months, then 12 months, and, from three months ago, nine months—next year, no one will wait more than six months—the compulsion to go private is also reduced. People can continue to choose to go private—I have no problem with that if it is people's genuine choice. However, it must be a real choice; people must not be forced to go private because of inadequacies in the NHS. The more we address the quality, waiting times and waiting lists in the NHS, the less the compulsion for anyone, inside or outside the House, to go private.

Let me conclude the point about efficiency. We reject the inefficiency in the public sector through lack of targets and in the private sector through individual rather than collective purchase, which constitutes the Conservative party's policy. That policy is inefficient as well as unfair. Therefore, we have an entirely different philosophy from the Conservatives. Their policy would mean patients waiting in pain—the very subject that the hon. Member for Lichfield (Michael Fabricant) mentioned—because they would get rid of targets, waiting times would go up and about £1.5 billion a year of the capacity that reduces waiting time would be taken out of the NHS and put into a subsidy to enable those who are better off to jump the queue. It is as simple as that.

Across the centuries in which the Conservative party has been around, an enormous amount of work has been put into intellectually justifying selfishness and greed—that is a matter of historical fact—but I have never seen anything that enshrines that as much as the patient's passport. It does not surprise me that the hon. Member for South Cambridgeshire could not bring himself to mention it once in his 40-minute speech, because the idea that people have either to wait endlessly in a queue, in pain for years, or to find £6,500 for their knee replacement is abhorrent to people in this country. I truly believe that. The Conservatives are not interested in a patient's passport unless it can be supplemented by another book—the cheque book. That is totally at odds with the philosophy of this country.

So, for our part, we claim not perfection, but solid, significant progress. We will continue that in sustaining our record investment and in transforming the way in which patients experience the health service with this increased capacity. In our health improvement plans, we build on what we have already done.

In education, my right hon. Friend the Secretary of State for Education and Skills has already produced more than 45,000 new day care places, which have been opened in disadvantaged areas as part of the biggest ever single investment to expand child care. That is also why 90,000 more 11-year-olds are achieving the expected level for their age in maths than in 1997 and why fully 8 per cent. more pupils achieve five A grades at GCSE than in 1997. Real opportunities are now being taken by so many of our young people. These achievements, efforts and energies are theirs, not the Government's.

I return to what I said to the right hon. Member for Charnwood: I do not claim this for the Government. I have said constantly, on and off the record, for 25 years that the biggest driver of social change in this country is people's ambitions—parents, pupils and those who take themselves out of disadvantage. It is the Government's role to give them the opportunity to do that and to reduce the barriers that prevent them from doing it and that make it more difficult to achieve for some people who are in different circumstances from others.

So, we will do that and go further. Under the previous Government, people sometimes had to wait years for an operation. This, again, is the subject that the hon. Member for Lichfield brought up. In 1997, the maximum waiting time that we inherited was over 18 months. That was scandalous—18 months for just a third of the patient journey from final diagnosis to treatment; it included nothing before final diagnosis. My aim is to speed up the whole patient journey from GP referral—first contact—right through out-patients, diagnostic tests and, finally, treatment.

That is why by 2008, from the time of referral to a family doctor to the door of the operating theatre, no one in England will wait more than 18 weeks—

Michael Fabricant: You hope.

Dr. Reid: Thus far, we have met every pledge and every target we have made. We will make this one as well, because NHS staff will respond to the challenge as they have in the past. This should ensure an average wait of about nine or 10 weeks. When the hon. Gentleman says he hopes that will be the case, I hope he is not implying that he and his colleagues hope it will not, because this would be a marvellous boon for people in this country—a maximum waiting time of 18 months for just part of the patient journey under the last Conservative Government and a maximum waiting time for the whole patient journey of 18 weeks under the Labour Government due to the efforts of NHS staff and investment from the taxpayer.

Our choice is for everyone, and we welcome today's chance to compare our records. This has been an enjoyable debate for me; I hope it has been enjoyable for our colleagues on the Opposition Benches. More than that, it has been informative. We now know that, under the Conservatives, waiting lists rose by 400,000; under Labour, they have come down by 300,000. Under the Tories, nursing places were cut by 25 per cent.; under Labour, they have increased by 62 per cent. Under the Conservatives, GP training places were cut by 20 per cent.; under Labour, the number of doctors training to be GPs has reached a record level in the past few months and there are 80 per cent. more doctors—that is eight-zero, Mr. Deputy Speaker, in case anyone thinks it is an exaggeration—training than only seven years ago.

The hospital building programme, which ground to a halt under the Tories, is now the biggest in the history of the NHS, but the Tories want to abandon the first principle of the NHS, which is that treatment will be free at the point of need—once more, a policy for the few against the interests of the many.

The dividing lines for the next general election are clear. With Labour, access to operations will remain based on need, not on ability to pay; under the Tory plan, there would be charges for operations. With Labour, investment in the NHS will continue; under the Conservatives, there will be cuts and the diversion of money from the mainstream to subsidise the rich in jumping the queue. With Labour, guaranteed waiting times; under the Conservatives, unlimited waiting times once more. With Labour, queues cut; with the Conservatives, queues jumped, but only by the rich few. With Labour, an NHS fair to everyone and personal to each of us, not as the Tories want—timely health care only for those who can afford it.

That will be the choice when the time comes for the election. That time cannot come soon enough for me. I commend the Queen's Speech to the House.

2.57 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): Indeed, the election cannot come soon enough. The sooner the better we can get on with it and dispose of the Queen's Speech and the legislation it contains, so much of which is about promoting fear rather than aspiring to hope and meeting the aspirations of this country.

This debate is about the inextricable links between health and education. As I listened to the Secretary of State rightly celebrate the significant improvements in survival rates in respect of cancer and coronary heart disease, I was thinking just how much that link comes into play. While undoubtedly it is right to celebrate and applaud the contribution that NHS staff have made to those successes with increased survival rates, the fact is that education messages over many decades that have

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resulted in more and more people giving up smoking have probably contributed even more significantly to those survival rates than anything else.

That is why we on the Liberal Democrat Benches take the view that education has a key part to play in the health of the nation—unlocking people's potential and enabling them to have opportunities to improve themselves and their lives. Education has a vital part to play in equipping people with the skills and knowledge they need to exercise an informed choice on their health, to take control of their health and, when necessary, take control of their own health care.

A number of Bills in the Queen's Speech relate to education, and I hope that my hon. Friend the Member for Newbury (Mr. Rendel) might catch your eye, Mr. Deputy Speaker, so that he can address some of them in more detail than I propose to do. However, I want to make one or two comments. The Secretary of State referred in his peroration to the dividing lines between the parties. This Queen's Speech contains a number of dividing lines, one of which is the Government's tendency to concentrate power in Whitehall, to centralise, to undermine locally elected authorities, and to set appointed and unaccountable quangos in place of democratically accountable local bodies. The education and schools Bill is just one of a succession of local government, health, education and policing Bills that have reduced local accountability and imposed national priorities.

Local authorities should have an enhanced role in co-ordinating services for school-age children. Is that not what children's trusts are meant to be all about? It makes no sense for the Government to champion integrated services with the Sure Start programme, which the Liberal Democrats support, only to abandon that principle when children reach the age of five. Local authorities should be given the opportunity to champion the co-ordination of services to ensure that no child is left behind.

On the issue of school inspections, which will also, I believe, be covered in that Bill, it is welcome that the Government are at last beginning to recognise that endless inspections are not the key to higher standards—that does not just apply to schools and education but to the health and care sectors. Instead, such inspections in schools increase the stress on teachers and pupils and take away valuable time from teaching. We hope that Ofsted will be able to move towards a more constructive role, auditing school improvement and offering advice about best practice, and that this legislation will therefore pave the way for that. But it is disappointing that the Queen's Speech does not provide similar opportunities with respect to the role of the Healthcare Commission and Commission for Social Care Inspection and, indeed, does not provide the opportunity to bring those two bodies together, so that, for the first time, we have one agency responsible for setting the framework of standards and regulation for the whole health and care sector.

The child welfare Bill, which is in its draft form for scrutiny in the House, appears to refer only to enforcement of rules after a settlement has been agreed. Our initial thoughts are that the changes are necessary but should occur before that point, to ensure that children do not get involved in long-running and emotionally damaging legal disputes. Indeed, figures from the Office for National Statistics show that 88 per cent. of non-resident parents are satisfied with informal arrangements reached outside the court, and that only 35 per cent. are satisfied with the outcome once they get to the courts. Surely that makes the case for far more pre-legal mediation and support services.

The Secretary of State for Education and Skills (Mr. Charles Clarke): Would the hon. Gentleman concede that our Green Paper on this subject sets out policies to do precisely what he suggests in terms of developing and changing the role of the Children and Family Court Advisory and Support Service? The proposal announced in the Queen's Speech relates to the court aspects of that, but what he proposes is set out clearly in the Green Paper that we published a few months ago.

Mr. Burstow: That is helpful, and we would certainly acknowledge that. We look forward to seeing the detail of the Bill and working with the Government to ensure the best outcomes for children. We share the sentiment in the Queen's Speech that the welfare of children is paramount, which is made clear in the Children Act 1989. However, an alternative view seems to be advanced in some corners, not least by the Conservatives, in which perhaps the interests of parents should be paramount, and that 50:50 access should be statutory, regardless of whether that is in the best interests of the child.

The Conservatives also propose the abolition of CAFCASS. The Liberal Democrats hope that the Government—from what we have just heard, we are reassured—will take a more measured view and not simply play to the gallery, particularly a gallery that is often filled with people wearing Batman costumes. We need to ensure that the needs and interests of the child really are placed first, and if that means that both parents have 50:50 access, that is right, but if it means that the interests of the child are not central, it is not right.

I said that education and health are inextricably linked. One area in which there is a need for rapid progress is school meals, and I note that the public health White Paper says that the Government plan a three-year review of school meal standards in England. That is a devolved matter, and one might think that school meals standards would not vary much between Scotland and England. On the face of it, one would expect them to do the same thing. On closer examination, however, there is a clear difference between Scotland and England in the emphasis given to nutrient guidelines, for example. In Scotland, the guidance on school meal standards talks about achieving nutrient requirements as "essential", and the overall tone is set by words like "should" and "required". Compliance in relation to nutrition is clearly expected. By contrast, England's guidance specifically says that only the regulations are compulsory and that the guidance on good practice, which includes nutrient levels, is "not required by law". The net effect of putting the nutrient recommendations at the end, pointing out that the guidance is not

compulsory, and using words such as "aim" and "try" is that the specific nutrient content of school meals is marginalised.

The Health Committee was therefore absolutely right to recommend that England should shift as soon as possible from the current food-based standards to the Scottish nutrient-based standards. The White Paper is disappointing, as it simply states that the Government will consider such a change—and, in a leisurely fashion, over the next three years. Yet good-quality, nutritious food has a key part to play both in the academic attainment and performance of children and in shaping healthy diet habits that will last a lifetime.

Mr. Barry Sheerman (Huddersfield) (Lab): I hate to score points against the Health Committee, as its Chairman is a good friend, but three years ago; the Education Committee, in its inquiry into school meals, also strongly recommended that. We are still waiting for the Secretary of State to act on it.

Mr. Burstow: The hon. Gentleman has not so much scored a point off his hon. Friend the Chairman of the Health Committee, but made a useful point about the fact that this issue has been hanging around for a long time. The evidence is compelling that, in England, the school meals service suffers from poor standards and underinvestment, and that it is doing a disservice in many parts of the country, despite the noble efforts of the many catering staff who try to provide meals.

The same delay, hesitation and further consultation in relation to the public health White Paper's proposals also applies to alcohol, smoking and food labelling. The Queen's Speech included a drugs and alcohol abuse Bill. Although that is a Home Office Bill, drug and alcohol abuse have far-reaching public health consequences, which turn up in our accident and emergency departments on Thursday, Friday and Saturday night, almost every weekend, in every city centre up and down the country. While the Liberal Democrats welcome the Government's commitment to increase the number of addicts going into treatment, we will examine closely the details of the Government's proposals.

The Government rightly talk about the need to expand treatment, yet their own figures on the numbers in treatment are misleading. They claim that 154,000 problem drug users underwent treatment in 2003-04, with an expansion in treatment places of 55 per cent. in the past five years. But if we examine the figures in more detail, we see that that was an estimate. What the National Treatment Agency for Substance Misuse goes on to say is that 125,900 individuals were "in contact with treatment". Precisely what that means is perhaps the subject for an Adjournment debate, but it suggests that the Government have claimed too much.

In relation to tackling the alarming rise in alcohol abuse, this Bill, in line with the Government's alcohol strategy, appears to be focused on containment and punishment rather than on treatment and prevention. While we welcome a clampdown on alcohol-fuelled rowdiness, which makes such a mess of our streets, blights the lives of many in our town centres and certainly does not make those in our communities feel safer, that is only half the equation. The Government are failing to address the health consequences of Britain's binge drinking culture, which is a ticking health time bomb. There has been a 75 per cent. increase in hospital treatment for alcoholic liver disease since 1996. Alcohol-related deaths have hit a new record, and have more than doubled over the past 20 years. The Government must focus on more than just containment of the problem; they need to deal with the causes.

Alcohol abuse among teenagers is storing up huge long-term health consequences. Every day, nine children are admitted to hospital because of alcohol-related problems—a shocking statistic. The public health White Paper was hopelessly weak on this issue. Last year, a MORI poll revealed that only 7 per cent. of men and 22 per cent. of women knew what the Government's recommended alcohol consumption was for them. Clear labelling with the numbers of units should be mandatory, and linked to a major public information initiative to publicise the recommended intake limits.

Improving training of health care workers is also vital, particularly in primary care, as identifying and tackling alcohol dependence problems at an early stage is key. According to research by Alcohol Concern, of an average 360 hazardous and harmful drinkers who visit a GP every year, seven or fewer will have their drinking addressed by their doctor. Alcohol problems are treated more easily and more cheaply if caught early, yet only 7 per cent. of all NHS spending on alcohol misuse is spent by GPs. The Government must ensure that this Bill begins to deal with alcohol problems, and does not just deal with drug problems, and that treatment for dependency is extended to people with alcohol problems as well as those with drug problems.

The Government's White Paper on public health also falls short in terms of protecting people from harm caused by passive smoking, and the Queen's Speech contains no Bill to do something about it. If the Secretary of State for Health admits, as he does, that passive smoking harms, that passive smoking kills and that there is no safe level of smoke, how can there be any exceptions from a ban on smoking in enclosed public places? The idea of exempting pubs that do not serve food is strange: the distinction seems to me to be born of administrative convenience rather than any real logic. Why should the health of someone eating a ploughman's lunch with a pint in a pub be more important than that of someone drinking a pint on its own?

Guidance on the health and safety responsibilities of employers to their employees makes it very clear that current evidence of second-hand smoke doing harm and killing people is so compelling that failure to protect staff from that risk puts employers at risk of legal action. Research makes it plain that ventilation systems cannot guarantee a safe working environment. I am told that as many as 10,000 air changes an hour, equivalent to a mini-tornado, blowing through a pub would be necessary to achieve anything like the necessary risk reduction. The Government's proposal to ban smoking in bar areas is unworkable and cannot ensure the safety of bar workers, let alone anyone else.

Just where is the sense of urgency? No legislation has been announced in the Queen's Speech, and we have a timetable that is content with a three-year delay before even a partial ban on smoking in enclosed public places comes into effect. Why are the Government putting off

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giving a lead for two years? Despite the chief medical officer's recommendation in his 2003 report "Going Smoke Free" that NHS premises should be smoke-free by 2004, we must wait until 2006 for even that fairly modest step to be taken. Just where is the leadership?

Then there is the question of labelling. Delaying action until 2006 and leaving everything to voluntary labelling codes fails to give consumers the information that they need to make health choices now. I hope that the Government will think again about introducing such measures earlier, not least given the clear public support that the Food Standards Agency has found.

The Queen's Speech also states that the Government want to continue their reform of the NHS, offering more information, power and choice to patients, with equal access for all and a service that is free at the point of delivery. It is a wonderful motherhood and apple pie moment but how real is choice when so many people struggle to get on to the list of a local GP or NHS dentist in the first place? People in many areas are struggling to gain access to local GPs. According to the Audit Commission, as many as 250,000 people each year cannot find a GP because of list closures and other problems, and find themselves being assigned to a GP as a consequence.

In its rather understated way, the Audit Commission described that as

"a significant issue for patients,"

It certainly is a significant issue for many of our constituents. People should be able to choose their GPs and obtain care closer to their homes; they should not be allocated GPs on a basis that might entail longer journeys from where they live. Where is the choice for those 250,000 people each year? Where, indeed, is the choice for my constituents? Recently one of them, Miss Jean Duncanson, wrote to me about the difficulty that she and two of her neighbours in Elizabeth house—local authority sheltered housing—had experienced in registering with the local GP in Cheam village. Neither she nor her neighbours were able to do so; instead, they were told that they must travel by bus to practices in Sutton. My constituent felt discriminated against and let down. There was a surgery just around the corner, close to her home, to which she could not gain access.

It is not just a question of access to GPs, however. Only last week the National Audit Office expressed concern that the new dentists' contract might result in dentists reducing their NHS commitments further owing to lack of detail about the changes. Clearly the move away from a piecemeal, piece-rate approach makes sense, but the NAO has tapped an anxiety that needs to be addressed. The situation is indeed very worrying, given that only half the population are currently registered with NHS dentists. We need to make significant progress. The Government's dental work force review, which it took the Government over two years to publish, found that there is currently a shortfall of nearly 2,000 dentists—whole time equivalent—and that the number is set to rise to up to 5,000 by 2011. The Government say that there will be 1,000 extra dentists, but that is fewer than the forecast shortfall. Again, there does not seem to be enough urgency in the face of what is a massive problem of dental failure. It was inherited from the Conservatives, but it has not been addressed adequately in seven years of Labour government. Ministers are for ever talking about patient choice, but when it comes to finding a dentist millions of people throughout the country have no choice at all.

The Secretary of State spoke of the need to move from the current waiting-time targets to an 18-week end-to-end journey time for the patient. That may be a welcome goal of which we all approve, but just when will the Government make available information on diagnostic waiting times? In June, when the Secretary of State made a statement on the NHS improvement plan, he accepted that diagnostic waiting lists were the NHS's hidden waiting lists. Many of my constituents feel that they are stuck and lost in limbo, waiting for diagnostic appointments and the right scans so that they have the diagnosis that will enable them to secure the treatment that they need. It cannot be right for the information not to be collected and published, when that would allow everyone to see just how well their own NHS trust is performing and would help us to see how waiting times can be cut.

People are waiting for months in hospitals across the country for vital computerised tomography, magnetic resonance imaging and other diagnostic scans. As I have said, the Government have announced that they will cut the waiting times, but they themselves do not know how many patients are waiting for diagnostic tests or how long they are waiting; and they have failed to introduce a system for the routine collection of data from hospitals which would provide a clear picture. Without reliable and accurate data, how on earth do the Government expect anyone to plan properly to reduce diagnostic waiting times in the first place?

The hon. Member for South Cambridgeshire (Mr. Lansley) raised the question of my party's commitment to hypothecation of national insurance to fund the NHS. While not wishing to talk about his own policy on many matters, he was quite happy to talk about ours. I too am happy to say a little more about our policy. I certainly want to make it clear that we are committed to matching the Government's spending plans in full, and to achieving the staffing improvements that have been proposed for the next four or five years.

The aim, first and foremost, of our proposal for an NHS contribution is to make clearer to people just how much they are spending on the NHS from their taxes, as an aid to accountability and transparency. We are committed to hypothecating national insurance for that purpose. The figures given by the hon. Gentleman are the sort that one should look at closely before foolishly stepping into the big hole that he was trying to dig for me. If he writes to me setting out the basis of his calculations and assumptions, I shall be more than happy to write back explaining where he is confused and wrong about our policy. Perhaps when he writes to me he will also explain how the Conservatives justify spending £1.2 billion to fund a policy that used to be called the patient's passport policy, but is now a policy without a name—but with a deadweight cost of £1.2 billion for the NHS, without a single extra operation being performed as a result. If the hon. Gentleman is prepared to write to me about that, I shall be more than prepared to respond to him further on other matters.

The Queen's Speech also referred to the Government's intention to continue pre-legislative scrutiny of the draft Mental Health Bill. I have had an opportunity, as I am sure others have, to dip into some of the evidence sessions—to hear some of what has been said, and to read many of the transcripts. It appears from the evidence taken to date by a Joint Committee that has examined the draft Bill in detail that it has a long way to go before being anywhere near acceptable to those with an interest in mental health services and problems. It strikes one as a Bill that was drafted in the Home Office rather than one that was conceived to meet the needs of people with mental health problems. That concern is shared by the Law Society, by nearly all—if not all—mental health charities, and by professional groups.

The Government have performed a unique act. They have managed to construct a coalition of interested parties across the board, all of whom say one thing: that the Bill is the wrong Bill. Compulsion is not the right way in which to deal with mental health problems. Indeed, Cliff Prior, chief executive and chairman of the mental health charity Rethink, said the following in giving evidence to the Committee:

"When this long drawn out process began in 1999, the government's stated aim was to reduce compulsion. It was told that its plans would do just the opposite. Despite a few concessions, nothing has been done to address this fundamental flaw."

Indeed, I understand that when, during some of the visits carried out so far, people were asked whether they preferred prison or a mental health institution, many opted for prison because there is a guaranteed release date and the guarantee of spending a certain amount of time each day in the fresh air. Those two guarantees do not seem to apply to people who languish under restraint in mental health institutions.

Finally, the Queen's Speech talks about health care free at the point of delivery. We Liberal Democrats are entirely signed up to that principle, but if it is indeed to be free and available at the point of delivery, why, for example, does a person with advanced dementia who requires catheterisation, help with feeding—even peg feeding—and intimate personal care have to pay for such care? How can that be fair? The Queen's Speech should have included a Bill to end the arbitrary divide between health care, nursing care and personal care—a divide that is defined more by who provides the care than by the nature of the care itself.

This is a Home Office Queen's Speech and a programme with one date in mind: polling day. Health and education are the poor relations in the legislative programme that this Queen's Speech sets out. That programme places fear ahead of hope, and we Liberal Democrats will continue to provide an effective opposition to it.

3.21 pm

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): It gives me great pleasure to contribute to this debate. Most of my remarks will focus on education, but as is our privilege in this debate, I shall start by commenting on the broader context of the Queen's Speech. We do indeed have the opportunity to take a longer view, and the comments of the Opposition spokesmen—both of whom dealt mainly with health—perhaps reflect the fact that we are getting close to a general election that everyone seems to think will take place next May.

Time and again, my constituents come to my advice surgeries, or write to me, to say how much the health system has improved for them, and genuinely to thank me as a Labour Member of Parliament. No reasonably fair-minded person can doubt that consumer satisfaction with the health service has gone up astronomically in the past seven years. The picture with education is also very encouraging. When the Education and Skills Committee recently went to Norway, the permanent secretary in Norway's department of education said, "I am perhaps going to make you feel uncomfortable. Normally, you seek information on these visits, but I want to ask you some questions. We spend far more on education than you do, but the reforms that you have introduced seem to be producing outstanding results and pushing up standards. We want to learn how to do what you're doing, because in Norway we spend far more per head on education."

In the context of the real world, I am now going to be slightly unkind about the Government, even though I honestly feel that there has been a great increase in the quality of health care and a great improvement in many aspects of the education service. I have always been interested in preventive health care. As most people who know me realise, I am not a health expert, but early in my career in the House, I and others formed a group called the Parliamentary Advisory Council for Transport Safety. We campaigned for seat belt legislation, and for many other reforms that have saved countless lives over the years during which we have energetically pursued these issues. In that time, PACTS has made a real difference, and I welcome the measures on road safety in the Queen's Speech, because they will save many lives.

It is important to strike a balance on these issues. We all know that the safest way to travel is by aeroplane, the second safest is by train, and the most dangerous is by bicycle or motorcycle. So when there is an accident on the railway, let us please see it in that context. Before spending billions of pounds of taxpayers' money on saving a tiny number of lives a year, we should consider how many people are killed on our roads every day.

I am sorry that the Secretary of State for Health is not in his place, because if he were I would say to him in public what I have said to him in private. I came to this House to protect people in the workplace, and the evidence shows that passive smoking not only kills but causes dreadful ill health and means a much shorter life for the many people who have to breathe in other people's smoke while at work. I have always believed that if we approach this issue in terms of protecting workers' health there is an indisputable case for rapid change, so it grieves me that no measure has been introduced. We have a White Paper, we have had the discussion and the arguments have been made. There is no reason why the Queen's Speech should not have included a commitment to enabling this House to introduce a Bill similar to those introduced in Norway and in the Republic of Ireland a year ago. Two of our European Union colleagues have introduced such legislation, and it is already working very successfully in both those countries.

[Mr. Barry Sheerman]

Let us consider the deep shame of what happened to the miners. It was not until the mid-1960s that legislation was introduced to protect miners from breathing in the filth of the mine debris and dust that caused so many dreadful diseases. What a shameful record. Yet now we are lingering—waiting to introduce a measure that everybody knows needs to be introduced. The White Paper is a step in the right direction, but it gets a critical point wrong. If we believe in protecting workers' health, we cannot exclude 20 per cent. of establishments from the smoke-free provision. Are we going to say that workers in those establishments should not have to care about their health, and neither do we? What sort of legislation would that lead to?

I have a warning for the Secretary of State for Health and for those on the Front Bench. Why should this be a party political measure? I believe that when a Bill on this subject comes before the House of Commons—it is a pity that that will not be sooner rather than later—on a free vote, there will be an overwhelming majority for a measure along the lines of the Irish legislation. That is my clear view, and if I were lucky enough to secure a slot for a private Member's Bill this week, I would introduce such legislation myself, and hope that the Government would give it fair wind. That gets that particular concern off my chest.

I will say in passing, that I have been a long-term advocate and passionate believer in a system of identity cards. I cannot believe some of things that I have heard about the identity card scheme—I see my colleague on the Select Committee, the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) disagreeing with me, as I would expect. If we are going to have a decent system of law and order in this country and be able to catch the criminals who plague the lives of some of my constituents, identity cards are crucial. I am not convinced by the arguments of Conservative and Liberal Democrat Members against the scheme.

Having now alienated most hon. Members with my views on what should and should not have been in the Queen's Speech, may I quickly run through two or three concerns about the long-term implications of aspects of the education proposals? I have already said that I believe that there has been a profound positive improvement in the quality of education in our country, but what worries me most is that, as Chairman of the Education and Skills Committee, I am aware of areas where we are not applying the views that the Government have enunciated.

For example, we as a Government believe in evidence-based policy—we hear Ministers telling us that all the time. That is a very good rule: finding evidence and introducing policies on the basis of it. No Government or Administration get it right all the time, but since 1997 this Government have introduced many interesting, innovative measures and, even more importantly, put substantial resources behind them. There has never been as much money invested in education in this country as has been invested since 1997. That is good news.

However, I have to say to the Secretary of State and the Government that they must evaluate their measures carefully and respond quickly. Some will work and some will not; some will become something of a disaster. As Chairman of the Select Committee, I know about individual learning accounts and attempts to establish a UK e-university. Those were brave experiments and good ideas, but they did not work out in practice. We have to dust ourselves off, evaluate what went wrong and then get it right next time. If there is a general systemic failure across a range of issues—perhaps in some of the public-private partnerships that the Department has implemented—we have to learn from it. The Select Committee's role, at its best, is to advise the Government how to put problems right.

Sure Start policy is another important issue. I have been a devoted supporter of it, and all the research and modelling from the best think-tanks shows that the best possible spend that can be made is on early years education. That is where the best value for money is. Stimulating children's imagination and giving them the chance to change their lives very early on is important, as is giving parents the opportunity to stimulate their children in the right way. I am wholly convinced by that, but the early research into Sure Start seems to show that only about 28 per cent. of it is effective. The Secretary of State needs to be aware that very good programmes sometimes yield results that are not 100 per cent. effective. Sure Start-type programmes need to be modified and built on in the future.

On the other hand, I can say that our policy on free nursery places has proved magnificent. The recent research of Cathy Silver and her team showed how excellent pre-school experience is. What a fantastic investment it has been for the taxpayer. It is important to get the balance right and understand the need to monitor the evidence closely and respond quickly to modify policy.

The Government will probably not like to hear another criticism, but the Queen's Speech refers to Ofsted and the need to modify it. It is my Committee's job to hold Ofsted, as well as the Government and the Department, to account, and Ofsted has appeared regularly before our Committee.

We have consistently argued for lighter-touch inspection. I am delighted that the Government are introducing such a system, although I have some concerns about using lighter-touch inspection across the piece as a rule. Some schools—perhaps between 10 and 20 per cent., although I do not know the exact figure—may need a much longer inspection. They may need a longer inspection, but they do not need inspectors to come in, tell them what is wrong with the school and then walk away without providing any help to sort out the problems and get the system right. That has always been my criticism of Ofsted: too often, it goes into a school setting, tells the school that it is not performing in a range of areas and then walks away.

When we press the chief inspector of schools, David Bell, and ask him, "But surely if you find that a number of schools in one town or city all have a similar problem"—in other words, systemic failure—"do you mean to say that you would not pick up the phone to the LEA's director and say 'you've got some problems here, and it's not just one school—it's a cluster of schools—and if you don't do something about it, when we evaluate you, as the LEA, you will have problems?'" The two things are not really in sync. Yes, Ofsted evaluates LEAs and yes, it evaluates schools, but it fails in the systemic evaluation of schools in certain areas, and the Government must be very careful about that problem, especially when it is linked to my second point.

My second point is that, in the Queen's Speech, we have yet another step towards schools becoming more independent and more in control of their own destinies than ever before. That journey has been going for a long time, but I tell the Secretary of State for Education and Skills that it is perilous. We took the Select Committee to look at the system in New Zealand, where a Labour Government gave absolute independence to their schools 10 years ago. There are no local education authorities and there is no council interference—local councils no longer have an education remit or role—but the people who had experienced that system for some time found it very difficult. The independence was such that, where systemic failure was found, there was no one between the department of education and what was happening in the schools, so it became extremely difficult to achieve systemic change in the education system and process.

Michael Fabricant: The hon. Gentleman is raising an interesting issue. Does he think that a comparison can be made between education and health? The point that he makes about systemic problems is almost a study of epidemiology. Is the problem in New Zealand not so much that the schools are independent but that there is no proper study of what might be going wrong? Does he not think that, if there were greater independence for schools in the UK, combined with a better Ofsted system similar to that which he espoused earlier, one could get the best of both worlds?

Mr. Sheerman: No, that is not the answer. My analysis of the situation—I take a lot of evidence and look at many other countries' experience—shows that real problems are involved in giving up the ability of local authorities to take an overview and knit together a process. I shall give an example, and in doing so, I shall come to my third point: 14-to-19 reform.

Most enlightened people in the education world in this country passionately believe that it is right to introduce 14-to-19 reform—in fact, all the major parties in the House are still in favour of reforming 14-to-19 education—and Mike Tomlinson gave evidence before our Committee only last week. However, if we introduce a major 14-to-19 reform—of course, that bridges 11-to-16 education and post-16 education, which are very different systems; one has an LEA input, while post-16 education largely does not—who organises the system? Who knits it together? It is a magnificent challenge to get 14-to-19 education right, because if we do, it will start to deliver proper education and a parity of esteem between the people who have taken an academic route and those who have taken a more practical and vocational route. We are on a wonderful journey, and I admire the Government for leading in that direction.

I do not see anyone other than the local education authorities with any democratic roots. I do not count the Learning and Skills Council, because it is a quango even though it reports to our Committee. Therefore, if there is no other system builder that is capable of knitting together 14-to-19 education reform, the local education authorities will have to take on that important role.

Kali Mountford: I thank my hon. Friend and good neighbour for giving way on this point. In his analysis and from the experience that we have in west Yorkshire, what contribution does he feel can be made to bringing out the best qualities of each school and each individual by schools collaborating across a whole area? They can contribute to what he says about knitting across the system of post-16 education.

Mr. Sheerman: That is absolutely typical of my good neighbour. She steals my next line, which I hoped was going to be my best one. I am making the case for being very careful about getting rid of the one agent for systemic change. I am worried about that in terms of what I have said about Ofsted and inspection and what I have said about the diminished role of education authorities.

It is not just the Queen's Speech that counts, and the Secretary of State knows that very well. There is a five-year plan and, if we want to know how independent schools will be, we should look at the five-year plan, at what will happen to foundation schools and at how easy it will be to become a totally independent school that owns the land and everything else. Such schools will be totally independent and all they have to do is have one vote through the governors.

I hope that the Secretary of State will compare that with what we said in our admission inquiry report. We pointed out that the vote in such cases was nonsense. Whatever view one takes about grammar schools and the 11-plus in parts of the country, no one can defend the basis on which the ballot takes place. It does not work. I almost said that it was crooked, but it is not. However, it is totally distorted to get one answer, and that answer will always be no. That is not a fair basis for consultation. We said that on an all-party basis in the Select Committee and it is absolutely true. Let us compare that with the vote on becoming a foundation school. One vote take places in one room in the school and then it becomes a foundation school.

I return to the point made by my neighbour, my hon. Friend the Member for Colne Valley (Kali Mountford). A bit of the Government is always saying that the only way that we will knit together 11-to-16 and perhaps 14-to-19 education is through a greater degree of collaboration across schools. All the specialist schools in, let us say, Huddersfield, Colne Valley or Birmingham, where the Select Committee spent a week looking at education, have to work co-operatively together. That is the best way of getting the most out of the education system.

A senior adviser to the Government on London schools, Tim Brighouse—he was the chief education officer in Birmingham—has a notion of collegiates of schools operating together across the piece. That is a magnificent vision. However, if the Secretary of State really thinks that he will get that level of co-operation from individual barons or baronesses running their own schools, he should talk to any head about co-operation and collegiates of schools. They will say, "It is a wonderful idea, but I wish I had the time to do it." It is a complicated thing to achieve. If we want such participation and co-operation, head teachers will need someone to help them, and from my experience that will be their local education authorities. The Secretary of State should be cautious about riding the horse of greater independence for schools and

[Mr. Sheerman]

diminishing the power of local education authorities while desiring more co-operation across the piece, because it will probably end in tears.

I shall make a final point because I have taken up far too much time, albeit only half that taken by anyone else who has spoken. It is proven that the best target for great investment in education is the early years, but another aspect of education comes close and is important to the future of our country. I shall again be nice to the Government. They have run the most successful economy in the developed world for the past seven and a half years—brilliant! Thanks to the Prime Minister and the Chancellor working as a close-knit team, they have delivered the wonderful economic situation in which we have found ourselves that has allowed us to afford the investment that we have ploughed into health and education. However, the future of the way in which our country innovates, produces new enterprises and becomes more successful as an entrepreneurial culture depends to a great extent on our higher education and the research carried out in our universities.

When the Education and Skills Committee reported on the Government's White Paper, we said—albeit slightly as a subtext—that the most important aspect was the recommendation on research funding. We thought that flexible fees, or top-up fees—whatever one wants to call them—were a secondary issue. The amount invested in research and the places in which the investment is made is the most important matter for the long-term future of our country. We warned the Government about concentrating too much big science research in a handful of institutions.

I discussed the matter with Sir Richard Sykes. I asked him whether his suggestion covered only five universities, and he said, "Yes, only five." I told him that that would mean that all the science-rich research universities would be in London and the south-east, and he said, "Yes, so what?" I tell you, Madam Deputy Speaker, that that proposal would exclude your constituency and mine. It would exclude the regions of England and the rest of the UK. Research would be focused in London and the south-east to too great an extent. If we are a country of all the regions, each region should have at least one big science research university, and it would be appalling to aim for anything less. The research assessment exercise has been driven by picking only five and five-star rated departments to get the riches from the Higher Education Funding Council, but that is plain wrong. Departments that are three or four-star rated are those in which hungry men and women are researching away because they want their departments to have a five or five-star rating. Many of the great inventions and breakthroughs have come from departments with ratings of three or four.

Four chemistry departments have closed in our universities in recent times, including one in Exeter, but that cannot be right. Lord Lewis has consistently made the case that a critical mass of departments is required to retain sufficient scientists in a country such as the United Kingdom and thus keep a subject alive. That is how people continue to innovate and get the highest prizes that the world has to offer.

I hope that the Government will go back to our Committee's evaluation of their higher education proposals and think carefully about what they will do in the months running up to the general election to promote fair investment in our universities' research departments. If that means shaking up the HEFC a bit, I am sure that the Committee will help them. If it means examining clearly the assumptions underlying the research assessment exercise, we will help with that, too.

3.49 pm

Mr. Stephen Dorrell (Charnwood) (Con): Like everyone else, I enjoyed the Secretary of State's speech—perhaps even as much as he enjoyed making it. However, I have one or two comments to make that arise from it.

The right hon. Gentleman delivered a Jekyll and Hyde speech. The Dr. Jekyll personality gave a presentation of the Government's health record that, broadly speaking, I sign up to. He offered the view that the NHS is not perfect, but invited us to appreciate the fact that it has made solid progress since 1997. I freely concede that it has done so. Indeed, I made the same speech on the NHS, inviting people to recognise that it was not perfect before 1997, but that it made substantial progress between 1979 and 1997, as it has done since its foundation in 1948.

It is possible to have a debate that recognises that every party in the House is committed to developing the NHS. We have all played a part in that development. We are all responsible for some of its failings and we can all claim some credit for some of its successes, but we should always recognise that the real successes are the result of the contribution by the professional staff, not of the politicians who are briefly responsible for it.

That was one personality that the Secretary of State presented. Although I disagree with aspects of his record and the Government's record—I shall say a bit about that later—I gladly sign up to some of the things that he said. However, it was not just Dr. Jekyll who was on display. In Mr. Hyde mode, the right hon. Gentleman offered us straightforward party political knockabout. We know that an election is coming when a Labour health spokesman says that the Conservative party is secretly planning to extend charging in the NHS, like all Conservative Oppositions and Governments have secretly done since 1948. It is worth reminding ourselves that there are three charging regimes in the NHS—for prescriptions, eyes and teeth. The historical fact of the matter is that two of the three charging regimes were introduced by Labour Governments.

The first stage of the argument is that we will introduce charges; the second is that the Conservative party is planning to cut NHS spending.

Mr. Charles Clarke: Would the right hon. Gentleman be good enough to set out his view of the patient's passport and how it relates to the charging discussion?

Mr. Dorrell: I shall come to that in due course. Before I do so, I want to respond to the charges made from the Dispatch Box. The first was that we would extend charging—an accusation that is always made in the run-up to an election. The second was that we would cut NHS spending, blind to the fact that no Conservative

Government have cut NHS spending during their period office and that the shadow Chancellor made it crystal clear that we intend to carry through the spending plans published by the Government.

The third and most absurd proposition that Labour spokesmen advance is that the Conservative party is not committed to the principles of the NHS. As always when I hear that charge, I get out my calculator to remind myself of how many years there have been since the foundation of the NHS in 1948 and of how many years there have been of Conservative government and of Labour government during that period. When I do so, I find that the Conservatives have been in government for 35 of those 56 years.

I invite the House and, more importantly, the voters and anyone who might be interested in the arguments to reflect on the fact that if it were true, as Labour spokesmen have said consistently throughout those 56 years, that the Conservative party was not committed to developing the principle of the NHS, would it not have been likely that at some point during its 35 years in government it might have done something about it?

When the Secretary of State presents what I have called his Dr. Jekyll personality, he is realistic; I do not agree with everything he says, but we can have a sensible debate. When he presents the other side of his personality, it is a sign that an election is coming. When Labour spokesmen advance an analysis of Tory threats to the health service, it is one of the most sure bell-wethers of British politics that an election is not far around the corner. I guess that that confirms what most of us know.

The reality, and by far the most important point that emerged from the Secretary of State's speech, for which I give him some credit, is that to be committed to the principle of the NHS is to be committed to making difficult decisions about its evolution. Those who are genuinely committed to the development of the service and those who are genuinely committed to the development of maintained schools and the broader education sector are not and cannot at the same time be committed to no change in those sectors. The difficult argument—the interesting argument—involves the nature of the changes that need to be made to ensure that the commitment that we all have to the principles that lie behind them is delivered in reality in the years ahead, and that we continue to see regular improvements for children and patients.

I should like to address the nature of the changes that are taking place in our key public services, the rate at which the Government are introducing changes and the faltering nature, as I see it, of the process of change in health and education services.

It is one of the oddities of Queen's Speeches under this Government that they provide us, in the sense of a Kremlinologist, with a barometer that tells us about the current state of the relationship between the Prime Minister and the Chancellor of the Exchequer. It is—*[Interruption.]* The Secretary of State for Education and Skills should listen. I shall develop the argument, and the right hon. Gentleman will be hard put to deny its different elements. When we read the Queen's Speech, we find that the areas in which the Government will act are those where the Prime Minister and the Chancellor agree. The areas where the Government are introducing some generally fine-sounding words but nothing very radical are those where the Prime Minister would like to do more but the Chancellor will not let him. That is the argument around the evolution of public services that lies at the heart of the Government.

We all know what the Prime Minister's instincts are on this subject, and he loses no opportunity to tell us. We remember him telling us that he bears the scars on his back from those who oppose reform in the public services. We saw some of those responsible for inflicting those scars sitting behind the Secretary of State for Health.

The Prime Minister railed famously against the forces of conservatism, which in the press release was conveniently spelt with a capital C. The reality is that many of the most difficult opponents that the Prime Minister faces in the political arena are in his own party. They are relentless opponents of change within the public services.

The Prime Minister and I would number the Secretaries of State for Education and Skills and for Health among his friends on this subject. They understand the need for radical reform, but they are repeatedly blocked by internal opposition within the Labour party, led by the Chancellor. The most prominent example, foundation hospitals, arose in the previous Session, when the then Secretary of State for Health wanted to return to an agenda that we set out in the 1990s to create more independent and flexible management for major hospitals to allow them to respond more effectively to local needs—the needs of their patients and the priorities of the local communities that they are there to serve. It is well documented that the then Health Secretary repeatedly lost arguments with the Treasury and the Chancellor of the Exchequer. The Bill on foundation hospitals that was finally introduced did not deliver the measure of reform required to make the health service the flexible, responsive and efficient service that we all want in the coming years. It did not provide local hospital management with the capacity to evolve their own local employment terms for staff and gave them an absurdly politicised management structure. It did not give them freedom to borrow and thus access the resources that they need to develop their hospitals. The Chancellor obstructed reform by the Prime Minister and the then Health Secretary—now Cabinet supremo for policy development and winning elections and, I am sorry to tell the Secretary of State for Education and Skills, heir apparent.

Alistair Burt: The Health Secretary, too, will be sorry.

Mr. Dorrell: Indeed. The Treasury obstructed the drive to reform. I believe that the agenda for reform of the public services lies at the heart of political debate and will be the key domestic priority in the years ahead, so I approach the Queen's Speech with a sinking sense of disappointment. It is clear that the Prime Minister has largely left the field, and there are no major proposals that will continue the reform of health care and education that is needed if we are to deliver our objectives for those services.

That does not mean, however, that there is nothing of value in the Queen's Speech. I shall begin my examination of the proposals for the year ahead by

[Mr. Dorrell]

looking at a measure that is not in the Queen's Speech because, I suspect, it does not need to be. In the middle of our party conference this year, the Government published a paper that I was pleased to welcome in a later question to the Prime Minister. He would not accept this description—indeed, he did not do so—but the paper outlines the Government's plan to reintroduce GP fundholding. I am delighted, however, that they aim to do so. They have, of course, changed the name—they call it practice-based commissioning, but they give the game away in the opening line of the paper which states:

"There is nothing new in the concept of Practice Based Commissioning."

You can say that again! From April 2005, GP practices can, if they so wish, be given indicative commissioning budgets, which is exactly what GP fundholding was about. I take a particular interest in the subject, because it was the first major issue for which I took ministerial responsibility when I was appointed junior Minister in the Department of Health in 1990. I read the document and almost wrote to the Secretary of State in the belief that I could offer my services as someone who has been here before. There are a number of things that I would have worded differently. The Government have fallen into a number of traps, which could have been avoided if they had been prepared to learn some of the lessons of experience. We could have made quicker progress towards a shared objective.

Alistair Burt: Does my right hon. Friend think that if he called himself Capita and charged £10 million for his advice he would probably have got the contract?

Mr. Dorrell: My hon. Friend and I should go into business together.

I wholeheartedly endorse the Government's objectives for what they call practice-based commissioning—they are exactly what we sought to achieve with GP fundholding. The Government say:

"By promoting practice level budgets for commissioning the Department envisages a number of ways in which patients will benefit".

The benefits include a greater variety of services and a greater number of providers

"in settings that are closer to home and more convenient to patients. Further, there are ways that the NHS as a whole . . . will benefit from more efficient use of services and greater involvement of front line doctors and nurses in commissioning decisions."

The passage continues:

"There is good reason to be confident in these expectations because of the evidence supporting Practice Based Commissioning"—

in other words, the track record of GP fundholding between 1990 and 1997. I am delighted to be able to endorse the Government's returning to a sensible policy, although I have some questions to ask about it.

Michael Fabricant: Does my right hon. Friend understand the frustration of patients and doctors in Staffordshire, where every GP was a fundholder? It is felt that six years have been wasted in going full circle and returning to the original position, where money followed the patient, rather than poor old patients constantly having to follow contracts and money.

Mr. Dorrell: My hon. Friend took my next words out of my mouth. At one level, it is slightly humorous in a party political sense that I am reading words that are virtually the same as—in truth, they could be identical to—the words I used 15 years ago to describe the introduction of the policy. At another level, however, we are speaking about real people treating real patients in the health service and about 15 wasted years. The point that my hon. Friend makes is a serious one.

It is worth reflecting that if, instead of going down the dead end that was signposted by the right hon. Member for Holborn and St. Pancras (Mr. Dobson) in 1997, we had continued with the development of the policy that the Government now recognise is right, every GP in the NHS would by now, if they so wanted, be engaged in practice-based commissioning, to use the jargon.

My hon. Friend the Member for South Cambridgeshire (Mr. Lansley) referred to the total purchasing pilots that we were working on before 1997, which showed that this does not have to be a minimalist idea dealing with a few relatively minor patient routines. It can be at the heart of commissioning in the health service in order to make it flexible and responsive to the needs of communities and individual patients. It is not a joke; it is a scandal that we are now back at the starting blocks 15 years on, having to go through the same performance all over again.

Michael Fabricant: Does my right hon. Friend also recall that fundholding GP practices were able to perform minor surgery, thereby taking the burden off cottage hospitals and larger district hospitals? That was abandoned, too, causing the problems that I raised earlier with the Secretary of State for Health.

Mr. Dorrell: I caution my hon. Friend against overstating a powerful case. It would be wrong to suggest that all the minor surgery performed by GPs was unravelled with the end of fundholding. It is true to say that fundholding drove that change process, but quite a lot of it still goes on. What we have lacked in the meantime is the driver for further change to take the process on at the rate at which it was proceeding while the fundholding scheme was in place and driving it.

I have welcomed the fact that, albeit belatedly, we are again using the idea to drive change in the health service. I hope that when he responds to the debate, the Secretary of State for Education and Skills will deal with these matters, or perhaps he will arrange for someone else to do so. Given that we have wasted 15 years, it is important that we have a plan to make this opportunity available to all general practitioners in the national health service. It is important that we have flexible plans that allow GPs to group together, rather in the way that the hon. Member for Huddersfield (Mr. Sheerman) suggested schools should, to allow GPs to create their own informal bodies to operate the commissioning approach, as they were before 1997.

It is important that we develop the concept of practice-based commissioning and that we get back to the concept of total purchasing pilots to allow that idea

to develop. It is important that there is a target in the Department of Health—with due apology to my hon. Friend the Member for South Cambridgeshire for my mentioning targets—for achieving savings out of the primary care trusts that were the more bureaucratic version introduced to supplant fundholding. If we are going down the road of practice-based commissioning and, rightly, committing resources to that idea, let us score the efficiency savings that should be available from PCTs as a consequence.

Mr. Lansley: Happily, my right hon. Friend does not have to apologise to me. We wish to remove Whitehall targets imposed on hospitals, but that does not mean that we will not set ourselves targets for efficiency savings. Indeed, with the James committee, we estimate that changing commissioning roles towards what is in effect practice-based GP fundholding and patient choice for elective treatments will mean that more than £600 million is saved from PCT administration.

Mr. Dorrell: I am grateful to my hon. Friend for setting himself a fairly ambitious target. I hope that the Government will embrace that £600 million target; if they do not do so, they will need to explain why.

One of the oddities about the Government's paper on this matter is their statement that, if a practice achieves savings as a result of innovative commissioning—that is clearly the idea of the exercise—only 50 per cent. of the savings achieved will be available for the benefit of its patients. I do not understand why there should be a 50 per cent. limit, because its effect is that the other 50 per cent. of the savings achieved by innovative commissioning in one practice area will go to the benefit of patients in an unrelated practice area.

I do not see the logic of that approach. If a practice achieves savings and more efficient commissioning for its own patients, surely the people who should get the benefit of that resource, which will be more efficiently used, are the patients of that practice. I would be grateful if somebody explained to me why 50 per cent. of the savings should disappear into the ether. Why should not 100 per cent. be available to improve the health care of the patients of the practice in question?

In developing the idea of practice-based commissioning, I hope that the Secretary of State for Education will convey to the Secretary of State for Health my heartfelt good wishes for him in his no doubt upcoming battles with the Chancellor of the Exchequer and the Chancellor's friends on the Back Benches. The Health Secretary will have to do better this year than he did last year on foundation hospitals if we are to secure the real benefits that will be available for health service patients and if this idea is to be allowed to run properly. I wish to turn now to the Education Secretary's responsibilities.

Mr. Charles Clarke: Before the right hon. Gentleman moves on, I remind the House that he said that he would comment on the patient's passport. I hope that he will do so before he moves on to education, as I think the whole House would be interested in his analysis of that policy proposal.

Mr. Dorrell: I am sure that the whole House is waiting for that with bated breath, but hon. Members are probably waiting with even more bated breath for me to sit down so that they can make their own contributions. I would not wish to deny the Education Secretary my thoughts on his departmental responsibilities, so I shall move on, if I may.

Turning to the relaunch of what I would describe as the city technology college programme, I am grateful to the Education Secretary for his hospitality, as he very kindly gave me a dinner in the company of 200 or 300 others at a promotion of his city academies programme. I was glad to go to the city academies dinner, as I thought that it felt very like dinners that I attended before 1997 to promote the development of what used to be called, as hon. Members will remember, city technology colleges. Indeed, so like city technology colleges are the academies that the Secretary of State quoted in his departmental plan of July the example of a very successful academy. I do not know the details, but I am prepared to believe that this is an admirable story, and I would like to read it to the House:

> "Walsall Academy opened in September 2003 . . . Its sponsors are Thomas Telford School in Shropshire—one of the original City Technology Colleges, with an outstanding record of pupil achievement and innovation in the application of information technology . . . in partnership with the Mercers' Company, a City of London charitable livery company".

Members should bear it in mind that Walsall academy opened in September 2003, so this record is startling. Since it opened, it

> "has already raised the proportion of students gaining five good GCSEs from 13 per cent. in 2001 to 49 per cent. in 2003. There are now ten times as many students applying for a place at the school than before—with 608 applications for September 2004 compared to just 57 students in"

the predecessor school's last intake.

That is a huge success story, and I give the Secretary of State for Education and Skills credit for promoting the city academy programme, which is a relaunched city technology college programme. However, the same comment applies: if it is such a good idea—it is plainly a good idea—why did it have a seven-year sabbatical? Why could the reinvigorated Government post-1997 not follow through on the idea, instead of taking a great historical loop around a dead end? It is to the credit of the Prime Minister and the Secretary of State for Education and Skills that, if the newspapers are to be believed—I think that they are largely to be believed on this subject—they won their battle with the Chancellor on the target of 200 city academies. The policy is good, and I hope that that target is achieved.

Mr. Clarke: Does the right hon. Gentleman accept that the lineal descendant of the CTC is the specialist school? Some 60 per cent. of secondary schools in the country are specialist schools and the growth has been consistent. When I became Secretary of State, one of my first steps was to remove the cap, so that every secondary school might become a specialist school and achieve the dramatic improvements in results to which he refers. His criticism simply has no foundation.

Mr. Dorrell: No, I do not accept that independent schools, which I shall discuss in a moment, are the lineal descendents of the CTCs. The key thing about the CTCs is that they introduced major private sector partners,

[Mr. Dorrell]

which the city academy programme is also designed to do. I am surprised that the Secretary of State for Education and Skills is so bashful about his policy, which is very good.

I shall read out another element of the policy:

"Academies are promoted and managed by independent sponsors . . . They are free to innovate as they wish, within the law and requirements on admissions"—

I shall have something to say about that in a moment—

"in order to transform standards in areas that have been persistently ill-served in the past."

That is precisely what CTCs were designed to do. It continues:

"Sponsors contribute up to £2 million towards the initial capital cost".

One again, the policy is a straight lift from the CTC programme. However, it is welcome, and the Secretary of State for Education and Skills should not be so bashful.

Mr. David Rendel (Newbury) (LD): Although the Secretary of State for Education and Skills seems to be fighting hard against the idea that he has taken over some of the previous Conservative Government's policies, does the right hon. Gentleman agree that he is arguing—a number of people in the media have argued this recently—that there is very little point in voting Tory at the next election, because the Labour party has taken over all the Tories' policies?

Mr. Dorrell: The hon. Gentleman has focused on one policy—city academies. He has forgotten what I have said about foundation hospitals and fundholding and has not yet heard what I am about to say about independent specialist schools, which are not, as the Secretary of State for Education and Skills proposed, the lineal descendants of CTCs. The parentage of the independent specialist schools is much closer to grant maintained schools, which is another programme that the Government have abolished. In the rubric that I have quoted, the Government have brought out of retirement all the arguments that were used to develop the grant maintained schools programme, to which the hon. Member for Huddersfield (Mr. Sheerman) has referred.

The hon. Member for Huddersfield is worried about the implications of the policy, and he is not entirely signed up to the policy of the Secretary of State for Education and Skills. I am on the side of the Secretary of State for Education and Skills, who has got a good idea. I am concerned, however, that he, like the previous Secretary of State for Health, will be unable to carry this policy past Members such as the hon. Member for Huddersfield, with all respect to him, and, indeed, the Chancellor of the Exchequer. Winning the battle for independent specialist schools to ensure that they have genuine per capita funding and are allowed to own their own buildings and employ their own staff is absolutely central to the success of the Secretary of State's policy. I regret that he has already, in a pre-emptive cringe to the Treasury, had to concede the politically correct line on the law on admissions.

Perhaps when the Secretary of State winds up, he will be able to explain to the House how we distinguish between the dictionary words "aptitude" and "ability". We have specialist schools in science, music and other subjects, which is very good, and they are allowed to select up to 10 per cent. of pupils on the basis of aptitude, not ability. When I briefly did the Front-Bench job of my hon. Friend the Member for Westmorland and Lonsdale (Mr. Collins) at the beginning of the 1997 Parliament, I devoted a lot of time, with the present Home Secretary, to teasing out how we distinguish tests for aptitude from tests for ability. I look forward to hearing the Secretary of State, with his superior intellect, clarify that.

Mr. Charles Clarke: We set that out clearly in our response to the Select Committee, to which I refer the right hon. Gentleman. Does he agree with Conservative Front-Bench policy, which is completely to abolish any control of selection at the ages of five and 11, to establish a five-plus and an 11-plus for every school, and to abolish the requirement of proximity to the school?

Mr. Dorrell: As my hon. Friend the Member for Westmorland and Lonsdale is indicating disagreement with that representation of our policy, I feel under no compulsion to agree with it.

The Secretary of State is on to a genuinely good idea as regards city academies and independent schools, but I am worried about his pre-emptive cringe to the Treasury. I am also worried, as the Health Secretary has now rejoined us, about the track record of his predecessor in getting similar policies through the Treasury in the guise of foundation hospitals.

I cited three specific examples and I could add others. The key issue is how we reform the public services to deliver the commitments that are shared by Members across the House, including the hon. Member for Huddersfield, with whom I disagree on methods but agree on objectives. Whether in health care or education, the objective should be high-quality services that are available on the basis of need. It is to the Prime Minister's credit that when he makes speeches he appears to be clear that who provides the service is not the key issue. Indeed, he seems to think that there is an advantage in plural provision: let a thousand flowers bloom; let a number of different approaches be tried.

The key factor in our concept of public services is equitable access. That is a genuinely attractive vision for the future of public services that sets out to break down the accursed distinction between those who "go private" and those who rely on the state sector. We want to provide equitable access to a variety of institutions, both public and private, with access to a single system rather than allowing education and health care provision to continue to develop as two separate systems. Separate development is not an idea with a happy historical provenance. There is a dawning realisation in some parts of the Labour party—although none at all, from what I can make out, in the Liberal Democrat party—of the importance of that idea, but the problem is that every time we come to the crunch those with that dawning realisation appear to lose their battle.

We all know that the Queen's Speech is likely to be the last of the Parliament. I have no doubt that the Prime Minister and the Chancellor can keep the show on the road between now and the general election. However,

the contradictions in the approach of the Secretary of State for Health and that of the Secretary of State for Education and Skills become clearer daily. The most important question at the next general election will be whether we continue with a team whose members do not agree about the most fundamental issue that faces Britain in the years ahead or accept the logic of the Prime Minister's occasional rhetoric on the subject, and elect a Government who can do something about it rather than simply talk.

Madam Deputy Speaker (Sylvia Heal): Order. Several hon. Members hope to catch my eye. I remind hon. Members that the debate is time-limited—perhaps they will bear that in mind when they make their contributions.

4.25 pm

Laura Moffatt (Crawley) (Lab): I am pleased to follow the right hon. Member for Charnwood (Mr. Dorrell) because I listened carefully to his comments and I want to respond to some of his assertions.

I want to deal with both aspects of the debate—education and health—because I firmly believe that few other subjects affect our constituents more. They are greatly involved in them and feel that they will affect their families in future. We should therefore take any action in these areas, especially in connection with the Queen's Speech, extremely seriously.

If hon. Members visited Crawley—which they are welcome to do—it would be obvious to them that the education landscape had been transformed. One can enter the town from the south and look at all the new build. Astonishingly, we have three new secondary schools, one of which is completely new, and not rebuilt. People in the part of town where it is situated had been calling for that for many years. We have state-of-the-art special schools that deliver education to children and young people of hugely varying abilities in a way that we did not believe was possible. We also have new-build primary provision and an explosion in nursery care. The landscape is therefore very different from that of 1997.

I want to ensure that we understand how the difference came about. There is no magic to it. Crawley was once a new town, and the new build of 60 years ago had not been renewed or refurbished. The only way we could get money for education was by selling a bit of playing field: that was the only way that any schools managed to get rebuilt. However, in 1997 there was an explosion in building, and new confidence in education provision in Crawley.

I say to the right hon. Member for Charnwood that we could hold great debates about approaches to education, but without the resources we would simply be wasting our time. The aims and objectives of our teachers are now properly supported, which means that we can produce the sort of building that they want to work in and children find attractive. Circumstances are now completely different, which allows children to raise their game at school. They now have a different attitude towards staying on. They desperately want to do that, and I believe that education maintenance grants have made an enormous contribution to that change.

Let me consider the aspects of the Queen's Speech that are relevant to education. I was delighted to hear from my hon. Friend the Member for Huddersfield (Mr. Sheerman), the Chairman of the Education and Skills Committee, as he spoke for many Members—certainly those who have been corresponding and raising the issue of having a light touch where we need to, while retaining an overarching authority that can get the family of schools working together, sharing experiences and also sharing what often cannot be done in one school. Hearing my hon. Friend speak in that way was music to the ears of people in Crawley, and we will certainly watch the Bill with great interest as it makes its way through Parliament. I will be an active supporter of it.

I have said something about education, which I believe has gone extremely well in Crawley, and few of us would argue that the reforms and the resources have not produced something that we can be incredibly proud of. The election of the Labour Government in 1997 was key to that. However, I now turn to an issue that has been quite difficult to deal with: modernisation, and ensuring that our health services can react to today's needs. Again, few of us would argue that enormous strides have not been made in the development of our health services.

Again I am thinking about what is happening in my own town, and considering the development of primary care. I firmly believe that bringing our GP practices to work together and think about the whole town, rather than just the little bit of it that each one happens to be serving, has been hugely beneficial to us all. Our GPs come together to discuss how we can ensure that health care is delivered throughout the town equally and co-operatively, not in the sense that one practice may be able to save some money and reinvest in some other way. I firmly believe that that has completely changed how GPs function.

This has not been an easy process—indeed, it has been a difficult one—but the ability to share information and expertise has borne an enormous amount of fruit. That will always be there for us now. We have encouraged people to work co-operatively, and that is a learned experience. People have learned to do it, and to respect their colleagues.

Kali Mountford: I am interested in the development of the argument about sharing knowledge and practice among GPs under the primary care trust system. Will my hon. Friend compare that argument with the assertions made by Conservative Members about their policy of GP fundholding, and say whether what she is welcoming would have been possible under such a method of funding and running practices?

Laura Moffatt: I thank my hon. Friend for that intervention, and she will not be surprised to hear me say that I do not believe that that would have been possible. There is a sense of having respect for colleagues, of sharing information and of sharing practice and expertise, which develops those services throughout the town. I believe that that has been hugely successful.

However, I also firmly believe that we have great difficulties when we face reconfiguration of major services, particularly the acute services. We know that 80 per cent. of health care is delivered through our GP practices and nurses, and I am glad to say that most of us do not have to go near a hospital, but it is extremely

[Laura Moffatt]

difficult for local people to accept that change is needed. That relates particularly to accident and emergency care.

As a Member who has attempted to think carefully about some suggestions from senior clinicians about how best to deliver emergency care, I want to share some of my experiences. As I was a nurse for 25 years, I have tried hard not to be just an oppositionist Member of Parliament who says no to everything suggested, just in case it might be damaging. I decided that I would listen to everything that was being said, and challenge it at every point, and I have done so since 1995—since before I was elected.

Being faced with very difficult arguments demonstrates to me that it is hard for those involved in the profession to be brave about those decisions, and to say that they feel that such things need to happen, and that they are going to make changes because they will make the service safer and more efficient. It is also difficult to set that against the background of what our constituents feel about the service, because, on the whole, they have not had any experience of it—thank goodness.

Given the modernising process, and the way in which we continue to ensure that the NHS is fit for the times in which we live, the relationship between Members of Parliament and the health service is an interesting one. We need a grown-up debate. For political parties to divide and say, "We don't like it because you look as if you're supporting it," does not do our constituents any good whatever. As we continue to develop our services and change the way in which we do business, it is my dearest wish that, in this House and outside, we can have a grown-up debate, be decent, and understand that the reason why decisions are devolved to senior clinicians is that they know what they are doing. We have the right to challenge, but they understand how best to deliver services.

The Queen's Speech contains quite enough proposals in relation to health, because our professionals are saying that the component parts are in place, particularly in acute care, and they now want to get on and do the job, and be left alone to show that they can deliver. I firmly believe that the one thing that has driven those improvements is targets. Without question those targets have put staff under pressure, but they have also given us excellent results in our health service. Long may that continue.

4.38 pm

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): It is a pleasure to follow the hon. Member for Crawley (Laura Moffatt), who is a fellow West Sussex Member. I agree fully with her call for a non-partisan debate by Members of Parliament on public services and the health service in particular. I endorse her comments on that particularly.

The Chairman of the Select Committee on Education and Skills made some comments about identity cards, on which I want to touch briefly before moving on to education policy. If the Government go ahead with the introduction of identity cards, I think that they will regret it deeply. It would be a huge extension of state power into the lives of ordinary people. ID cards always start off as popular, and then become hugely unpopular—they started off very popular in Australia, and then almost brought down the Government at one stage. Identity cards pose a danger, especially with today's technology, of aggregating in one place, around one identification number, all the personal information that is held by the state. That gives rise to a real danger that an unauthorised official will have access to information to which he is not entitled.

Neither do I believe that identity cards will work to deliver that which is claimed for them. They must be carried all the time to be effective—

Madam Deputy Speaker: Order. An amendment has been moved to the motion today, so we are restricted to discussing matters related to health or education.

Mr. Gibb: I will obey your strictures, Madam Deputy Speaker.

The Queen's Speech talks of the high importance that the Government attach to educational opportunities enabling all individuals to realise their full potential. Who could disagree with that? I wonder, however, whether the Government are doing enough to achieve that aim.

On a number of occasions, I have raised in the House the issues of phonics in the teaching of reading in primary schools, the teaching of multiplication tables by rote—which I do not think happens in many primary schools—and mixed-ability teaching in secondary schools. I have raised those issues not just because they are important in themselves, although they are. Ours is one of the worst literacy rates in the developed world, with 23 per cent. of adults unable to read a simple instruction on the side of an aspirin bottle, 17 per cent. of 11-year-olds leaving primary school for secondary school still unable to read properly, and 37 per cent. of 11-year-olds leaving primary school unable to write properly—and they will never catch up, or recover from that bad start to their secondary school education.

Employers complain that school leavers do not have a basic knowledge of maths or English. According to the most authoritative international survey of education systems around the world, the TIMSS—third international mathematics and science—study, our state education system comes a poor 20th among those in 41 developed countries. The parents of one in four state pupils now think it necessary for their child to have private tuition, particularly in maths.

As I said, I have not raised those issues just because they are important in themselves but because they relate to the political and philosophical debate about who runs our state-sector public services. The hon. Member for Crawley touched on that when she said that Members of Parliament had a right to challenge experts on the conduct of the provision of public services. My question is this: is it the professional bodies who run and determine policy in our public services, or is it elected politicians? Does the Association of Chief Police Officers decide policing policy, or does the Home Secretary? Does the NHS Confederation or the Secretary of State for Health decide health policy? Do the education academics in our universities decide education policy, or does the Secretary of State for Education and Skills?

The public are quite clear about who is responsible. They understand our constitution, and they believe that the politicians are responsible. When things go wrong, they blame the politicians. Politicians, however, actually have very little say in key policy areas in education, health and policing. I believe that that is one of the main reasons why Governments of both parties have failed to deliver the improvements and reforms that were promised so faithfully. As a result, people have become disillusioned with politicians and the whole political process.

When I raised the issue of mixed-ability teaching with the Secretary of State and the Minister for School Standards, I pointed out that 60 per cent. of all lessons in comprehensive schools took place in mixed-ability classes. That came as a surprise to many, but the figures were from Ofsted and had emerged in parliamentary questions.

The Minister's initial response was that there was no evidence that teaching in a mixed-ability class was any less effective than streaming or setting according to ability. Labour's 1997 manifesto, however, contained an explicit promise to increase the amount of setting. It said:

"Children are not all of the same ability, nor do they learn at the same speed. That means 'setting' children in classes to maximise progress, for the benefit of high-fliers and slower learners alike. The focus must be on levelling up, not levelling down."

To the Minister's credit, he was happy to engage in a constructive discussion with me on the academic evidence that he had been given in the Department. The key document is a report by Laura Sukhnandan and Barbara Lee from the National Foundation for Educational Research. It is a publicly available document. The West Sussex director of education has also used it as a basis for our discussions about streaming in schools in that area. It is a summary of the literature on streaming and setting by ability, and it concludes that there was insufficient evidence that setting resulted in higher educational achievement, and that setting had a negative impact on those belonging to particular social groups.

On examining the report in more detail and looking at the underlying research that it claims to summarise, it is clear that it is tendentious and does not accurately reflect that research. It says that research by Kulik and Kulik, two American academics, concludes that

"although students in streamed settings outperform students in mixed ability settings by a small amount, the differences are not significantly different."

But reading Kulik and Kulik's research reveals that they say that only in respect of cases where the curriculum is not tailored to the particular ability level. The curriculum should of course be tailored to the particular ability level when setting is introduced, and Kulik and Kulik concluded that when it is, very significant gains are made in educational attainment at the top level, strong gains are made in the middle, and there is a neutral result—in other words, no loss—at the bottom. They also concluded that those at the bottom experience a small increase in self-esteem, and that the very bright pupils at the top experience a small decrease in self-esteem as they are confronted with competition for the first time.

On further reading the research of the proponents of mixed-ability teaching—the key proponent is R.E. Slavin—it is clear that their main motivation is social equality rather than higher educational standards. I have no complaint about those who are motivated by that point of view, which is a perfectly respectable one to hold. Slavin believes that one breaks down social division by deliberately mixing different abilities in a classroom, but in my view, that method perpetuates social division. It damages the educational achievement of those from lower socio-economic groups in particular, who do not have the background to counter the poor educational achievement that results from mixed-ability teaching. The consequence of such teaching is the opposite of what Slavin wants: social division is perpetuated, rather than ended. I strongly believe that Members who look at the research will conclude that setting results in significantly higher educational achievement, even if common sense does not already lead them to that conclusion.

During my friendly discussions with the Minister, and in answer to a parliamentary question, the Department for Education and Skills offered its next defence of the status quo. It accepted that overall, 60 per cent. of lessons take place in mixed-ability classes, but it argued that there is setting in the core subjects and that the 60 per cent. figure includes lots of peripheral, non-core subjects. So I tabled some more parliamentary questions to test that argument. They were answered by Ofsted, which showed that there was setting in 80 per cent. of maths lessons—a core subject. That supports the Government's contention, but it still means that that there is no setting in one in five maths lessons in our comprehensives. Only 54 per cent. of lessons in English—another core subject—are in sets, which means that nearly half of all such lessons in our secondary schools take place in mixed-ability classes. There is setting in only 20 per cent. of history lessons and 36 per cent. of geography lessons. That knocks on the head the argument that the 60 per cent. figure relates to non-core subjects; rather, it relates to the core, principal subjects.

Once that argument had been conceded, the next response was that that this is a matter for heads and teachers, rather than for Ministers. That brings me back to the core question. Should the decision about whether to stream secondary schoolchildren be a matter for the professions, or for elected politicians? That is an important philosophical issue, which we should consider. If every secondary school in this country were the envy of the world, if our schools filled parents with confidence, and if education were not the number two political concern in almost every opinion survey, I would agree that these matters should be left to teachers and heads. But if it is clear that one of the root causes of underperformance in our schools is mixed-ability teaching—it is a matter for debate, but I believe that it is—Ministers and Parliament have a right and a duty to intervene, or at the very least to engage in the debate with the professions about that particular policy.

Speaking as someone who was a chartered accountant by profession before I entered the House, I know that we were continually being told by the Department of Trade and Industry how to go about doing our job as auditors. We were told how to audit and what to put in companies' accounts, but I never felt that my professionalism was being undermined. Is not our children's education more important than the presentation of a profit figure for a company?

[Mr. Gibb]

I think that the Government agree with me on this matter. Earlier this month the Minister for School Standards spoke to the annual meeting of the Girls Schools Association and reported the "startling" findings of a four-year study conducted by academics at Cambridge university into the differences in educational achievement of boys and girls. Revealing the evidence from that study to the world, he said that the research

"looked at a co-educational comprehensive school where single-sex teaching was used in subjects where gender is sometimes seen as influencing underperformance, such as languages for boys and maths for girls."

He continued:

"The number of boys who got five good GCSEs went up from 68 per cent. in 1997 to 81 per cent. in 2004. The number of girls went up from 68 per cent. in 1997 to 82 per cent. in 2004."

By segregating pupils into boys-only classes for languages and girls-only classes for maths and by arranging the seating into girl-boy, girl-boy throughout the classroom for all other subjects, those results were achieved. That is what this particular co-ed comprehensive did during this experiment over a particular period, and the results were startling with increases from 61 per cent. in 1997 to 81 or 82 per cent. by 2004. The reasons for the success were discussed in interviews and it was felt that pupils suffered from fewer distractions and that boys and girls did not feel the need to show off to each other.

Those remarks are very revealing for a number of reasons. First, it shows that there is an enormous amount of underachievement in our secondary schools. If making simple changes in classroom configuration can bring about such improvements in educational attainment in GCSEs, it is clear that in most schools where those changes have not been made—clearly the overwhelming majority of schools—pupils are performing way below their potential.

That research and the speech made by the Minister for School Standards directly contradict the Government's claims that secondary education in this country is doing fine. The Government cite surveys such as those conducted by the Programme for International Student Assessment to prove that everything is fine in our secondary schools, which they follow up by saying that they would still like to do a little bit more. I believe that the research that I have cited shows huge underachievement in Britain's secondary schools. It also shows that the move towards co-education was not based on any research or evidence that better results could be achieved. Too much of what happens in education is based on assertion rather than evidence-based policy making. That must be changed and I hope that the Government will ensure that policy changes are based on evidence rather than on the assertion of education academics.

The most revealing aspect of the speech by the Minister for School Standards is the acknowledgement that politicians can be involved in the debate about how the teaching profession goes about its business. He was directly engaging in debate about classroom configuration, so if he can engage with the issue of gender in classroom configuration, why cannot he engage on the issue of ability grouping? Why should setting be a matter for teachers, heads and the profession while gender can be influenced by politicians? The truth is that there is no distinction and the Minister was right to engage in the debate about gender, as he would be right to engage publicly in the debate about setting.

The next issue then becomes how much notice schools take of the research and the Minister's comments on it. If the research were replicated and the startling results repeated, would it not be a disgrace if it were not instantly taken up by every co-ed comprehensive in Britain to make huge improvements in educational attainment? What will be the result if that does not happen and the assertion-based policy emanating from education academics and disseminated by teacher training colleges continues to ignore that research, just as the research on mixed-ability teaching has been ignored? What should hon. Members do about it? What should the Government do about it? More importantly, what can the public, particularly the parents, do about it? When those questions have been considered, we should apply the answers to mixed-ability teaching and phonics versus whole language methods in the teaching of reading in primary schools.

I hope that all hon. Members who are interested in education will start to address some of the real issues that cause underperformance in our schools, put aside the ideology and the party pre-positioning and have the confidence, as democratically elected politicians, to challenge the comfortable and complacent educational orthodoxies that, for 30 or 40 years, have led to the gradual decline of our state education system.

4.55 pm

Kali Mountford (Colne Valley) (Lab): I should like to take up where the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) left off, to some extent, because I found his speech fascinating. It behoves hon. Members who did not hear his comments, some of which illuminated the whole education debate, to read them later. I, for one, will study hard what he said because there is great merit in extending the argument in education to consider issues that we do not traditionally look at as politicians and tend to leave to the teaching professions.

The hon. Gentleman's contribution was very worthwhile indeed, and it pointed me towards some other issues. Year in, year out, we debate the attainment of young people in secondary education and their ability to do more, and the outcry is always that we must have lowered standards. There is no acceptance of the fact that there is hidden, untapped potential, but the findings that he pointed to reveal an untapped potential that we ought to reach and show that there is great merit in looking at ways to reach it that we may not have looked at previously.

I hope that the answer is as simple as streaming. In my constituency, where streaming is common, school results are extremely good. I recently visited one school that, when we took office in 1997, already enjoyed high attainment on which it would be difficult to improve. The main thrust of my speech will be about, for example, the healthy schools initiative, and one thing that I noticed on my visit was the fact that it was a healthy school. Although its pupils were criticised for

their exam results that year, the fact that the school's high standards of achievement have improved time and again shows that that it is an outstandingly good school.

Mr. Richard Bacon (South Norfolk) (Con) *rose—*

Kali Mountford: The hon. Gentleman has been very patient during the debate, so I can hardly resist him.

Mr. Bacon: I am grateful to the hon. Lady for giving way. Before she moves on to the main substance of her speech, I should like to agree with her about my hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibb). Will she encourage him to publish the extremely good pamphlet that he has written on this subject—I have read it, but he has not yet published it—because it goes into greater detail on precisely the points that she is making?

Kali Mountford: It would ill behove me to add to the hon. Gentleman's embarrassment, which hon. Members will see if they look at him now.

Mr. Bacon: My hon. Friend is going bright red.

Kali Mountford: The hon. Gentleman is squirming a little and his colour makes me think that he perhaps needs attention very quickly.

If what the hon. Member for South Norfolk (Mr. Bacon) says about the pamphlet is correct, it should be published. Given that the debate is about how we achieve yet better standards, even for those who are already doing well, it would ill behove us not to read the pamphlet, and I would encourage the hon. Member for Bognor Regis and Littlehampton to publish it. New ideas are welcome in any debate—it would be madness not to consider them—but that one in particular has a core value about it and struck a chord with me. I congratulate him on his speech, and I hope that he publishes the pamphlet.

I want to combine education and health in my remarks. Most of my political life has been about how we take people from the position in which they feel that they are at the bottom to take them to the top. One of the issues that we examined many years ago was the relationship between health and poverty and then between health, poverty and education. How do we square that triangle, as I suppose we should call it, and make sure that people become better in themselves, better in their lives and have better attainments all round?

When we consider the issue in a growing and healthy economy, we have a particular duty to make sure that everyone shares in economic growth and wealth and also shares in better health. Many of our debates and the Bills that we consider deal with how we look after people when they are already ill. How do we invest in hospitals and GPs' practices? How do we manage the money? There is nothing wrong with such debates, and the outcomes of surgery, operations, health practices and new methods of achieving better health are all to the good. I would prefer it, however, if we focused even more on the health message. The age on which we focus that message must be very young.

I have seen families, especially families in which long-term unemployment has been the history for some time, where the health message is even more necessary for the very young. If the young start out in life not only not achieving as much educationally as they can, but with poorer health expectations and experiences, their hopes for the future are equally diminished.

How do we get to those young people? For the very young, we obviously need to get the health messages to their mothers. I believe that 1 per cent. of drug users who become pregnant pass on their addiction to their unborn child. However, more important is the fact that drug users pass on the drug experience to children as they grow up. We need to do more about getting the health message over to those young mothers so that they understand what they are doing to their children, their future health and their prospects for education and life expectancy. That is not simply because the mothers may pass on the addiction through the womb in pregnancy, but because of the effect on their children's childhood and education. Those messages are vital.

We must not consider just the role of the Department for Education and Skills and the Department of Health, but the role of the Home Office and what it is doing in the drugs Bill. That is a vital part of the healthy nation initiative.

I also consider what is happening to the young people who turn to drink earlier and earlier than was my experience when I was growing up. I always hesitate to talk about health issues as a fairly robust woman of certain years and not necessarily in the prime of my life. People attract attention to themselves in an unwarranted way in these debates, but I would say do not necessarily do everything that I have done. However, I did not start drinking when I was 12 or even by the age of 21, but that is another matter. However, if people start drinking regularly at the age of 12, they are not only damaging their health but their chance to learn and to do anything constructive. I was 21 before anyone would serve me with a drink.

Mr. Kelvin Hopkins (Luton, North) (Lab) *rose—*

Kali Mountford: I give way to my hon. Friend, who will save me from my embarrassment.

Mr. Hopkins: My hon. Friend is making a very good speech with which I agree. However, does she agree that a great danger for mothers is drinking while they are pregnant? That brings a high risk of foetal damage that affects children for the rest of their lives. We have not paid sufficient attention to that issue so far.

Kali Mountford: My hon. Friend is right. Babies might be underweight at birth due to drug abuse or under-nourishment. Under-nourishment in babies often goes alongside their mother's drinking because that can have an effect on their mother's normal nutrition and diet. He is right to point out the huge impact of a mother's drinking on her unborn child.

I would like a campaign to encourage all pregnant mums to be more careful without having to enter into the debate of whether we are being a nanny state and failing to accept that all people have individuality and their own responsibilities. Of course we must strike

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a balance between the two. However, if a mother acts irresponsibly, what is our responsibility? Should we let her continue her actions, or intervene when her child is born, which used to happen a lot, but is now not encouraged?

Mr. Hopkins: My hon. Friend is correct that we have the right to make decisions about our own lives, but when behaviour such as passive smoking affects others—perhaps a foetus—choices are being made about other people's freedom.

Kali Mountford: I was coming on to that point, and it is where the rights and responsibilities argument is the crux of the matter. We must take responsibility on behalf of the community to care for such unborn children, so the most obvious thing to do is to educate mothers about the effects of their behaviour so that they can choose not to behave in such a way. It is more difficult to treat babies who are sickly due to their mothers' alcohol or drug abuse, under-nourishment, or any other behaviour than to encourage mothers not to behave in such a way.

It is now almost unknown for mums to smoke during pregnancy, so that campaign has started to hit home. Any pregnant mum who lights up in the street or a bus shelter is frowned upon or causes people to raise an eyebrow. Everyone would have a word with such a person and say, "You know, this really isn't on." However, other health messages have not been conveyed to such an extent that we will collectively encourage and admonish young mums for other behaviours. I would prefer to encourage them, because if people are constantly admonished by society, it becomes more difficult to change behaviour. If we encourage and inform people, we empower them to change what they are doing.

The whole of this health debate, which is extremely welcome, is centred on setting individual freedoms against our rights and responsibilities. The Government have the responsibility to act on behalf of everyone, because we all pay for the results of people's behaviour in the end. We pay through our own health when we breathe the smoke of others. We pay if we pick up the pieces for someone whose health has failed because of alcohol abuse. If a person is completely out of control in the street, we pick up the pieces and pick up the tab, so we take on extra responsibilities.

The right place to start to address the matter is in our schools, which takes me back to the healthy schools initiative. I was extremely impressed by teachers' enthusiasm for the scheme in a school that I visited. They were initially cynical about it and thought that it was another gimmick, or a ploy to engage them so that it would look as though people were doing something. However, they told me that when they got into the scheme, started to push the agenda along and realised their power to make a difference, their attitude to it changed, as did that of the young people in the school. The young people started to learn about more than just eating five portions of fruit and vegetables a day. I assure the House that I do that, despite my appearance—[HON. MEMBERS: "You look very nice".] I suggest that hon. Members stop there.

We should consider not only what people eat, but the more intimate aspects of people's lives that some parents would perhaps prefer us not to discuss in detail. People have got used to the idea of sex education in schools and are beginning to accept that even quite young children can understand complicated messages about sexual relationships and what they mean. The messages rightly focus on the nature of love in a relationship and the responsibility that two people have to each other. However, we need to go much further and talk about the dangers of sexual activity, but not in a frightening way. We cannot say, "No. Don't do any of that. It's not a nice thing to do, so don't do it at all because you'll get sick." Children are not going to believe us if every time they try anything that we say they should not do, they find it fun. Even if they do believe us about the risks, they will carry on because the fun outweighs the message.

We have to get around that problem in an intelligent way. We need to reach young people in a way that makes sense to them, which is not by hectoring and lecturing them. We also need to provide support if they become frightened by the message. The problem is that if they think that they have contracted a disease, instead of telling us about it, as is often the case, they might withdraw into themselves because of the fear they encounter. They would rather run away from the problem.

In my view, young people are certainly too young to engage in sexual activity if they are in secondary school, but we know that they do. They will not admit that that is what they are doing because they think that they will be told off. They say, "Me Dad'll kill me. You can't tell me Mum. She'll go mad", but it is better that mum and dad go mad than some time down the line infertility sets in, which happens to some young women with chlamydia. Other long-term health problems could also set in. Irreversible damage can be done, but they cannot envisage that at that young age and cannot believe that that could be the consequence of their actions.

We need to find ways to get the message over. Sometimes that needs to be done on a one-to-one basis. The healthy schools initiative is an important part of that, but it needs more investment, especially for school counselling services. Proper places have to be set up. The ones that I visited in my constituency are nice places to be in. They are in the colours that create an environment in which young people feel comfortable and at home. They do not feel threatened by those places. However, there are always two or three other chairs in case someone wants to bring their mum or dad along. I find that young people would rather bring another 13 or 14-year-old along with them. We need to get around the fears about bringing mum or dad along. It should be a partnership across the community so that the feeling of safety that they need to tell us about their problems is engendered in the school.

I applaud the schools in my constituency that have embarked on the healthy schools initiative because it has made a difference to some aspects of health. What they have dealt with is laudable. I have no complaint about educating people about not smoking, not drinking, eating properly and having proper exercise. All those things are good, but we are still a little squeamish about saying to young people, "These are the things that could happen to you if you don't protect yourself."

The House might think it a little mad of me to reveal this, but I sent two 30-year-olds into my constituency to buy condoms. I thought that a woman of my advanced years would not be credible, and perhaps I should have found someone younger, but those people went for me. They could not find them on display anywhere. They went into chemists, the local pharmacy, pubs and supermarkets and found that they had to ask someone for them. I should explain that it is a semi-rural constituency, and there is only one smallish supermarket that has them in stock, which says something about the supply in areas such as mine. It was of great concern to me that when they came back they said that they could not find one place where they could pick up condoms, take them to a counter and pay for them. What are we saying to young people about the availability of one of the best methods of protecting themselves? We are making it extremely difficult for them to protect themselves. I put the matter to the primary care trust in my constituency and asked it what is being done. We have a good teenage pregnancy strategy, and that obviously goes a long way to dealing with some of the sexual health problems that come from sexual encounters, especially if the core message is the use of condoms.

It seemed to me that the sexual programme was not complete. In some places, counselling services are provided by GPs on top of what is available at a minority of schools. There seems to be a need to make more available the very means that young people require to protect themselves. If they cannot pick up a packet of condoms from the counter, they have to go to somebody and ask for help. That may be somebody whom they trust—for example, the school nurse, their local GP or someone at one of the new centres that is being set up around some of the new GP practices, with the help of the PCT. However, with all the new services that are available, young people have to pluck up the courage to ask.

I send out a plea not only to the manufacturers and distributors of condoms but to all retailers as well to think again about their policies about where they place condoms. The reason I have been given about their placing of these products is the risk of pilfering. As a result, they make them difficult to pick up. They may consider pilfering a high price to pay but it is a higher price to see some young people whose lives are devastated by an early sexual encounter. My plea may not be best placed with the Secretary of State, but I hope that my words are heard by those outside the House who can help us in a collaboration between medicine producers, condom producers, all pharmacies, all suppliers and all the efforts that we are putting in through the House, local education authorities and health services so that people's lives are not endangered in future and people can have the future that they richly deserve.

5.17 pm

Michael Fabricant (Lichfield) (Con): There are times when it is a real pleasure to be in the Chamber. The previous two contributions were especially powerful and extremely interesting. Although the hon. Member for Colne Valley (Kari Mountford) said that she was not addressing her comments so much to the Secretary of State, I am sure that he was listening and will have heard her wise words.

I applaud all those who work in the national health service and in education. As right hon. and hon. Members have said, those people work hard for themselves and, more importantly, for those whom they serve—children, students, parents and patients. We should never forget the contribution that they make and, in many instances, what they have to put up with. It is a great shame that the Secretary of State for Education and Skills has just left the Chamber because I was about to talk about the things that teachers have to put up with, but no doubt the Minister for Children, Young People and Families will be taking copious notes and will pass them on to the right hon. Gentleman.

I shall take up three particular issues. The first is medical research, which affects health and science, so it straddles both health and education. It also straddles the responsibilities of the Home Office, because I shall talk about a problem in my constituency involving animal rights activists. Secondly, I shall speak about the real problem of there being a two-tier health service. In an earlier intervention, I think that the Secretary of State for Health accepted that it exists, although he deplores it. Thirdly, I shall speak about an issue that the hon. Member for Colne Valley raised, which is smoking and health. I suspect that we share similar views.

In my constituency, there is a farm that breeds guinea pigs primarily for medical research.

Mr. Deputy Speaker (Sir Michael Lord): Order. Today's debate is principally about health and education. The hon. Gentleman perhaps understands that. It is in order briefly to mention other topics, but basically the debate is about health and education. If he cares to do so, I will allow the hon. Gentleman to mention the issue he has just raised, but I would like him to come back to health and education pretty quickly.

Michael Fabricant: Of course, I take your guidance, Mr. Deputy Speaker. I was not aware that one had to stick to that particular topic.

Mr. Deputy Speaker: I am not responsible for Members' awareness of these matters, but that is the position. The hon. Gentleman should talk about health and education. As I said, he may briefly mention the topic that he raised, but he should turn to health and education thereafter.

Mr. Bacon: Perhaps my hon. Friend the Member for Lichfield (Michael Fabricant) could talk about the health of his guinea pigs. *[Laughter.]*

Michael Fabricant: Indeed. It is, however, a serious issue. I asked the Under-Secretary of State for the Home Department, the hon. Member for Don Valley (Caroline Flint) how many animals are used for research on things such as household products. It turns out that 99.9916 per cent. of all research on animals is done for scientific purposes, primarily for the benefit of people suffering from diseases and to develop new vaccines and treatments in the health sector.

As I said, villagers in my constituency have been terrorised for five years. It is not just the people who breed the guinea pigs who are affected but newsagents and people who run a tennis club, where a member was

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threatened. I very much welcome the proposal in the Queen's Speech to introduce Home Office legislation to try and control the problem. However, existing laws such as the Police and Criminal Evidence Act 1984 and the Public Order Act 1986—I could list more legislation—enable the police to control the activities of animal rights terrorists. It is right to call them terrorists because they terrorise people. The police, however, cannot be everywhere, and I am concerned that the new legislation will not be sufficient to control the activities of animal rights extremists either because there are gaps in the legislation—the devil is always in the detail—or because there are not enough police officers. I note, incidentally, the Conservative commitment to increase the number of police in Staffordshire by 670, which would certainly make a real difference.

Establishments that breed and supply animals such as guinea pigs are required to comply with standards of housing, welfare and care in codes of practice that specifically address the needs of breeding animals. The codes require that suitable environmental conditions are provided for different species and for different stages of development. Temperature, ventilation, and light and noise levels must be appropriate. The astonishing thing is that if the animal rights extremists were successful, the guinea pigs would have to be imported from countries that do not have such controls. It is important that animals are supplied from within the United Kingdom, because we have strict controls on the way in which they are bred.

Recently, I attended a Royal Society conference to hear about the genome project, with which the Department of Health is very much involved. The project has analysed every single gene in the human body, but researchers do not know precisely what individual genes and combination of genes do. Apparently, 80 per cent. of human genes are similar to guinea pig genes, so there is a clear overlap in the research needed to benefit mankind.

I am speaking about diseases that at present are incurable, such as diabetes, where we can treat only the symptoms. There is a real possibility of a cure for diabetes, whereby the islets of Langerhans could be injected into the pancreas and people would no longer need to take insulin regularly. I intended to speak at greater length on the subject, but I know that I would be trying the patience of Mr. Deputy Speaker and I would never wish to do that.

Let me move on to a second issue. In an intervention, I raised with the Secretary of State for Health the matter of my constituent who had a heart attack and found, after going to hospital, that he needed an angiogram. He was told that it would take three months before he could get on to a waiting list, and he would then have to wait a further three or four months for his angiogram. The angiogram was necessary to determine what damage there had been to the blood vessels supplying his heart and whether there was any damage to his heart itself. Waiting and worrying for such a long time might have brought on a second heart attack. He was advised that if he chose to have it done privately, he could have the angiogram in the next few days. So he chose to have the angiogram done privately and it cost him £1,800 because he did not have private health insurance.

I can give another example of someone I know in Wales, who had a tumour behind his eye. Again, he was advised to have an examination done privately, so that the diagnosis could be made quickly and treatment could start sooner. That cost him in the region of £2,000, and again he had to pay out of his own pocket. Last year there were 250,000 such procedures, where people were told that if they wanted to be diagnosed or treated quickly, they would have to pay for it themselves. It does not behove those on the Government Front Bench to say that it is the Conservatives who want a two-tier health system. We do not, but the sad fact is that we have a two-tier health system already.

Mr. Hopkins: Is not the hon. Gentleman's argument just a symptom of the fact that we have an under-resourced health service? If it had been fully resourced by his party when it was in office, the private sector would have dwindled away because nobody would have needed to pay for private treatment. They could have had their operations done publicly, free of charge. That is the position in France, where there are twice as many doctors and twice as many beds.

Michael Fabricant: It is fallacious to say, as the hon. Gentleman claims, that demand will always be met by any health service in any country. I can tell him that there certainly are waiting lists in France, despite the fact that, as he rightly points out, more money is spent on the health service there—considerably more than in the United Kingdom.

I was with someone last night from Iceland, which has a population of only 280,000. He explained to me that they have a voucher system. I am not advocating that—it is certainly not Conservative party policy—but it is interesting. In Iceland one has to pay £3 every time one sees a doctor. That teaches people to respect doctors' appointments. All the rest is subsidised by the state. Once one has seen the doctor and is referred, the treatment is free. But there are waiting lists even in Iceland, as there are in France.

I do not think any Government will ever provide sufficient money for people to be treated instantly, but there is a huge discrepancy between the types of treatment available. We need honesty among all parties on questions such as where a private health care system is or is not appropriate. I was rather pleased with what the Secretary of State for Health said. He ended up by espousing much of what the Conservative Government were saying in 1996 and 1997—that there is a role for private health care and there should be that choice. As the right hon. Gentleman said to me after my intervention, the choice should be whether one wants to have the treatment privately for convenience or whether one does not mind waiting for the NHS. When it comes to a matter of life and death, however, or at least of being treated in the NHS within a reasonable time, it is wrong for NHS people to say "Look, you will have to go to private health care."

The person whom I mentioned was also told that he would not be put on the waiting list for a good three months. The fact that that happens time and again

demonstrates how the waiting list figures are fiddled. If somebody is not included on the waiting list, the overall time that they have waited is not counted in the total waiting time. That is a real problem that I know both main parties would wish to address, but we have to be honest about this matter, and I feel that we are not at times.

Let me now move on briskly to smoking and health. I am disappointed that the Queen's Speech does not announce legislation on the control of smoking. Many hon. Members on both sides of the House—I suspect that they are on the Opposition Benches in particular—will disagree, and say that there should be freedom of choice as to whether people smoke. I argue, however, that there should also be freedom to decide whether one can breathe clean air. The hon. Member for Colne Valley rightly pointed out that individuals must exercise responsibility, as well as the Government.

We have a duty of care, and there is no doubt whatever that smoking kills. I could be cruel and say that if somebody continues to smoke despite an excellent television and radio campaign by the Department of Health, it is up to them to make the decision. If the activity kills others through passive smoking, however, it has to be wrong, and I do not understand how people can argue that the state should not intervene in this instance. Indeed, I well remember that, when I worked in broadcasting, it was a Conservative Government who introduced legislation through the Independent Broadcasting Authority, as it then was, to ban cigarette advertising on radio and television. So there is nothing inconsistent with Conservative policy in saying that that approach should be extended elsewhere.

The issue needs to be addressed; indeed, it is a popular issue as well. Recently, research was undertaken to determine whether people would oppose a proposal to introduce anti-smoking laws in this country. Some 54 per cent. of respondents said that they strongly supported a smoke-free law, as they called it, while a further 35 per cent. said that they would tend to support such law if they knew more about the detail. In other words, 89 per cent. of the population believe that it is right that people should be allowed to eat in restaurants or work in an environment where they are not forced to breathe in other people's smoke. I believe that it is right and proper for any Government to introduce legislation of this type.

There are those who say that such legislation would not work, but that is plain nonsense. Studies in the United States have shown that banning smoking in restaurants has either a neutral or a beneficial effect on the economy and, indeed, increases tourist business. We would not be doing anything new in introducing such measures. There is smoke control in Australia, Canada, Iceland, Ireland, the Netherlands and the states of California and Minnesota. Anybody who has visited New York city will know that it has very strict rules on smoking, but they certainly do not stop people going to restaurants.

I am going to stop speaking now because of your advice, Mr. Deputy Speaker, that I could not speak on my main subject, which would have been animal rights activists. I welcome the Home Secretary's legislation, although the devil will be in the detail, but I believe that it could be better enforced with the 40,000 extra police officers that are being promised from a Conservative Administration.

5.34 pm

Mr. Brian Jenkins (Tamworth) (Lab): It is a pleasure to participate in the Queen's Speech debate. It is also a pleasure to follow my next door neighbour, the hon. Member for Lichfield (Michael Fabricant). Ironically and coincidentally, we are both covered by the same PCT, but he thinks the glass half-empty, whereas I think it half-full.

I have looked at my constituency in the context of the measures in a number of Queen's Speeches, and I shall outline one or two areas into which we have put a lot of money for new buildings, new equipment and extra staff, leading to falling waiting lists for treatment. I shall consider the sickness service first, rather than overall health.

I was first elected to this House in 1996. Not many months afterwards, the front page of my local paper reported that one of my constituents had had to remortgage his home to pay for his heart bypass operation—a shocking story. However, not one similar story has appeared in the past five years. The system had fallen into an awful state, and it has taken money, and the involvement of the professionals who work unstintingly in the health service, to get us to our present position.

We now treat more people better and faster, and people who have gone through the system tell me about the state that it is in today. Our difficulty is to catch the urban myths and legends, because people reiterate stories about things that took place some 10 years ago. When my right hon. Friend the Secretary of State for Health visits the Sir Robert Peel hospital, Tamworth, tomorrow, he will see an excellent little hospital, run by a professional team who have provided new services and innovations.

In this afternoon's debate, one or two hon. Members have mentioned the private-public gap. They seem to think that the private initiatives in health come only from one side. I keep telling people this: when I visit my GP, which I do fairly regularly, I park my car in a car park that is private and belongs to the private buildings of a privately run practice. The GPs own the buildings. When I walk in and I see the girl or woman behind the counter—it is a very nice place, and I am treated professionally—she is an employee of the practice. I then see a doctor who is a contractor to the health service.

So far I have not seen or been in one publicly owned facility. When my GP writes out a prescription, it is on a form printed by a private practice. I take it down to a local shop, where the shopkeeper gets me some tablets made by a private drug company—and we think that we have a problem with private involvement in the health service. The NHS has always been privately provided and publicly funded. It is about time we got away from the hang-up of opposing any private involvement in the health service.

My right hon. Friend the Secretary of State for Health knows that the ambulance service in Staffordshire is second to none. We are currently using extra facilities in our ambulance service. When an ambulance attends a

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location, paramedics can treat people on the spot; there is often no need to take people to hospital in an ambulance. Admittance to hospital by ambulance occurs at a far higher rate than admittance of people who turn up by themselves. I hope that hospitals will stop being blocked and resources wasted in that manner. That is a priority in Staffordshire today, and it works well. The hospitals that serve my area are very good.

I am amazed when I hear people debate hospital-acquired infections in the public arena. They discuss the matter with great sincerity, but it is a pity that they have not read the Public Accounts Committee report. The PAC went through the matter religiously, and we identified the problems.

I do not want to say, "Privatise hospital cleaning," because that would not advance the situation one iota. We know that all hospitals should be kept clean and free from debris and dust. That is not the problem, because what looks like the cleanest hospital in the world can still have an infection problem. Across the world, different infections spring up in different countries. The key point is the culture of people not washing their hands and transmitting the infection from patient to patient.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my hon. Friend and constituency neighbour for highlighting the improvements being made in general hospitals. Does he agree that no part whatever has been played in that by the rightly maligned star rating system, and that the Secretary of State for Health is to be warmly applauded for at last abandoning what has been a disaster from day one?

Mr. Jenkins: My hon. Friend is welcome to say that, but I could not possibly comment.

After months of trials to find the best anti-bacterial agent, we now have a system whereby doctors always carry syringes at their sides so that they can wash their hands as they go from patient to patient. Everyone who enters a ward now uses that facility, which may be the best option for reducing infection rates in our hospitals.

I want to move on to the broader concepts of health. Many years ago, I took health to mean stopping people getting sick, but one of the reasons why our primary care trust has spent so much time and effort is that people go out into the community and visit patients at home—mental health patients or elderly patients, for example—to ensure that they stay healthy. We should move that up the agenda, because when people are treated at home they must be kept in reasonable conditions.

In January 1985, I was involved in a local council by-election, and I went to a row of old people's bungalows and knocked on the first door. The person who answered had his coat, hat and scarf on, so I said, "I'm terribly sorry, sir—I shan't be a moment," because I thought that he was going out. I asked him my question and moved on to the second house, where again, the occupant had his hat, coat and scarf on. I thought that the two of them must be going out together, so I said, "Shan't be a moment, sir," asked him my question, and moved on. When the third person came to the door with his hat, coat and scarf on, I thought, "There must be a bus around here somewhere." Then it dawned on me. I asked him if he was going out, and he said no—he was sitting like that by his fire, which was switched down to one bar. He had to choose between keeping the house warm or eating. We had turned into a miserable society.

Thankfully, when we introduced the £200 winter allowance, those people could switch the other bar of the fire on, to keep the place warm as well as eating. Our warm front programme should be applauded for putting millions of pounds into targeting those vulnerable people to ensure that they double glaze and insulate their homes to keep them warm in the cold months. If that is not done, the health service has to pick up the tab, and it is a losing battle on both fronts.

Sure Start is a brilliant programme. The other week I went along to one in my area, where mothers were being shown how to prepare food and cook. I hope that my right hon. Friend the Health Secretary will speak to his pal the Education Secretary and ask him to get food preparation and cooking back into our schools where it belongs, because children, male and female, leave school with no concept of food preparation other than reaching for a can and a tin-opener, and given the high levels of sugar and salt in those cans, it is no surprise that they become obese.

When my right hon. Friend talks to the Education Secretary, will he also congratulate him from me, and from Tamworth, and tell him to keep up the good work? There is a lot done, but a lot more to do. We have some excellent schools with good and dedicated professionals who are turning out children with higher qualifications and more aspirations than we have ever had in our town. Our secondary schools work together in concert so that children can be transferred from one sixth form to another, because one specialises in music while another specialises in sport or in science.

Nevertheless, I enter a plea to the Education Secretary on behalf of Staffordshire. If we are to send money to each individual school—an idea that would find favour with certain Members, including me—will he ensure that the formula employed is not the malign and discredited one used by the Department for Education and Skills, but the one used by the Office of the Deputy Prime Minister, which shows us where deprivation and poverty are? In Staffordshire we suffer from pockets of deprivation that a wealthy county masks. I look forward to the response on that subject.

More youngsters than ever now enter higher education and training. Will my right hon. Friend the Secretary of State for Education and Skills, who is about to resume his seat, answer a question? The Opposition amendment states that they are appalled that we have taken no action to abolish tuition fees. After research and consultation with universities, will my right hon. Friend tell us how the universities would make up the shortfall, and how many United Kingdom students would find that the place that they believed was allocated to them had disappeared because the universities could not fund it? Parents and youngsters would like to know that, because it would present them with a choice about the direction to take.

My right hon. Friend the Secretary of State for Health knows that when I was first elected in 1996, there was mass unemployment, and an alarming and increasing number of people were registered as disabled. I realised

that the two went hand in hand. A person who is unemployed and feeling depressed will look for an option, and disability can be such an option. A hard core of individuals believe that they are actually disabled and cannot work any more—and they would find it difficult to get back into the work force. Employment can play as great a role as keeping homes warm in the health of a nation. We should therefore consider it seriously.

Today, more people than ever are in work. We have eliminated long-term youth unemployment but we still need more trained people. After years of boom and bust in engineering, fathers advise their sons and daughters not to go into it. Although some of us believe that engineering and manufacturing still have a part to play in creating this country's wealth, we struggle to get people into education and training for them and to view industry and manufacturing as a career opportunity.

There are some excellent small firms in my constituency. They approach me regularly and bemoan the fact that they cannot get the trained skilled personnel that they need. They cannot get our bright youngsters, who have been siphoned off to do courses at university that will not provide them with a future, when they could have been trained in skilled work in our factories. Small firms acknowledge the Government's role in maintaining low interest rates and stability, but they feel lonely and a little unloved. They do not believe that they are the Government's favourite sons. Can we please send them a few warm words to ensure that they know that we acknowledge the major contribution that they make to our country?

I shall not discuss identity cards, or you would rule me out of order, Mr. Deputy Speaker. I simply say that much more work must be done to explain exactly what we would do with them.

The Opposition amendment calls for effective choice. Given our record over the past seven years, I believe that our people must have the information to make an effective choice. When they do that, I know that they will stick to the Government, who have done so much but have much more to do.

5.49 pm

Alistair Burt (North-East Bedfordshire) (Con): I welcome the chance to participate again in an important debate on the Queen's Speech. I want to make a couple of general comments before focusing on the issues of the day.

As a former Minister with responsibility for people with disabilities, I welcome and thank the Government for the further steps to reduce discrimination against disabled people. As the Minister for Children, Young People and Families knows, being a Minister for disabled people is one of the best jobs in Government. It provides a unique opportunity to see life from a rather different perspective and to learn from that. Spending any time with disabled people tells us of a number of frustrations and distractions, which can be dealt with only by the change of attitude that is at the heart of anti-discrimination legislation. I stress that that change of attitude in society is much the most important thing.

Before dealing with the topics of the day, may I say a brief word in response to the Home Secretary's attempt to persuade us all that the policies and targets that he advocates will lead to a safer Britain? I might be forgiven for feeling that that has a rather hollow ring in North-East Bedfordshire, particularly around Yarl's Wood, as last week the Prison Service ombudsman produced a report that specifically blamed ill-thought-through policies and the pursuit of unachievable targets for the near disaster that engulfed the Yarl's Wood removal centre on 14 February 2002.

The Government's attempt then to deal with security issues set in train a series of consequences that cost more than £100 million and which, but for the individual heroism of many people on the night, could have led to scores of deaths. I was disappointed that the Home Secretary could not come to the Dispatch Box to introduce that report personally and to answer questions as to which parts of this particular policy fiasco have contributed most to the concept of a safer Britain, but come to the Dispatch Box in due course he will.

I give my wholehearted support to the amendment moved by my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) and contribute to the debate by again reinforcing the commitment to the NHS that my colleagues and I share. My father was a GP for nearly 50 years and my brother is a consultant anaesthetist at St. Thomas's. My wife and I have no private health insurance and our children were born in the NHS facilities at the wonderful Fairfield hospital in Bury, so let no one say there is a lack of commitment to the health service on this side of the House.

The big issues for my constituents are not addressed by the Queen's Speech or by what the Secretary of State had to say, despite his valiant efforts. My constituency, like a number of others in the south-east, faces an enormous housing increase: there will be 80,000 more houses in Bedfordshire over the next 25 years. Our facilities and infrastructure are already stretched, so how will they cope with this pressure on resources? We are stretched in relation to GPs: 330 are needed in Hertfordshire and Bedfordshire over the next three years, even before all this building takes place. That has not been addressed and I am worried about it, as are my constituents.

On education, the Government's determination, as stated in the Queen's Speech, to ensure that children fulfil all their talents and abilities is devoid of meaning without ensuring the right environment for teaching and learning. Despite the Government's avowed emphasis on education, is it not, after seven years, a matter of shame for them that one in three 11-year-olds leave school unable to write properly, 1 million children play truant every year and there is an assault on a teacher every seven minutes? If those issues are not addressed, the Government's rhetoric is as nothing.

In my constituency, parents of children in special schools feel threatened. The Government's pressure towards an inclusionist policy, which has its good points, runs the risk, by being pushed too far, of going beyond the aspiration of parents and the assessments of professionals in those schools, thus changing their character, not necessarily in the interests of each and every child. Those interests must be paramount. I urge the Secretary of State to include in the education Bill some measure on the further protection of special schools.

[Alistair Burt]

Schools in my constituency also tend to feel that the Government are all talk in terms of their commitment to improve children's sport in schools. In 2001, the lottery—not the Government—set up the fund for sport and physical education with a balance of more than £500 million. Schools attempted to access it, but got caught up in extraordinary bureaucracy to such an extent that by the middle of this year only £10 million of £500 million committed in 2001 had been spent.

Sharnbrook upper school in my constituency, with its excellent head teacher Peter Barnard, was caught up in this. He reckons that it has cost him some 18 months—nearly £40,000 worth of time—to seek to access £250,000 from the fund. A Government who were really committed to sport in schools would have sorted out such nonsense a long time ago. How much more the Queen's Speech could have achieved if it had recognised the people's priorities of cleaner hospitals and school discipline, and made people truly feel safer, not by frightening them, and putting forward half-baked policies and targets, but by matching our commitment for 40,000 more police over the next eight years.

I want to turn to my substantive remarks on chlamydia. I am sorry that the hon. Member for Colne Valley (Kali Mountford) is not in her place, because I enjoyed what she said, which was helpful and significant. I am not sure whether an education Bill will examine this issue, as it may not be the place to do so, but can I urge the Government to conduct a serious review of sex education in schools? The information given to the House last week by the Secretary of State for Health that perhaps one in 10 sexually active women under the age of 25 are infected with chlamydia is perhaps one of the saddest statistics of our age. For whatever reason, we have surely failed our children if the demystification of sex over the past 40 years or so has resulted in the sort of unhappiness that comes from the picking up of a sexually transmitted disease or infection.

A fascinating exchange took place last week on BBC television's "Question Time". A questioner from the audience asked about the rate of increase of chlamydia and whether we were therefore losing the battle for safe sex. Bishop James Jones of Liverpool then questioned the conventional wisdom that nothing much could done about young people having sex, by saying that growing numbers of young people of faith backgrounds—Christian, Jewish and Muslim—wanted their faith reservations on early sex to be backed up by a society that encouraged and supported them if they wished to say no. The Liverpool audience gave the bishop strong support for such a view. That is worth exploring further, and it is a matter of great urgency to do so.

First, there is plenty of evidence that whatever we have been doing up to now has not really worked well enough. Secondly, the impact of such diseases and infections on young people can be catastrophic, and it is unacceptable to leave things as they are. Thirdly, to take a different tack, the cost to the NHS both of dealing with such diseases and infections, and future infertility, is great and growing. Fourthly, we must be honest about how we have got to where we are. There is a significant danger of the polarisation of views on this sensitive topic not being in anyone's best interest.

As a practising Christian, I reject a view that sex education is wrong, and that the more that is learned, the more harmful it is. Dutch and Swedish experience suggests the contrary. But such education should be considered in the context of the teaching of relationships and values accompanying the learning of the technicalities. Equally, those who condemn abstinence education out of hand should examine it again, not because it is the only answer, but because children are not uniform, and different teaching and different ideas will strike young people differently.

There is a further point. Forty years ago, those who spoke from a position of faith—often Christian—on these matters, and who tried to make an abstinence case, were often derided. They were, they were told, backward, against feminism, morally judgmental, and representing a finger-wagging authoritarian God whose nature was to condemn. Whether or not some took such a view, there was no evidence then available of where a society changing its moral and commercial attitudes to sex would go. The arguments could therefore rage in some form of vacuum.

But now things are different. There is evidence of genuine harm being done to our young people. Anecdotal stories of peer pressure to have sex early, encouraged by a far more sexualised society, can now be accompanied by information on rises in disease and infection and, as Bishop Jones said on "Question Time", sheer unhappiness.

That is not what we want for our children, and what we may be able to cope with as adults may not be right for them. I suggest to the House that the Christian response might now be seen in a different light. God gave his rules for our lives not because he wishes to condemn but because he loves us, and wants us to fulfil all that we can be. He warns against things that might hurt us. There is no condemnation.

Contrary to popular myth, the overwhelming characteristic is not that we are unabridged successes working in a context of self-righteousness but that we have all messed up, and we all have experience of a loving God reaching out to pick us up out of our mess and take us somewhere better. Let us adopt a balanced approach to sex education. Children must have knowledge—not to give them that would be to leave them unarmed in the world—but it must be put in a context of value and relationships. Those who feel unready, and do not want to take a relationship that far, should be encouraged to feel that saying no is powerful and right. Good medical back-up and professional services should also be available to deal with physical issues unambiguously and unashamedly. Let us not assume that, with such an approach, we cannot aspire to alter behaviour, and to enhance children's sense of self-esteem and self-respect in the avoidance of sexual activity.

We are so open about almost everything else to do with sex, but listening to youngsters on that programme and reading their comments on the BBC website makes one appreciate how hit-and-miss our sex education really is. Let us pick up the best ideas in the world. Let us talk to faith groups about their contributions. Let us also recognise a worry among people that years of licence, while helping us come to terms with many sexual matters and avoid misery, have also caused unwitting

harm to others. I hope that the Government will consider an urgent review of sex education in the current Session.

6.1 pm

Dr. Richard Taylor (Wyre Forest) (Ind): I find myself in a very privileged position in debates such as this. I can congratulate the Government when I think they are getting things right, and warn them when I think they are getting things wrong.

I was going to spend the first half of my speech congratulating the Secretary of State for Health, but he has had his enjoyment for today, and time is limited. Tribute has already been paid to improvements in cardiac surgery and cancer care; I add my tribute to the improvements in consultation, the forming of overview and scrutiny committees, patients forums and the independent reconfiguration panel, and above all the paper "Keeping the NHS local", which paints a good picture for the future of patient and public involvement.

Let me now make some rather more critical comments. As the Secretary of State knows, I welcome the public health White Paper. I particularly welcome its emphasis on sexual health, which has been discussed many times. It reinforces warnings of the risks of unprotected sex, which have faded into the background since the first HIV scares. The current goal is that by 2008 waiting time for an appointment in a genito-urinary clinic will be down to 48 hours. I hope that that will not lead to what has happened in primary care. The goal of 48 hours has sometimes been taken to represent the time by which appointments must be made, and poor unsuspecting patients have telephoned at 8.30 am hoping that they can secure an appointment because they are unable to make one further in advance.

The Department of Health has certainly taken on board many of the concerns about obesity reported by our Health Committee. I am delighted with the promise of clear and effective food labelling, and I am pleased that the food industry seems to be beginning to realise that it has a part to play. Although I must admit that I enjoy the occasional Burger King, representatives from both Burger King and Pepsi-Cola are coming to see me later in the week, when I hope to persuade them that they are part of the solution.

David Taylor: Does the hon. Gentleman agree with me, and with a constituent who approached me this week in my Coalville office, that we risk condemning out of hand all who are obese for their unsatisfactory diet or lack of exercise although the reasons are sometimes genetic or medical?

Dr. Taylor: I thank the hon. Gentleman for that intervention. The Health Committee report virtually bent over backwards in its efforts not to condemn such people for what had happened to them. It is increasingly recognised that obesity is not in all cases simply a question of diet and exercise; some people have definite medical conditions that make matters more difficult for them.

I turn to exercise, which is also terribly important. The Department of Health recognised in its White Paper the importance of walking to school, which, along with walking to work, is by far the most effective way to get people to exercise. I hope that the teaching of health economics and food technology, which is currently limited to cooking clubs and such like, will become part of the curriculum.

While I welcome the White Paper on health, I fear that it could be just words, but I am certainly hoping that it will lead to action. The Secretary of State himself said that it is the start of the journey, not its end, and that it is the vision of the future. There are some milestones by which we can judge whether success is coming. First, will the target concerning the provision of fruit in school for four to six-year-olds be achieved by the end of this year? The new rules on alcohol advertising are supposed to be introduced by the beginning of 2005, so we will be able to see whether they have an effect. On salt reduction, Sir John Krebs says:

"The food industry is about two-thirds of the way to reaching our target of a 1g reduction in processed foods by the end of 2005."

Will the industry achieve that reduction completely by that date? On food labelling, the recommendation is that the effective new system of "traffic light" identification of good foods and less healthy foods be in place by early 2006. We will watch very closely to see whether the targets are met, and whether the achievements match the Government's hopes and aspirations.

I have some other concerns, the major ones being the Government's review of arm's-length bodies and the abolition of the Commission for Patient and Public Involvement in Health, which has been in place for only a very short time. My worry is that this body, which supports the vital patients forums, is being taken away before the proper follow-up arrangements have been made. Such arrangements are crucial. The commission itself is fading away—its chief executive has already moved—so it is vital that we get alternative plans in place quickly.

I am very anxious about two other vital arm's-length bodies: the Healthcare Commission and the Commission for Social Care Inspection, which are crucial to the Government's monitoring of developments. I met the chair of the CSCI just last week, and I was delighted to hear that she is re-examining its method of inspecting facilities. She is determined that most future visits will be unannounced, and she intends to concentrate on the views of users of the services that the CSCI inspects. But will she be able to do so? Are the Government going to grant her the extra funds that the CSCI will need to carry out the extra duties that it will have to take on?

I have always been a critic of star ratings, and particularly of that ridiculous thing called the "balanced score-card approach". It simply eroded patients' opinions of the health service and did not allow their views to be taken into account in the star ratings. I am delighted, therefore, that the Healthcare Commission is also planning unannounced visits. It plans fewer visits, but wants to co-ordinate them with other visiting bodies, which is absolutely crucial.

Dr. John Reid: I thank the hon. Gentleman for his comments; I know that he is an experienced and acute observer of these matters. I just wanted to take the opportunity of saying to the hon. Gentleman, who has been in exchanges with me on a number of occasions, how much I welcome the development of a more sophisticated assessment process and the publication of

[Dr. John Reid]

results both by the Commission for Social Care Inspection and the Healthcare Commission. I want to put that on the record because there have been some reports that I am at odds with what has been done. That is not the case. It was always envisaged that once we started assessments on a simplified basis, they would be handed over to more independent bodies, which would fashion them in a more sophisticated, though relatively simple, way. The key thing for all of us is that the public know—

Mr. Deputy Speaker: Order. That is a very long intervention from the Secretary of State. Time is very short and he spoke for nearly an hour earlier.

Dr. Taylor: Thank you, Mr. Deputy Speaker, though I warmly welcome the Secretary of State's intervention. Today's newspapers implied that he was indeed against these developments, so I am very reassured by what he just said.

My next concern—the Secretary of State is aware of it—is about NHS treatment centres, which have spare capacity but are not used to the full because primary care trusts do not have enough money. That results from the Government giving the money directly to the private-sector and independent-sector treatment centres. Inexplicably, instead of using the capacity available in the NHS sector, capacity in the independent sector is being called in when it is not really needed. Despite bulk purchasing, it remains more expensive to do things that way.

Some other concerns about independent-sector treatment centres were relayed to me only yesterday by a consultant orthopaedic surgeon. The selection of low-risk cases by the independent sector leaves the NHS to concentrate on the complex cases with longer periods of admission. The independent-sector surgeons may be on the specialist register, but may not have gone through the independent appointments process that is so important for NHS consultants. Concern was also expressed about follow-up arrangements.

I shall be brief in expressing my concern about out-of-hours care. When PCTs take over certain responsibilities this weekend, our constituents are going to be hit by the sudden loss of Saturday morning clinics, which have been run by many practices on behalf of the people who work all week and find it difficult to see a doctor. In the Health Committee report on out-of-hours care, we wrote:

"We deplore the loss of GP Saturday morning surgeries which will limit access to their GP for many working people, and we recommend that PCTs should provide such clinics in primary care centres or co-located emergency departments."

In its response, the Department said that

"routine appointments on Saturday mornings can be provided to patients . ... PCTs can commission Saturday morning GP surgeries as a Locally Enhanced Service, the cost of which is negotiated locally with the practice, and funding for which is included within the new GMS Enhanced Services Floor."

I shall certainly press my primary care trust to ensure that it provides some Saturday morning surgeries.

Finally, I am seriously concerned about the weaknesses of the Standing Committee system on recent health-related Bills. The Human Tissue Bill was certainly in desperate need of amendment, which was not achieved in Committee. Thank goodness, sensible Ministers actually changed it before Report and, in conjunction with further House of Lords amendments, it became an acceptable Bill. I am told that the Mental Capacity Bill, which will come before us very soon, was again not amended in Committee. In the debate on Second Reading, which was excellent because it did not take on party political lines at all, it was suggested that the Bill will open the door to euthanasia by neglect. There is widespread fear about that, so I hope that Ministers have listened and that perhaps the Government will table some amendments at the eleventh hour.

The Government have a vision for the future, and they will be judged on its achievement. Let us hope that it is unlike Prospero's vision in "The Tempest":

"And, like the baseless fabric of this vision,
The cloud-capped towers, the gorgeous palaces . . .
shall dissolve . . . and . . .
Leave not a rack behind".

6.15 pm

Rev. Martin Smyth (Belfast, South) (UUP): I am happy to be able to share in the debate on the Loyal Address because I was beginning to think that it was actually just a little England debate, bearing it in mind that the NHS stretches across the country and that standards will affect different levels. Last Thursday, I drew attention during business questions to the problems of waiting lists, and the Leader of the House said that we could learn from England. I should be happy if those in England could help us by telling us how they have managed to reduce their waiting lists so well.

I acknowledge the fact that there has been a reduction of about 2,000 in our waiting lists in the past two years, but the Secretary of State for Health was on the watch when they were rising in Northern Ireland. Whereas waiting lists in England are down—552 people have had to wait for 12 months, according to the information given to us—we must face the fact that, in Northern Ireland, about 3,500 people have waited for between 12 and 18 months, and even beyond. On that aspect, I should like to have some guidance so that we might learn from England; or are Northern Ireland Ministers not getting the proper advice from their departmental officials, so that they can act accordingly?

I wish to raise again the issue of our primary care provision in the light of the comments made by the hon. Member for Wyre Forest (Dr. Taylor). Throughout Northern Ireland, we are trying to return primary care to the front line, yet some general practices are not properly equipped even to meet the required standards in terms of insurance and health and safety. I understand that, as money is not ring-fenced, the health boards can decide to do what they want with it and that, at the end of the day, we may be hindering the advances in the care in the community, which was one of the key factors of the Government's activity.

I wish to raise a personal issue that affects one of my constituents—a young lady who was born with a certain problem that ultimately affected her physical aspect and her vision. She attended Jordanstown school and was supposed to be statemented each year. It would appear that, somewhere along the line, the Belfast education

and library board did not do its work—it claimed that it was not invited to do so, but it was always advised when the statementing was done.

My constituent was advised that she should attend the Royal National College of the Blind in Hereford, and she has done so and that will be paid for until December, but because she will be 19 years old in December, there can be no further funding from the Belfast education and library board, nor from the Department. I understand that, if she were from England, her education could be funded by different means. There is a method of doing so because the principal of the royal college in Hereford has been in touch with me on that very point.

The Belfast education and library board says that my constituent could be funded for vocational training, but not for academic training. I understand that training for her physical condition means that she is now mobile after being wheelchair-bound. With the Department of Health and the Department for Education and Skills supposedly working together, there should be a way forward. It is discrimination of the worst kind if a person with a physical handicap who could take the academic route is not allowed to take it because they have been shunted off into another siding.

I have raised on the Floor of the House in the past the issue of the Departments working together, and I have followed the contributions made this afternoon that dealt with sex education in schools. Love for Life, which was founded as a charity by a medical doctor to do something positive, was funded by grants particularly from the Southern education and library Board to work in schools. It met a tremendous response from teachers, children and parents but, unfortunately, the Department of Health says that it now cannot fund it because the charity deals with education issues, and the Department for Education and Skills says that it cannot fund it because it deals with health issues. A Government who pride themselves on being seamless should begin to get their act together so that youngsters are taught not simply the mechanics but all aspects of relationships. That will help them through life and save on wasteful expenditure. They may get into trouble by contracting sexually transmitted diseases because we failed them in the early days.

There are many other subjects that I would like to raise, but I think that I have said enough. However, I want to make one final simple point. Gulf war syndrome has now been recognised as an illness. I have fought on the issue for a long time, and I trust that we will no longer withhold the financial aid and help so that soldiers who served this country faithfully in the Gulf war now receive the treatment that they deserve.

6.22 pm

Mr. David Rendel (Newbury) (LD): The themes of this Queen's Speech are "opportunity" and "security", and education is primarily seen in terms of opportunity. We are no strangers to this idea. In the prelude to the party's constitution, we make it clear that "freedom from ignorance" is critical to the liberty of the individual. Education, however, is also of critical importance to security, and I intend to spend a few moments talking about that.

The other evening following the Gracious Speech, I co-sponsored a House of Commons reception to celebrate the 10th anniversary of a small non-governmental organisation, Development in Action. It is run by young volunteers who have been to India on various projects and who have returned to this country to encourage interest in global issues. They produce a quarterly magazine that goes to students, teachers and careers offices and have created a development education resource base. When I talked to some of the volunteers, I was struck by the vital links that exist between education, the idea of global citizenship and the prospects for greater tolerance and understanding across the borders of geography, imagination and economic opportunity that divide our world.

On 15 November, the Secretary of State for Education and Skills announced the international strategy for education, skills and children's services. In doing so, he said:

> "One cannot truly educate young people in this country without the international dimension being a very significant and real part of their learning experience."

Proposals include twinning every school in England with a school overseas within the next five years, and sharing Britain's educational expertise and resources with the developing world. This is all very welcome, and I congratulate him on his initiative. However, it risks being little more than a public relations stunt unless there is a genuine drive to expand foreign languages provision, as proposed by Tomlinson, and to ensure that the "international dimension" becomes a fundamental part of the education reform agenda. Too much of Government policy at present seems to run counter to those principles. One example is the Home Office policy of charging international students for visas despite the fact that fees income from non-European Union students already makes up 7 per cent. of the UK higher education sector's budget.

A second example is the decline of modern language teaching, and especially—this brings us back to security—a recent report by the British Society for Middle Eastern Studies that argues that we are not training sufficient people with knowledge of the middle east and competence in Arabic languages. Clive Holes, professor for the study of the contemporary Arab world at the university of Oxford, argues that we are seeing

> "the gradual loss of a national resource for teaching Arabic and other Middle Eastern languages, and . . . because of the concomitant staff cuts, the loss of expert advice which should be available to government, the diplomatic and intelligence communities, and business."

I hope that the Secretary of State will comment on the report in his winding-up speech and give us his assessment of the likely impact of the Higher Education Act 2004 on the situation that Professor Holes describes.

I turn to the theme of opportunity. The Gracious Speech says:

> "My Government attaches the highest importance to extending educational opportunity so that all individuals can realise their full potential and the country can benefit from the talents of all its people"—

hear, hear. However, why then do the Government seem intent on erecting barriers to that opportunity? Liberal Democrats deeply regret that the Government have not used the Queen's Speech to announce a rethink on tuition and top-up fees. It was their last chance to do so before we take the issue to the country. The Liberal Democrats' alternative Queen's Speech proposed a Bill to scrap the tax on learning. The electorate face a clear

[Mr. David Rendel]

choice: top-up fees under Labour, commercial interest rates on student loans under the Tories—in both cases, of course, that means that students will pay for their own education—or an end to all charges for university tuition under the Liberal Democrats, with the cost borne by the richest taxpayers.

Let us remember what happened at the last general election. Such was the hostility to tuition fees on the doorstep that the Prime Minister ordered a review of student finance, with the aim of

"tackling the problems of debt and the perception of debt".

Quite how Ministers, proceeding from that starting point, came up with top-up fees as the answer to our woes will no doubt make an interesting case study in university politics seminars for many years to come. I hope that at least some students will enjoy spending £3,000 to discuss it. Following the by-elections in Brent, East and Leicester, South, Liberal Democrats look forward with anticipation to the doorstep reaction that the Prime Minister's loyal servants will receive from voters next spring.

One measure that Liberal Democrats very much welcome is the proposed child benefit Bill. The Gracious Speech told us that that will

"extend financial support for 16 to 19 year olds engaged in training and education."

That will be a step, at least, towards a more equitable system. Liberal Democrats have long championed the needs of part-time students, not least by ensuring that they are covered by the fair access arrangements in the Higher Education Act 2004. We hope that the Government will move towards activity funding so that we can end the funding anomalies that disadvantage students in colleges. We regret that the recently published grant letter to the Learning and Skills Council failed to move us in that direction. The Government's preparedness to support the further education sector will be a key test of their commitment to the principle of opportunity.

We also welcome the proposal to ensure that the charitable status of independent schools will be dependent on whether they actually do work that is commensurate with that status. We have long argued that charitable status should not simply be a means by which fees can be held down for parents who can afford private education for their children. It should be about opening services and facilities for the benefit of the wider community.

Liberal Democrats' disappointment with the Queen's Speech stems not only from the fact that it contains measures with which we disagree and fails to contain others with which we would agree, but from the more profound fact that it shows a lack of philosophical direction—a sense of what the Government want our country to look like. Instead we have a mix of reactionary illiberalism and mean-spiritedness, and one or two sticking-plaster-type measures that are welcome, but will do little to help to clean up the mess.

In education, after three years of debate and a radical Act of Parliament, we are yet to see any real analysis of what the Government think that higher education is for, beyond performing a service role for business. Moreover, the Government may be tough on insecurity, but they are certainly not tough on the causes of insecurity. We live in a world in which 115 million children have no access to education, but providing that for them would cost $5.6 billion dollars, which is comparable to the £3 billion cost to this country of the Iraq war. Was bombing Iraq a sensible priority to set if we are interested in security, let alone opportunity? Which of those priorities would have been a better investment to fight the war on terror?

Perhaps it says it all that the international agenda for education that I praised, which strikes at the heart of our shared aspirations for a world of security and opportunity, has found no place in the Queen's Speech in the run-up to the general election campaign. The Government have made their choice: they will run with the politics of fear, but not the politics of hope.

6.30 pm

Mr. Tim Collins (Westmorland and Lonsdale) (Con): I start on a sober note. I am sure that the House will share a sense of shock and deep sadness at today's horrifying news that a 15-year-old schoolboy has died, apparently after a fight involving another pupil at his school. The thoughts and prayers of every hon. Member will be with the family and friends of all those affected. I hope that all parties in Parliament will come together to act on the persistent calls from teachers for new legal protections and powers to help them in their vital task of upholding discipline in our schools.

Let me respond to the words of the Health Secretary straight away, because some of the things that he mentioned, too, are above party politics. All of us, without exception, pay tribute to the dedication, professionalism and sheer hard work of those in our public services—our nurses, doctors, teachers and others. All of us admire them, praise them and support them. As my right hon. Friend the Member for Charnwood (Mr. Dorrell) said in his superb speech, we all celebrate the genuine progress that they have made since 1997, as we do the achievements that they secured between 1979 and 1997. There should be nothing between any of us on that subject.

The question is not whether we back our NHS and education professionals, but how we do so. The Secretary of State came up with an interesting phrase. He said that we have been on a journey with our public services since 1997. He will forgive me if I observe that parts of the journey have been circular in nature. We started by moving away from GP fundholding, and we are now moving back towards it. We started by moving away from grant-maintained schools, and now we seem to moving back towards those as well. As my right hon. Friend explained, we started by moving away from city technology colleges, and now we are moving close to them again, with city academies. We started by increasing the size of the Department for Education and Skills and the Department of Health, and now the Government say that they want to slim them down again. We have had an interesting journey, but the start and end points have not been terribly different.

The Secretary of State also said—I think that I am quoting him accurately; I am sure he will correct me if I am not—that the Government had met every target and every pledge. That will come as news to those who are still waiting for access to an NHS dentist, which the

Prime Minister told them in a speech in 1999 they would get throughout the country by 2001. The Secretary of State said that many of the problems that have occurred in 2004 are the results of decisions taken by past Conservative Governments 10, or more years ago. However, I am sure that he would not expect the Prime Minister to have made his pledge in 1999—two and a half years after Labour came to office—unless he had properly researched it. The Prime Minister obviously believed in 1999 that he could secure universal NHS access by 2001. When he made that pledge, he was fully aware of exactly what capacity was in place and what was not.

My hon. Friends scored a bull's eye against the Secretary of State when they pointed out that he rightly said that we should praise NHS staff, but seemed alarmed by the prospect of allowing them to decide their own budgets and run the NHS in their own way.

One of the things that happens in the House is that we are tempted to oppose the party that we would like to be up against, rather than the party that we are up against. I put that gently to the right hon. Gentleman, because I have been guilty of it at times. Some years ago, the Secretaries of State for Health and for Education and Skills were considerably to the left of where they are now. I admit, politically inconvenient though it is, that they have moved and that I cannot make that charge against them. On the same basis, however, the Secretary of State for Health cannot make the accusation that the Conservative party stands for charging people for operations, that we would cut NHS spending or that we would introduce the black death—which I think was the next thing that he would have come to in his litany.

Nor is it the case that the Conservative party will introduce a five-plus for every primary school, as the Secretary of State for Education said we would, or that we would forbid schools from taking postcodes or geography into account in their admissions policies. I understand why he believes that that might have been our policy but I assure him that it is not. I wish to make it absolutely clear that that is not the Conservative party's policy.

Let us consider what has been said in this constructive debate. It is—

Mr. Charles Clarke: It would be helpful to the House if the hon. Gentleman would say whether it is or is not Conservative party policy to abolish codes of admission, and therefore enable every school, primary or secondary, to determine its own admissions policy without any guidance.

Mr. Collins: It is clear that giving schools complete freedom to decide their own admissions policy does not involve banning them from taking into account the postcode—*[Interruption.]* It is all very well for the Minister for School Standards to make a sedentary intervention, but the Secretary of State made two charges, and he has now withdrawn one charge, so we have made progress.

The policy on schools having freedom means that head teachers will be able to decide for themselves the admissions criteria that they wish to apply. If the Secretary of State believes that there are many state school head teachers who want to introduce either a five-plus or 11-plus examination, he is even more out of touch with teachers than I thought he was. Of course that is not what they want to do. It is another Labour scare story suggesting that professionals should not be trusted to take decisions themselves.

The hon. Member for Huddersfield (Mr. Sheerman), who chairs the Education Committee and who is not in his place at the moment, made an extremely good speech in which he talked about the need to build on and learn lessons from Sure Start—both its successes and its failures. That is certainly something that we would like to do. He welcomed the Government's proposals to reduce the amount of bureaucracy in Ofsted. At the same time, he expressed some interesting concerns about light-touch regulation. Interestingly, he was also quite cautious about reducing the role of local education authorities. Similarly, it will be interesting to see whether the Secretary of State will go as far as the Chancellor of the Duchy of Lancaster has in advocating cutting LEAs out of education entirely.

The hon. Member for Huddersfield said that he thought that the ballot arrangements for abolishing grammar schools were unfair. The Opposition would agree with that. The conclusion that we would reach is to abolish the balloting mechanism and leave grammar schools to continue with their work, not threaten them all the time.

The most amusing comment made by the hon. Gentleman was that the Prime Minister and the Chancellor of the Exchequer are a close-knit team. That is not exactly the phrase that would come from most of our lips.

My right hon. Friend the Member for Charnwood made an extremely good speech, parts of which I have already looted in some of my remarks. He talked about the way in which the Government are bringing back GP fundholding and implementing our policies on city academies policies, albeit that they are doing it under a different name. His central theme, which was absolutely right, was that the Government have now decided that it is electorally popular to talk about choice in education. However, people know that they will not get choice from a Government who at best have a half-hearted belief in choice, and are divided about it. They support the word but not the idea. People will get choice only from a Government formed by the Opposition, who are determined to make choice a reality.

The hon. Member for Crawley (Laura Moffatt) said that a great deal of money had been spent in her constituency. I am sure that that is entirely true. She said that she believed that ideas and concepts were not relevant unless there were the resources to implement them. We, the Opposition, would say that resources alone will not achieve much without the right structures or the correct empowerment of parents or pupils—and that, sadly, has been the story of much of the past seven and a half years.

My hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibb), in a typically thoughtful and wide-ranging speech, made some extremely powerful comments about the need to move towards the use of phonics, a return to teaching by rote, setting and less use of mixed-ability teaching. In response to his comment that he thought that this is something about which politicians should express preferences and views, I hope

[Mr. Collins]

that he will have noticed that my right hon. and learned Friend the Leader of the Opposition, in his speech on education yesterday, specifically committed our party to sponsoring the expansion of all those things, for precisely the reasons that my hon. Friend addressed.

The hon. Member for Colne Valley (Kali Mountford) rightly praised my hon. Friend the Member for Bognor Regis and Littlehampton for his speech, and made an excellent speech herself about the need to focus on the prevention as well as the cure of illness, and to develop the healthy schools initiative. I am sure that she shares my disappointment that the Prime Minister, in his party conference speeches in 1999 and 2000, made promises that were not kept. In 2000, he said that £750 million of lottery money would be spent on new school sports facilities in the succeeding three years. By February this year, however, of that £750 million a total of only £8.5 million had been spent. That is disappointing, and I agree with the hon. Lady about the importance of the issue.

My hon. Friend the Member for Lichfield (Michael Fabricant) said that 200,000 people have had to go private because they cannot wait for their operation on the NHS. He also made powerful constituency points about animal rights protestors. My hon. Friend the Member for North-East Bedfordshire (Alistair Burt) made some sensible comments about school sport. He also made some strong points about the need to get the balance right in sex education. He is right to say that we should all review the balance and scope of sex education in our schools, and can learn lessons from European countries that have been more successful in this field for many years under successive Governments. He also spoke about the wisdom of listening to people who represent different faith groups and people who, like my hon. Friend, practise a faith.

The hon. Member for Wyre Forest (Dr. Taylor) talked about the food industry and food labelling, and secured an important clarification from the Health Secretary about his position which, I understand, was misrepresented in some of this morning's newspapers. The hon. Member for Belfast, South (Rev. Martin Smyth) made an interesting observation about the reason why waiting lists in Northern Ireland are much longer than in England: Lessons certainly need to be learned, and I strongly agreed with his conclusion about the need to provide support for people suffering from what is called Gulf war syndrome. The hon. Member for Newbury (Mr. Rendel) rightly highlighted the distinction between the Government's words about opportunity and their action in introducing top-up fees.

The contents of the Queen's Speech are, in many respects, disappointing. The School Transport Bill is carried over and will strip parents of a 60-year-old statutory entitlement to free school transport. That will permit, then encourage and ultimately, we fear, require local authorities to charge for that service. Two thirds of current subsidies for school transport benefit special needs children, who will lose out, as will parents who are far from wealthy, and people in rural areas.

The child benefit Bill, on the other hand, will address a genuine and long-standing anomaly, so we welcome it. Unfortunately, it has been packaged with measures that will result in the introduction of new and higher charges for adult learners in further education colleges. I would be grateful if the Secretary of State for Education and Skills commented on something that my hon. Friend the Member for Epsom and Ewell (Chris Grayling) told me this afternoon—that the Association of Colleges has been told by the Learning and Skills Council that any revenues that it raises through the extra charging regime will be clawed back by the Treasury. In other words, the money would not be additional, which is a deeply disturbing development.

The schools Bill will include a number of measures that the Opposition do not find any difficulty in supporting, as they will make it easier and quicker for schools to achieve foundation status. They will also establish a three-year rolling budget and slim down Ofsted. We support those excellent measures, having called for them for a considerable period. However, we believe that the Bill is uncontroversial not because it is perfect, but because it is a half-hearted stab at what is necessary. Foundation schools have limited freedoms: they do not have control over admissions, have no final say over expulsions, and cannot commission or control all works on their site. They do not have the right to decide entirely for themselves whether to expand, alter working conditions or impose home-school contracts as a condition of admission. Schools need those freedoms, but they are not granted in the Queen's Speech.

The Queen's Speech that we should have had would involve a right to choose Bill, scrapping the surplus places rule, encouraging and funding good schools to expand, allowing parents to take state funding to any school of their choice, and ensuring that an extra 600,000 parents get their first choice of school in the lifetime of the next Parliament. We should have had a teacher protection Bill, giving teachers accused of misbehaviour a guarantee of anonymity until they are charged, giving head teachers the final say on exclusions by abolishing independent appeals panels, and providing for a massive expansion of high-quality separate provision for pupils who end up excluded.

We should have had a higher education Bill to scrap tuition and top-up fees, to transfer the huge asset of the student loan book to universities to make a massive improvement in their finances, and to scrap outright the disgraceful post of university access regulator, because access to university should not be politically determined.

As ever, we must judge the Government not on what they say, but on what they do. What we got in the Queen's Speech was more spin and all talk. What we needed was more choice, more discipline and higher standards. After seven and a half years, it is clear that we will not get any of that from more Queen's Speeches from Labour. We will get it only from the first Queen's Speech of the next Conservative Government.

6.45 pm

The Secretary of State for Education and Skills (Mr. Charles Clarke): The whole House will share the shock at the death of a 15-year-old boy at Broadoak in Trafford. It is an appalling incident. We do not know the details yet. The police are considering the situation and will report to us. It is incumbent on all of us to wait for their analysis before deciding on the best way to proceed. I send the feelings of the whole House, as

the hon. Member for Westmorland and Lonsdale (Mr. Collins) said, to the family and friends of the boy who has died.

Together with my right hon. Friend the Secretary of State for Health, I welcome the debate. I shall not deal in detail with the range of health issues raised, in particular by the hon. Members for Lichfield (Michael Fabricant), for Wyre Forest (Dr. Taylor), for Belfast, South (Rev. Martin Smyth) and for North-East Bedfordshire (Alistair Burt), my hon. Friend the Member for Crawley (Laura Moffatt) and the right hon. Member for Charnwood (Mr. Dorrell), though I notice the absence of any preparedness to discuss the patient's passport despite various invitations from my right hon. Friend the Secretary of State for Health and myself. I was a little surprised that the pupil passport also got so little mention throughout the debate, keynote measures as those are.

Mr. Collins: Will the Secretary of State give way?

Mr. Clarke: Not at the moment.

I was disappointed that the hon. Member for South Cambridgeshire (Mr. Lansley) said that there were no Bills on education in the Queen's Speech. In fact, there are four, and I shall summarise them for the House. First, we will publish an education Bill later this week, which aims to help schools raise standards through a more effective inspection regime—I appreciate the comments of my hon. Friend the Member for Crawley on those proposals—and by aligning the cycle of early years inspections, training the school work force more effectively with continuous professional development, establishing three-year budgets and school funding, and developing the ability of schools to run themselves more effectively.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Secretary of State give way?

Mr. Clarke: Not at the moment.

I shall respond to a point made by colleagues in the debate, particularly my hon. Friends the Members for Huddersfield (Mr. Sheerman) and for Tamworth (Mr. Jenkins) and the right hon. Member for Charnwood on the role of the local authority. For us, that is exceptionally important in relation to children's trusts, as the hon. Member for Sutton and Cheam (Mr. Burstow) mentioned in his speech, as well as in the delivery of the whole 14 to 19 agenda, and in relation to the school improvement responsibilities mentioned by my hon. Friend the Member for Huddersfield and the various ways in which school performance can be raised, as set out by the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb). I cite particularly to my hon. Friend the Member for Tamworth the importance of the vocational pathways which, following the Tomlinson report, will be critical to the 14 to 19 group and in which the local education authority will have an essential role. I was glad to hear that the official Opposition will give general support to the Bill, and I hope that we can make progress on it.

The second Bill is the School Transport Bill. Given the comments of the hon. Member for Wyre Forest, I hope that we can rely on his support. I ask both main Opposition parties to consider reversing their blind opposition to the proposals. As their colleagues in local government, Conservative and Liberal Democrat, well know, those proposals are supported by councils that want to be freed in the way that our pilots propose, that want to deal with congestion and the school run and that want to achieve healthier approaches. I urge Opposition Members not to persist in opposing the Bill.

The third Bill that I shall refer to is the draft Bill on contact and inter-country adoption—a key measure that follows the Green Paper to which I referred in an exchange with the hon. Member for Sutton and Cheam. It is a very important measure for a variety of reasons, but it is intended to give the courts more flexibility and powers to underpin and enforce contact orders in cases of parental separation. The measures in the draft Bill are very important and substantial. They will help to encourage and underpin productive contact arrangements in the best interests of the child. I say to every Member of the House that it is the best interests of the child that must be paramount in these considerations. There have been one or two knee-jerk posturings on this matter, not least from the right hon. Member for Maidenhead (Mrs. May), which I think need to be addressed directly. I hope that we will have a proper debate on the draft Bill and agree that getting it right is important.

The final Bill that I want to mention is the one on child benefit. I was glad to hear the comments of the hon. Member for Newbury (Mr. Rendel) and of the official Opposition in giving general support to this measure, which is also very important.

This is a substantial legislative programme for education that is part of the reform component of our overall strategy of investment and reform, which is central to everything we do. In July, we published our five-year programme for under-fives, schools, skills and lifelong learning, and the measures provide a substantial commitment in those areas. In the context of this debate, it is perhaps worth adding that health in schools and the public health White Paper published by my right hon. Friend the Secretary of State for Health are a key component in that joint work.

I noticed that a number of contributors—in particular, my hon. Friend the Member for Colne Valley (Kali Mountford), who made an outstanding speech, as well as the hon. Members for North-East Bedfordshire, for Lichfield and others—focused on the health education element of the proposals. I think that that reflects joint working between the Department of Health, my Department and all our agencies to deliver high-quality education and health in every school in the country. That is done through information, integrating services through children's centres and children's trust arrangements, developing extended schools everywhere in the country, extending the school nursing service, establishing healthy schools in every area, investing to improve nutrition in school meals, active travel plans, school sports partnerships and funding through the whole range. That is a key element in our overall programme—a health and education programme that takes us forward.

In truth, reform is not enough in these areas; it is investment and reform that are needed, and the investment story too is immensely substantial. Today, my hon. Friend the Minister for School Standards announced our building schools for the future

[Mr. Clarke]

programme. It is worth setting out the figures, because they are so stark and impressive. We inherited total capital spending of £683 million in 1996–97. By 2005–06, the next academic year from now, the amount will have increased to £5.5 billion—a massive increase in spending.

Mr. Bacon: While the Secretary of State is on the subject of investment and today's written statement made by the Minister for School Standards, which says that every maintained school will benefit from capital programmes, can the Secretary of State confirm that that statement includes all the 37 schools in Norfolk that would have been included in the PFI until it collapsed?

Mr. Clarke: Yes, I can, and in two ways. First, every school will benefit, whatever its situation and whatever the PFI project. By next year, the amount will be £25,500 in a typical 250-pupil primary school, or in a typical 1,000-pupil secondary, there will be £87,250 in devolved capital for what the school has to do. Beyond that, whatever the particular programmes, such as the PFI in Norfolk to which the hon. Gentleman referred, and despite the difficulties, the commitment will remain precisely as it has been in the past.

The central point that I am making is that the financial commitment to the proposal is overwhelming. The building schools for the future programme that we have set out today is a transformation of education in this country that will enable improvements in every community in every part of the country.

Both on investment and on reform, there is a straightforward, clear choice between the Opposition and the Government. The choice on money is whether more money should go into education, as we propose, or whether money should be taken out of education, as the Opposition propose. The shadow Chancellor made it clear that spending outside schools, which means under-fives, skills, universities and all those other areas, will be frozen at 2005–06 levels. That was his clear commitment, which means real terms cuts in every other area.

The Opposition's proposed pupil passport would mean at least £1 billion going from state schools to private schools. In contrast, this party will continue to increase spending by at least 6 per cent. per year. from 2005–06 to 2007–08 and provide high-quality, flexible, affordable child care for all parents. That is one dividing line: more money from us; less money from the Opposition.

The second dividing line is opportunity for all, which we offer, versus selection for the few, which the Opposition offer. We require the strict application of the admissions code of practice for all schools and no extension to selection by ability. As the hon. Member for Westmorland and Lonsdale confirmed in an exchange a few moments ago, under the Opposition, every school would be able to decide its own admissions, opening the door to five-plus and 11-plus selection. Above and beyond that, the hon. Gentleman, speaking in March this year to the Secondary Heads Association, said that he wanted to get rid of catchment areas for schools. Again, there is a direct choice: opportunity for all, which we offer; selection for the few, which the Opposition offer.

The same dividing lines arise on standards. We say, "High ambitions for every school and pupil"; the Opposition say, "No ambitions for schools and pupils." Targets have been established, and schools are responsible for local target setting to encourage all young people to achieve the top grades. The Opposition would scrap the targets and limit the number of children who can achieve the top grades by introducing quotas.

Mr. Collins: The Secretary of State has said something extremely important and, indeed, illuminating. He has just said that he wants to make sure that all young people get the top grades. Does he really think that it will achieve anything if everybody gets the same A grade? That is nonsense. Our top universities have a finite number of places and need to know who is the very best. Why will the Secretary of State not accept the Tomlinson recommendation to limit the numbers who get the very top grade?

Mr. Clarke: Sir Keith Joseph, holding the office that I now hold, recognised the lunacy of what the hon. Gentleman has just said by abolishing such a proposal. The hon. Gentleman wants to go to the right of Sir Keith Joseph, when Sir Keith Joseph was Secretary of State for Education, by failing to recognise everybody's ability to do better for themselves.

There is a dividing line on freedoms. We say, "More freedoms for all schools"; the Opposition say, "A free-for-all." We want freedom for secondary heads and governors to improve their governing bodies, set three-year budgets and create a framework for fair admissions; they want to create chaos by abolishing the codes of practice on admissions and by scrapping appeal panels, which would create a charter for lawyers.

On local education authorities, the division is clear too. We want a new role for local authorities in the areas that I have set out—children's trusts, those aged 14 to 19, child care and strategic leadership for education and school improvement. The Opposition want to abolish local authorities, funding schools directly by bypassing local government entirely. They are also considering the outright abolition of LEAs.

The Queen's Speech clearly sums up the choice in each of those areas: more money for us, less money for them; more freedoms for us, a free-for-all for them; high ambitions for us, no ambitions for them; and opportunity for all for us, selection for a few for them. In conclusion, we say, "Every child matters"; the Opposition say, "Only a few children matter."

Question put, That the amendment be made:—

The House divided: Ayes 178, Noes 305.

Division No. 1] **[6.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*	Baldry, Tony
Allan, Richard	Barrett, John
Amess, David	Beggs, Roy *(E Antrim)*
Ancram, rh Michael	Beith, rh A. J.
Atkinson, Peter *(Hexham)*	Bellingham, Henry
Bacon, Richard	Bercow, John
Baker, Norman	Beresford, Sir Paul

Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cran, James *(Beverley)*
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gill, Parmjit Singh
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Hague, rh William
Hammond, Philip
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Maples, John
Maude, rh Francis
May, rh Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Wiggin, Bill
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Selous and
Mr. Geoffrey Clifton-Brown

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Corbyn, Jeremy
Corston, rh Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*

Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Iranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Olner, Bill
O'Neill, Martin
Organ, Diana
Owen, Albert
Perham, Linda
Picking, Anne
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Harrow W)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Ms Bridget Prentice and Gillian Merron

Question accordingly negatived.

It being after Seven o'clock, the debate stood adjourned.

Debate to be resumed tomorrow.

DRAFT MENTAL HEALTH BILL (JOINT COMMITTEE)

Ordered,

That the Lords Message [29th November] relating to the draft Mental Health Bill be now considered.

That this House concurs with the Lords in the said Resolution.

That, in accordance with the Order of the House of 20th July in the last Session of Parliament, a Select Committee of twelve Members be appointed to join with a Committee appointed by the Lords, as the Joint Committee on the draft Mental Health Bill, with the same terms of reference, powers and membership as in the last Session and that the proceedings of the Joint Committee on the draft Mental Health Bill in the last Session of Parliament be referred to the Committee; and

That the Committee do meet with the Committee appointed by the Lords on Wednesday 1st December at half-past Nine o'clock in the Boothroyd Room.—*[Vernon Coaker.]*

SECTION 5 OF THE EUROPEAN COMMUNITIES (AMENDMENT) ACT 1993

Ordered,

That, for the purposes of their approval under section 5 of the European Communities (Amendment) Act 1993, the Government's assessment as set out in the Pre-Budget Report 2004 shall be treated as if it were an instrument subject to the provisions of Standing Order No. 118 (Standing Committees on Delegated Legislation).—*[Vernon Coaker.]*

PETITIONS

Crossrail

7.14 pm

Mr. Andrew Rosindell (Romford) (Con): I wish to present a petition of more than 200 signatures of residents of the Romford constituency who strongly object to Crossrail's proposal to build a large area of railway sidings at the rear of residential properties in Gidea park, adjacent to Cambridge avenue, Belgrave avenue, Amery gardens, and generally around the Gidea park area.

You will understand, Mr. Speaker, that local residents are deeply concerned about the effects of such a large area of railway sidings on the local community, particularly in terms of noise, pollution and additional lighting, which has previously been tranquil and quiet. The petitioners ask the House of Commons to urge the Government to review the plans and ask Crossrail to reconsider what it proposes.

The petition states:

The Petition of the Residents of the Gidea Park area of Romford

Declares that Crossrail is planning to greatly extend the existing railway sidings in Gidea Park and build new sidings in order to accommodate the large increase in capacity on Romford's Railways used by Crossrail.

The Petitioners therefore request that the House of Commons urges the Government and Crossrail to rethink its plans as this proposed development will cause great disruption to the local environment as well as increasing noise and air pollution.

And the Petitioners remain etc.

To lie upon the Table.

Riverside Mental Health Care Unit

7.16 pm

Mr. Adrian Sanders (Torbay) (LD): I wish to present the petition of Mr. Steve Hallam and others, who are concerned about cuts to mental health care services in the Devon partnership mental health care trust, and particularly the closure, albeit temporary, of Riverside unit at Torbay hospital.

The petition states:

The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to ensure that this facility is kept open.

And the Petitioners remain etc.

To lie upon the Table.

Child Support Agency

Motion made and Question proposed, That this House do now adjourn.—*[Vernon Coaker.]*

7.17 pm

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): I want to use this opportunity to highlight just a few of the problems experienced by the many constituents who contact me about the difficulties that they are experiencing with the Child Support Agency. I realise that almost every MP must have a similar size mailbag on this issue, so it is not surprising that the CSA has written off more than £2 billion of uncollected child maintenance since it was set up. In addition to illustrating the all-too-common problems experienced, I wish to highlight the tragedies underlying the facts. To do so, I want to concentrate on one particular case.

I first met my constituent, Ms E, in 2001. She initially became involved with the agency in 1993. I made a personal commitment that I would do my utmost to help her. At that stage, I had no direct experience of the Child Support Agency, and I had no idea of the difficulties that lay ahead. The agency tells me that between 1994 and 1997, it unsuccessfully tried to find a "confident" address for the husband, to whom I will now refer as Mr. X, despite receiving information from Ms E and other Government departments.

At one stage, Mr. X behaved very violently, and forced Ms E to sign that she would not claim maintenance. The violence continued on and off, and in 1998, Mr. X was sentenced to 60 hours' community service. Not surprisingly, Ms E became extremely distressed, and felt that she just could not cope with the system any more. On 21 May 1997, the case was closed, as good cause had been accepted, because of the risk of harm to her. However, she wrote to the CSA in July 1999, requesting that her case be reopened, but did not receive a reply until 2 October 2000—a delay of 15 months. The agency has explained that that was unfortunately due to the work in hand at that time.

More attempts were made to contact Mr. X between October 2000 and April 2001, but they elicited a straight refusal by Mr. X to confirm any details or to complete the maintenance inquiry form. The agency gave up entirely on 9 April 2001, although Ms E was advised that it would issue an interim maintenance order in February 2002. My inquiries revived the processes in March 2002.

The agency sent a further maintenance inquiry form to Mr. X at an address provided by Ms E, and an inquiry was sent to the Inland Revenue. However, the agency wrote to me blandly in July that year to say that

"to date no information has been received",

and to apologise for not even making progress with action on information that had been supplied about a vehicle driven by Mr. X.

At that stage, my constituent was awarded a paltry £85 in compensation for all the inefficiencies. She returned the cheque.

The agency requested a physical description of Mr. X. That had long since been supplied, but nevertheless a further photograph was sent. In July 2002, the agency assured me that if Mr. X failed to comply with the request for information he would be taken to court, with a possible fine of £1,000. I wrote a further letter to the agency in September 2002 pointing out that over eight years no help had been received from Ms E's former husband, that information had been repeatedly supplied, that as a community sentence had been given names and addresses must be available, and that at that time the children were seeing their father nearly every weekend at his parents' house.

A reply dated 24 September 2002 said that Mr. X had not attended an arranged interview, and that the agency was preparing an interview under caution. Mr. X did not turn up for that interview, but no follow-up action appeared to have been taken. On 23 October 2002 I wrote to the then chief executive of the CSA, Mr. Smith, asking whether, given the eight-year wait and the inertia demonstrated by the agency, the case could be given national priority. No progress was made. On 27 November 2002 I wrote to the Secretary of State for Work and Pensions, but my letter was simply passed back to the chief executive of the agency.

On 20 December 2002, the CSA informed me that it had now received new details of Mr. X and would be arranging another interview. Mr. X rang the agency on 4 February 2003 to say that he could not fill in the form that it had sent because he was waiting for financial information. At least a proven address had finally been confirmed—but apparently the face-to-face team works only from nine to five from Monday to Friday and home visits are undertaken reluctantly, so no progress was made.

Was this not, by now, a pretty exceptional case, given that there could have been more persistent chasing? I understand that there has been a fear of violence over the years, but is not some protection offered to face-to-face teams in such cases?

On 24 June 2003, I heard that accounts had been received from Mr. X, but to date still no payments have been received. The current position is that Ms E has raised questions about the income declared by Mr. X, given his present lifestyle.

I can conclude only that the agency has made no more than token efforts to obtain any maintenance for Ms E's daughters. There has been no consistent and persistent attempt over the years to challenge the many prevarications, or indeed in recent months to check information supplied by Mr. X. Enforcement action has now been initiated, and Ms E completed a long form earlier this month. So far she has been rewarded with yet another form to complete, this time 36 pages long. I do not think that she can cope with the new form.

I need the Minister to understand how my constituent feels. She has been left struggling for 11 years; she finds herself drained of effort, and has no confidence in anyone. She cannot afford to work without the maintenance, although she would have liked to pursue her career. She feels that her children have been denied a reasonable lifestyle for 10 years. In the case of Mr. X, we are not talking about somebody who has fled the country. Throughout this long period, my constituent's ex-husband has never lived further than two miles from his place of birth.

Ms E asks:

"Why is it taking so long for my rights and the rights of my children to be recognised?"

Christmas is a very hard time for her. She feels upset and angry that she cannot provide for her children as she would wish. An undertaking from the Minister that she will personally monitor this case until a conclusion is reached might provide some hope for my constituent this Christmas.

I want to comment briefly on some other issues that I frequently encounter, and to refer to six particular cases. In the first, the husband and wife are each in a second partnership. The wife receives no maintenance for her children from the previous marriage, despite a long history of trying to work through the agency; the husband is faced with numerous errors and is being asked to pay too much. The result is a phenomenal strain on the new partnership, and particular difficulties in the relationships with each set of children. That case highlights inconsistencies in the intensity with which people are pursued, and in the degree of enforcement.

In the second case, a husband who was in a second relationship had the new formula applied to him after an interval of many years; the previous wife had not requested maintenance. He checked with the CSA to see whether he was likely to be required to make payments in future. He then took on a large mortgage in order to accommodate a total of five children. Of course, the new formula does not take into account housing costs, which are very high in my part of the world, and he was simply unable to pay the amount imposed on him. Personnel at the agency warned him that the bailiffs would be sent in. He became absolutely desperate. I could not persuade the agency to phase payments in a way that he felt he could cope with. Apparently, he has just given up his job. That does not seem a satisfactory outcome. A case such as this emphasises the inflexibility of the current system and the often unintended consequences.

In the third case, the wife informed the CSA of her former husband's employer. The CSA contacted the employer and was told that it had never employed her former husband. The CSA just accepted that as a true answer, and I have had to intervene to make sure that further employment checks are made. The wife felt that the CSA simply did not believe her, and that she was being regarded as a liar.

In the fourth case, a letter from a constituent, written in November of this year, states:

"I have now been waiting since 4 August 2003 and still nothing. They have all the details."

In acting on this letter, I received a prompt reply from the CSA, which is good. It now says that it will establish why the deduction-from-earnings order has not been made. But are there no follow-up procedures within the agency itself?

In the fifth case, Mr. T has been advised that the CSA will continue to require payments based on the old system, but that it has calculated that his current payments of some £80 per week for his one child would fall to £27 per week if he were assessed under the new system. The failures of the new computer system are well documented. My constituent feels that this now substantial delay in changing to the new system is causing him considerable hardship.

In a sixth case, a former husband and wife would both rather opt out of the CSA system because of the increasing incompetence that they face. My constituent writes:

"A massive increase has been imposed on the maintenance payment I have had to make this month without prior notice or opportunity to review the facts, at a particularly expensive time of year, and I have correspondence from them which shows a different calculation. My ex-wife and I are not confident that the standards offered by the CSA are ever likely to improve and furthermore, and perhaps more sinister, is that our children do not appear to be the prime concern of the people at the CSA."

That is a very telling point. My constituent continues:

"To this end, we want the CSA to cease its involvement in our case and let us take control of our own affairs with regard to the wellbeing of our children—something we feel the CSA has gravely overlooked."

They both signed a document of intent and I would be grateful if the Minister would confirm whether they can manage their own affairs in the way they propose. That would save me having to write a letter.

Unsurprisingly, I believe that the CSA should be scrapped, so that a balance can be found between rigidity and unfairness and the complexities of coping with individual cases. It seems essential to me that, for the difficult cases, there must be an individual-based system. I would like to see a system based on family courts to deal with cases that are not easily resolved, and I would also like to see the Inland Revenue take over some of the functions of the CSA.

Many people welcomed the system because they all accepted that the non-resident parent should contribute in some way, but the system introduced by the previous Government is not working and it is always a problem to try to fix something that is not working. There are now probably many aspects that are beyond the current Government's control and the new computer system has thrown the system into even greater disarray. Is it not time to bite the bullet, genuinely put children first and introduce a system that will achieve precisely that?

7.31 pm

The Minister for Work (Jane Kennedy): I congratulate the hon. Member for Mid-Dorset and North Poole (Mrs. Brooke) on securing this debate on a subject that is so important to the lives of so many families. I am speaking here in place of the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Gravesham (Mr. Pond), who usually speaks on matters relating to the Child Support Agency, but is engaged in important European business in Brussels and cannot attend tonight. I am a poor substitute on this occasion, but I will do my best to answer one or two of the hon. Lady's specific points.

I would like to start by emphasising how committed I and my ministerial colleagues are to creating an efficient, effective child support service. The new child support scheme is simple, transparent and easier to understand. Ultimately, it will ensure that money gets more quickly to more children. Indeed, already more and more cases are being dealt with under the new scheme, and clients and staff tell us how much they like and understand the new simpler calculation. I add the caveat, "when it works as it should." From the case described in such graphic detail by the hon. Lady, it is clear that it not working as it should in all circumstances.

I would say that, in general, MPs' surgeries tend to be filled with constituents who come to complain about public service failure. We do not generally encounter

[Jane Kennedy]

those who are perfectly happy with the service that they are receiving or those who are complimentary about it. I will speak in general terms about the CSA's work and what is being done to improve the agency's working, though I will try to touch on some of the hon. Lady's points.

The Child Support Agency is now effectively clearing thousands of cases each week. More than 33,000 of the poorest families are now benefiting from child maintenance premium payments, which means that, for the first time, parents on benefit see a real advantage from any maintenance paid and at a time when they most need it. Also, because the new scheme is so much easier to understand, parents are more able to make their own arrangements without involving the agency. The one exception is parents who are in receipt of benefits. The interactive calculator on the CSA's internet site regularly gets over 25,000 visits every month, so the hon. Lady can see that the new child support scheme is starting to make a real contribution to supporting children.

As the hon. Lady will be aware, since the new scheme was introduced in March 2003, the level of service given to some of the agency's clients has, due to difficulties with Electronic Data Systems Corporation's new IT and telephony service, still fallen well short of what they are entitled to receive. For that, I apologise. I am not going to pretend that I and my ministerial colleagues have not been disappointed, and I know that the agency, too, has been frustrated that more parents have not been able to experience the improvements that the new scheme has to offer. However, it continues to work closely with the computer supplier, EDS, to resolve its technical problems, and it is making progress.

Staff in the agency have to deal with often very sensitive and complex issues, and they deal with people who are in emotionally delicate circumstances, when relationships have broken down. I pay tribute to the staff who work in an already difficult job and who have shown dedication in trying to shield clients from the worst impact of the technical problems the agency has been experiencing.

The means of getting money flowing is a key issue for those of the hon. Lady's constituents on whose behalf she has written to the chief executive, and I commend the diligence with which she pursues her constituents' cases. Achieving compliance from non-resident parents is a key part of the work of a large number of the agency's staff. It is not true that there is no follow up. At all stages of a case, staff take action to ensure that non-resident parents accept their responsibility and comply with the maintenance calculation. Even before then, staff encourage non-resident parents to make voluntary payments to the parent with care, while they are waiting for a calculation to be made. That helps to prevent arrears from building up at the beginning of a claim. The agency is now placing even greater emphasis on ensuring that money flows between parents as quickly as possible.

The hon. Lady asks whether I will personally monitor the constituent's case that she has raised this evening in such detail. I undertake to do so, and I will draw it to the attention of my hon. Friend the Under-Secretary of State for Work and Pensions.

We should be realistic about enforcement. Some parents will fail to co-operate, fail to pay and fail to take the financial responsibility that they have for their own children. Indeed, worse than that, some people set out deliberately to evade their responsibilities. The lengths that some non-resident parents will go to are astounding: they change jobs—the hon. Lady suggested that that might have happened in the case that she raised—move house, become deliberately unemployed or even leave the country to avoid financially supporting their children.

Mrs. Brooke: Is the Minister aware that there is even a website advising parents on the various routes that they might take to avoid making any payment?

Jane Kennedy: I am aware of that website—the hon. Lady is right to draw it to the attention of the House—and it is to be deplored.

Of course, the agency's job would be easier if all parents accepted their responsibility and, ultimately, the children would benefit. The agency has reviewed its enforcement processes and implemented improvements, one of which has been an increase in the number of staff who work in specialist compliance and enforcement. A new director of enforcement post has also been created, recognising that a dedicated role is needed for work that is so vital to the agency's aims. Last year, the agency doubled the number of enforcement actions taken, and in the first six months of this year, it has doubled that figure again. I hope that the hon. Lady takes some comfort from that.

The agency uses a wide range of information sources to trace non-resident parents, including departmental records, the Inland Revenue, the Driver and Vehicle Licensing Agency, employers and accountants. The agency will also prosecute parents who fail to provide the information that they have been asked for. Between April and October 2004, 380 people were taken to court and convicted for failing to provide information to the agency.

If a parent with care does not believe that a calculation based on the information provided represents a true reflection of the non-resident parent's income or lifestyle, they can apply to the agency to have the calculation looked at again. That has been done in the case that the hon. Lady raised. If non-resident parents refuse to make arrangements to pay, either directly to the parent with care or through the agency, a number of options are available. Although the threat of a sanction often results in the payment of maintenance, the agency does not shy away from taking action if the threat does not result in that maintenance being paid.

For example, non-resident parents in employment may find that maintenance is deducted directly from their wages, and the self-employed may face action through the courts with liability orders. In cases where the non-resident parent persists in wilful non-compliance, the courts can take away driving licences or commit a person to prison. In the six months between April 2004 and October 2004, 168 people were taken to court and received a suspended committal sentence, which means that they must comply with the conditions stipulated by the court, usually to make regular payments or face a prison sentence.

I know that some of the hon. Lady's constituents are keen to move to the new scheme—she has written to that effect—but I cannot say when cases on the old scheme will be transferred to the new one. I am not in a position to say that today. We are keen that all parents who deal with the agency should be able to benefit from the reforms, but we believe very strongly that it would be irresponsible for us to move cases across to the new scheme before we are satisfied that the IT is able to cope and is working well. This is something that we have always maintained. Cases will be converted once the system is stabilised to our satisfaction and our business operation is robust.

As I said earlier, I apologise to those parents with care and non-resident parents who have not received the standard of service that they have the right to expect. I also know that the agency places great emphasis on ensuring that complaints are properly dealt with. Over the last year, it has improved the way in which it handles complaints, including accepting complaints by telephone, making the process quicker and easier for clients. However, the agency acknowledges that, for some cases, the service it provides is not of an acceptable standard. I hope that the hon. Lady will accept my assurance that I and my colleagues are working very hard to raise the standard to make sure that the service delivered to the people that we seek to help is of the highest possible standard.

Mrs. Brooke: I thank the Minister for her earlier assurance that she and the Under-Secretary of State for Work and Pensions will monitor the case that I have outlined in great detail. Is it possible for her to put a time commitment on when we might expect feedback? She may well appreciate that, given the time that the case has been going on for, I am anxious to establish whether we might hear something in a month, two months, three months or whatever.

Jane Kennedy: I will look at the case in detail, and seven pages of its chronology have been provided as briefing for the debate. At this point it would clearly be wrong of me to give a commitment that I may fail to keep; but I will make sure that we get a response to the hon. Lady as quickly as is practicably possible.

Question put and agreed to.

Adjourned accordingly at seventeen minutes to Eight o'clock.

House of Commons

Wednesday 1 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Decommissioning

1. **Mr. Andrew Robathan** (Blaby) (Con): If he will make a statement on progress by participants in the Belfast agreement in using their influence to achieve the decommissioning of all paramilitary arms. [199398]

6. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If he will make a statement on arms decommissioning. [199403]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Ian Pearson): It is essential, as the Prime Minister, Taoiseach and others have made clear, that all aspects of paramilitarism are put behind us in Northern Ireland. The decommissioning of paramilitary arms is an essential part of that objective and at the heart of our dialogue with the Northern Ireland political parties. I am happy to note that the Ulster Defence Association has engaged with the Decommissioning Commission.

There have been four acts of decommissioning to date, the latest of which occurred on 21 October 2003, when the Independent International Commission on Decommissioning reported that it had witnessed a third event in which IRA weapons were put beyond use.

Mr. Robathan: The Minister will have recognised the direct quote from the Belfast agreement. He will know perfectly well that, according to the agreement, "total disarmament" was expected by 22 May 2000—four and a half years ago. When will he stop listening to the lies of Sinn Fein—*[Interruption.]* Does anybody doubt that they are lies? The lies are inextricably linked to the IRA. Sinn Fein promised total disarmament six and a half years ago. When will he hold Sinn Fein and the IRA to account?

Mr. Pearson: I have no problem in agreeing that Sinn Fein and the IRA are inextricably linked, but the hon. Gentleman's comments are not helpful at this delicate stage of the talks process, and it would be inappropriate to comment further.

Mr. Clifton-Brown: We are, I hope, on the eve of an historic agreement between the parties in Northern Ireland, a critical part of which is the decommissioning process. Does the Minister agree that if all parties wish to participate in the democratic process, they must accept that the armed struggle is over and that we should have a clear and verifiable path to decommissioning? In saying that, we focus on the IRA and its associates, but should we not also focus on the decommissioning of loyalist paramilitaries?

Mr. Pearson: I agree. To use a rugby analogy, we are going up the pitch and are camped out on the 5 yd line. We are tantalising close to achieving what I believe will be a long-lasting peace settlement in Northern Ireland. The hon. Gentleman is right to point to the fact that all paramilitary organisations, both republican and loyalist, must decommission and give up the path of violence completely. That is why I am very pleased that the UDA has decided to engage with the Decommissioning Commission. We as a Government will continue to exert any influence we can on all paramilitary organisations to decommission.

Mr. Peter Robinson (Belfast, East) (DUP): I support the Minister's views on loyalist paramilitaries and the need for them to follow any initiative that might be taken by the Provisional IRA. Although he may not have found our comments helpful, they do, none the less, reflect a sincerely held degree of scepticism in Northern Ireland about the behaviour of the Provisional IRA. Therefore, any act of decommissioning must be not only conclusive and verifiable, but transparent in a way that has a visual aspect, so that the day afterwards no one in the House or outside has any doubt that the event occurred.

Mr. Pearson: Again, I am happy to agree. Public confidence in the decommissioning process is important. I recognise that greater transparency is required if both sides of the community are to be satisfied, and, as the hon. Gentleman will be aware, that is under detailed discussion.

Mr. David Trimble (Upper Bann) (UUP): May I, first, endorse entirely the final words of the hon. Member for Belfast, East (Mr. Robinson) about decommissioning? What he describes is simply the complete implementation of the Belfast agreement.

General de Chastelain and his colleagues on the Independent International Commission on Decommissioning have no obligation under the Northern Ireland Arms Decommissioning Act 1997 or the scheme made under that Act to keep the details of decommissioning secret. Will he urge the general to publish details of what has happened and what may happen, without worrying too much about the views of the paramilitaries concerned?

Mr. Pearson: I note the right hon. Gentleman's comments. The scheme and the regulations allow for confidentiality at the request of participants. I reaffirm the Government's confidence in the integrity and the abilities of General John de Chastelain. We recognise as a Government that public confidence in decommissioning is important. Discussions are ongoing and it would not be appropriate for me to comment further.

Mr. Eddie McGrady (South Down) (SDLP): So far, the Minister has referred mainly to paramilitary arms. Does that indicate a change of opinion from the one expressed in the joint declaration, which stated that all paramilitary structures and other activities—criminal activities and so on—are covered by the term "decommissioning"?

How does the Minister respond to the fact that, although the Northern Ireland Office welcomed the UDA ceasefire some weeks ago, yesterday five UDA members were charged with conspiracy to kidnap? People with whom he has been negotiating were in court cheering on those who were accused of paramilitary and illegal activity. Does not that tell us what the people of Northern Ireland will think of both types of paramilitary organisation and their so-called decommissioning, not only of weapons, but of criminal and intimidating activity?

Mr. Pearson: My hon. Friend is right to point out that decommissioning is only one element—albeit an important one—of the process of removing violence permanently from politics in Northern Ireland, which is what we all want.

As for the UDA, I do not wish to comment on a matter that is before the courts, but I will say that I welcome the arrests that the police have made. Paramilitary organisations must recognise that neither the Government nor the people of Northern Ireland will tolerate the crimes that they commit being treated any differently from ordinary crimes. The Secretary of State has made it clear in talks with the Ulster Political Research Group that that remains the Government's position. We have said before that we will judge the UDA on its actions, not on its words, and we will continue to do so.

On a more positive note, there are early signs of a decrease in paramilitary assaults since the UDA's statement. I welcome that.

Mr. Hugo Swire (East Devon) (Con): This is really a question for the Secretary of State, but he is curiously silent this morning, so I shall address it to the Under-Secretary. Does the hon. Gentleman agree that until there is verifiable and transparent decommissioning of all arms and paramilitary infrastructures, it would be most unwise to dismantle the existing security and military infrastructures in Northern Ireland?

Mr. Pearson: We are only on Question 1, and I am sure that my right hon. Friend will speak at some point. As for the hon. Gentleman's substantive point, the Chief Constable and the General Office Commanding keep the security situation under continuous review and ensure that we have the resources required to meet the threat assessed.

Cross-Border Trade

2. **Hugh Bayley** (City of York) (Lab): What effect the recent depreciation of sterling against the euro has had on cross-border trade with the Republic of Ireland.

[199399]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Barry Gardiner): The exchange rate between sterling and the euro has been relatively stable in recent years. Between June and October 2004, sterling depreciated by 3 per cent against the euro. Given that the depreciation is very recent, it is not expected to have had a significant impact on cross-border trade between Northern Ireland and the Republic of Ireland.

Hugh Bayley: The growth in trade and investment and the record number of jobs in Northern Ireland that have come from that are among the real benefits to have emerged from the peace process. Does the Minister recognise that political certainty creates the right climate for investment and that the restoration of devolved government would create that certainty and therefore encourage further prosperity in Northern Ireland?

Mr. Gardiner: My hon. Friend is correct. The stability brought about by the Good Friday agreement has resulted in a staggering increase in foreign direct investment in Northern Ireland in the past two years—a total of about £1 billion, in fact. Major world companies, including Northbrook Technology, HCL and Citigroup, have decided to locate in Northern Ireland. They have helped to create 60,000 new jobs in the past five years, and the unemployment rate has fallen from 5.7 per cent. to 5.1 per cent. and then to 4.7 per cent. There has been a staggering improvement in the Province's economy.

There has been a 90 per cent. increase in the number of tourists visiting Northern Ireland. Tourists see it as a destination that is safe and good to visit.

Those are all benefits of stability. The hon. Gentleman is right that the restoration of the devolved Assembly would be a tremendous signal to investors and tourists that Northern Ireland is on track and is a place to do business.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): Speaking of jobs, I hope that the Minister will welcome the prospect of 1,000 new jobs at the proposed John Lewis department store in Sprucefield, which will have the benefit of attracting cross-border trade. Does the Minister recognise that we are competing with Dublin for this project and that Departments in Northern Ireland must make every effort to secure this investment for the Province?

Mr. Gardiner: Yes. The hon. Gentleman will know that a planning application has been made and that it would not, therefore, be right for me to comment on it, although I understand that it is being dealt with as expeditiously as possible. The hon. Gentleman is right about large companies locating in Northern Ireland: they bring with them jobs and prosperity, which is what we want. Business is confident that it can invest in Northern Ireland and make money. I have in mind the companies that I have visited recently, such as Andor Technology, a home-grown company, and Montupet and Michelin. It is clear that companies see Northern Ireland as a very good place to locate and do business in the single market in Europe.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): Is the Minister aware that when I was in Derry recently the euro was readily accepted in shops, hotels and taxis, and that Northern Ireland is in the vanguard of acceptance of the euro? Is it not about time that the Government met the five tests and that we get into the euro as quickly as possible?

Mr. Gardiner: My right hon. Friend will appreciate that the five tests are beyond my ministerial portfolio. He is right to highlight the fact that in Derry and other parts of Northern Ireland it is extremely important that we offer tourists what they want, part of which is being able to do business in euros—people expect that when they come from Europe. Northern Ireland is the only part of the United Kingdom that shares a land border with the eurozone, so it is doubly important that such a facility is available. That shows, once again, the strides that tourism is making in Northern Ireland to meet customers' needs.

Peace Process

3. **David Burnside** (South Antrim) (UUP): How many parties represented in the Stormont Assembly retain links with terrorist organisations; and what his latest estimate is of the terrorist threat posed by such links. [199400]

7. **John Barrett** (Edinburgh, West) (LD): If he will make a statement on the peace process. [199404]

The Secretary of State for Northern Ireland (Mr. Paul Murphy): Intensive dialogue on political advance between the British and Irish Governments and the Northern Ireland parties continues. We have in that context put to some of the parties the detailed proposals of the two Governments on the best way forward. We await a response.

The Independent Monitoring Commission has identified associations between the leadership of paramilitary groups, and Sinn Fein and the Progressive Unionist Party. I do not believe the links of themselves increase the threat of terrorism, but it is essential that paramilitarism itself should come to an end.

David Burnside: I thank the Secretary of State for that answer. Last month a leading member of Sinn Fein was jailed for four years in the Irish Republic for spying on democratically elected politicians in the south of Ireland—an incident similar to the one that led to the closure of the Stormont Executive and the operational Assembly. The month before, in October, the police believe that the IRA-republican movement were involved in a £1 million robbery of cigarettes in south Belfast. Does the right hon. Gentleman believe that the ordinary people of Northern Ireland can tolerate republican criminals being placed in the Executive of Northern Ireland? Does he not realise that ordinary Unionists and people on the ground, irrespective of the views of some political leaders, are totally against Sinn Fein-IRA republican terrorists being in the Government of Northern Ireland?

Mr. Murphy: I think that the ordinary people of Northern Ireland would agree that we must tackle criminality in all its forms very robustly. I agree that people who are accused of crimes and are found guilty should be dealt with according to the law. However, I also think that the ordinary people of Northern Ireland want a future based on power sharing between nationalism and Unionism. I believe that everybody in Northern Ireland would like the restoration of their Assembly and Government and, to that end, I applaud the work of all the parties that are trying to ensure that that happens. I am sure that the hon. Gentleman agrees that it is far better to have a Northern Ireland Assembly and Executive than direct rule.

John Barrett: What steps is the Secretary of State taking to ensure that the current talks include supportive parties such as the Alliance party, not just the Democratic Unionist party and Sinn Fein?

Mr. Murphy: The Good Friday agreement was made between all the parties in Northern Ireland that were at the talks, so it is important that any agreement is as inclusive as possible. Sinn Fein and the DUP are the biggest parties in their respective communities, so they have an important role to play because of their electoral mandate. The other parties, too, have an extremely important role to play, and we cannot go forward unless there is consensus among them. I met the leader of the Alliance party in recent weeks. Indeed, I met its deputy leader yesterday, and the Alliance party is meeting the Prime Minister today in Downing street.

Mr. Seamus Mallon (Newry and Armagh) (SDLP): The outgoing Metropolitan Police Commissioner, Sir John Stevens, has stated on the record that there were substantial links between Northern Ireland authorities and an illegal paramilitary organisation, and that that collusion resulted in a number of deaths, including that of Pat Finucane. Does the Secretary of State agree that the public and the family of Pat Finucane have a right to know what those links are and how long they lasted? Does he further agree that the links between the authorities and a terrorist organisation can be properly established only by a fully independent tribunal that deliberates in public and has no restrictions placed on its findings?

Mr. Murphy: My hon. Friend is right that everybody in Northern Ireland wants to find out the truth and what happened. I agree, too, that the only way to do so is through a genuinely independent tribunal that looks at the issues. He knows, of course, that when Judge Cory looked at those issues and at whether the tribunal should meet in public or in private, he said that as far as possible it should do so in public but that, inevitably, because of issues of national security, it would not always be possible. My hon. Friend also knows that the inquiries Bill will soon come before the House, so he will be able to scrutinise that measure and make his points. I agree absolutely that we must find the truth and that there is no excuse whatsoever for collusion.

Mr. Nigel Dodds (Belfast, North) (DUP): Does the Secretary of State accept that Sinn Fein must get rid of all the weapons of terrorism in a credible, verifiable and transparent way and that there must be a complete end to the criminal and other activity that occurs daily?

Otherwise, democrats in Northern Ireland must move on without Sinn Fein, and will there be a Government commitment to that effect?

Mr. Murphy: It is not just the Government who committed themselves—the Good Friday agreement itself said that the only way forward in Northern Ireland was through non-violent and peaceful means. Clearly, decommissioning is an important part of that. We have just had exchanges across the Floor about how that should happen, and I agree not only that decommissioning must be final, full and transparent but that everybody must have confidence in the way in which it is carried out. He is also right that there must be an end to paramilitary activity by all sides in Northern Ireland. Until we get there, we will never have a properly democratic society. He also knows, because he has been involved in recent negotiations, that those important issues are currently being discussed. I sincerely hope that in the days ahead we will resolve those difficulties and secure an agreement that will ensure that we have an Assembly and an Executive in Northern Ireland very soon.

Mr. David Lidington (Aylesbury) (Con): Does the Secretary of State share my sense of exasperation that 10 years after the first ceasefires were agreed, parties linked to paramilitary organisations are still able to impose political control on certain areas by resorting to violence, intimidation and crime? Must we not insist that, to get terrorism out of politics altogether, we must see the end of paramilitary structures and organisations so that people everywhere in Northern Ireland and from all parties look to the police and the courts, not to the paramilitaries, to enforce the law and see justice done?

Mr. Murphy: The hon. Gentleman is absolutely right in everything he says. He can rest assured that those principles lie at the heart of the current discussions and negotiations between the parties and the Governments. I sincerely hope, as I have just said, that the discussions will be fruitful and that we will resolve those issues.

Mr. Lidington: I thank the Secretary of State for that assurance. Will he bear in mind in the negotiations people's fears, particularly in areas such as South Armagh and parts of Fermanagh, that a reduction in the number of soldiers and the removal of watchtowers might expose them to the sort of terrorist threat that is still alive in those areas and from which their families have suffered for many years? Will the Secretary of State make it clear that the Government will place the security interests and the defence of the people of Northern Ireland ahead of any need for political gestures to republican parties?

Mr. Murphy: It is not about political gestures. If there is normalisation in Northern Ireland, which again is part of the Belfast agreement, it has to be based on a genuine move by paramilitaries. Normalisation features prominently in the current discussions. I agree that people's security should be uppermost in any Government's mind, but if we have an agreement—if there is movement in the way that we want it to happen—we want a normal society in Northern Ireland, whether in South Armagh or any other part of the province.

Religious Bigotry

4. **Mr. Graham Allen** (Nottingham, North) (Lab): What steps he has taken to combat religious bigotry in schools. [199401]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Barry Gardiner): Let me make it clear that there is no place for intolerance in schools, and schools in Northern Ireland have been in the forefront of tackling the issue. I condemn any form of prejudice in society and commend the efforts made by schools and teachers to help overcome it—for example, through integrated education and elements of the curriculum such as education for mutual understanding, cultural heritage, religious education and, in the future, the citizenship programme that will be coming into our curriculum.

Mr. Allen: The Minister will be aware that the Secretary of State for Education and Skills has issued guidance to schools in the UK that they should offer a broad-based education in religious and other life-value systems so that youngsters get a broad idea of different views. Does that apply in Northern Ireland, the place where it is probably most needed? If not, what other steps does the Minister propose to ensure that youngsters from both communities can receive an inoculation against the religious bigotry that infests their communities?

Mr. Gardiner: We already have in schools in Northern Ireland cross-curricular themes such as education for mutual understanding and cultural heritage, which are doing tremendous work in bringing children together and helping them to cope with the different traditions that exist there. From September 2006, the revised curriculum, which I have accepted, will bring citizenship in as a compulsory element at key stages 3 and 4. That will include topics such as diversity, inclusion, equality and human rights. My hon. Friend will be well aware of the number of integrated schools in Northern Ireland, which are also doing tremendous work. They have a combined enrolment of 16,000 pupils already. Much good work is going on in the denominational schools as well to ensure that children cope with the pressures in society.

Lembit Öpik (Montgomeryshire) (LD): Has the Minister read the report of the Joint Committee on Human Rights, which says that the unavailability of unsegregated education might raise education rights issues? The Government say that they are in favour of choice. In the light of the overwhelming demand and substantial under-provision, will the Minister make a commitment that every parent who wants to send their child to an integrated school will have that opportunity in Northern Ireland?

Mr. Gardiner: The hon. Gentleman knows that the Government are obliged not to promote any particular form of education, but to encourage and facilitate any form of education in accordance with the wishes of parents. He also knows that different schools will place pressure upon the rolls of other schools at a time of changing demography. The Department of Education

in Northern Ireland has to balance those issues to allow all parents to ensure that their children get the education that they deserve.

PRIME MINISTER

The Prime Minister was asked—

Engagements

1. [200667] **Mr. Crispin Blunt** (Reigate) (Con): If he will list his official engagements for Wednesday 1 December.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Mr. Blunt: On Monday, the Government-appointed South East England regional assembly rejected the Deputy Prime Minister's plans for concreting over the south-east. In the new year, the Deputy Prime Minister will re-impose his plans on the south-east. Will the Prime Minister explain the point of that body, which the Deputy Prime Minister will ignore, as he ignores our properly elected local councillors, who are infinitely more capable of deciding housing numbers in their own areas?

The Prime Minister: The South East England regional assembly is responsible at this stage for examining alternative options for the development of the south-east. We are at an early stage in the process and should take it one step at a time. Let us be clear that anyone who looked at housing supply in this country would recognise the need to build more homes in the south-east. We need to build more homes, the majority of which will be on brownfield sites. We will protect the green belt, but those hon. Members who suggest to their constituents that more homes are not required are simply misleading them.

Mr. Ronnie Campbell (Blyth Valley) (Lab): The Prime Minister will be aware that more than 500 jobs have been lost at Swan Hunter on the Tyne. Can he help those men by getting orders into that shipyard to get them back to work?

The Prime Minister: We are doing our best to make sure not only that we get the necessary orders for the Swan Hunter plant and for other plants, but that anyone who is made redundant is given full help in order to be able to retrain and get another job. Exactly the same package of measures that has been put in place in my constituency and other constituencies where jobs losses have unfortunately occurred will be put in place there. From my experience in my constituency, I know that that package of measures is immensely successful in getting people new jobs. Since the Government have been in power, I am glad to say that we have 2 million more jobs in this economy. People remember the days when unemployment was 3 million and people had no help to get new jobs.

Mr. Michael Howard (Folkestone and Hythe) (Con): On Monday, the chairman of the Committee on Standards in Public Life repeated the Committee's view that allegations against Ministers should be considered by members of an independent panel, drawn up in agreement with the Opposition, which would be ready to act whenever an allegation is made. That recommendation was originally made in April 2003, and the Prime Minister rejected it. Will he now reconsider it?

The Prime Minister: No, for the reasons that we gave at that time. We believe that it is better, if an allegation is made, to appoint people on an individual basis and not to have a standing panel. That is the right way to do it. In this instance, we have someone of unimpeachable integrity who will examine all the facts of the case and come to a conclusion.

Mr. Howard: Let me tell the House what Sir Alistair Graham, the man appointed by the Prime Minister to chair this important Committee, said a couple of days ago:

"The Committee was disappointed that the current Government did not take the opportunity to put this mechanism in place, particularly as it provides speedy and independent investigation of allegations against Ministers. Current events demonstrate the continuing practical relevance of adopting these recommendations."

The Prime Minister said that he wanted the highest standards in public life. He appointed the Chairman of the Committee on Standards in Public Life. The Committee has made clear recommendations. Why has not the Prime Minister accepted them?

The Prime Minister: We did not accept this recommendation because we believe that it is better to appoint people on an individual, case-by-case basis. The right hon. and learned Gentleman talks about the speed of the inquiry's being set up, but the allegations were made on the Sunday in the newspapers, and that day, at the insistence of the Home Secretary, somebody was appointed to examine them. I hope that the right hon. and learned Gentleman agrees that Sir Alan Budd is a man of independence and unimpeachable integrity. He will have the opportunity to look at the facts of the case and to make those facts known to the public. I cannot see what is wrong with that way of proceeding.

Kali Mountford (Colne Valley) (Lab): Is there not a huge amount of untapped potential in our secondary schools? When my right hon. Friend looks at schools' results, will he see what more can be done to ensure that that untapped potential is a resource for the community and that an arbitrary cap is not put on it?

The Prime Minister: I entirely agree that there is still a great deal to do in improving the standards in our school system. However, in her constituency, as in other constituencies up and down the country, we now have the best ever primary school results, the best ever GCSE results and the best ever A-level results. As opposed to the previous Conservative Government, who in the time before they left office were actually cutting spending per pupil, we have increased it by £800 per pupil in real

terms since taking office. That is the difference between a Government who believe in education and a Government who do not.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): How much will each individual end up having to pay for their identity card?

The Prime Minister: As I have already explained, the reason we should introduce identity cards is that in any event we will have to introduce biometric passports. Of the £85 cost, £70 is attributable to the biometric passport, and only £15 to the additional amount for the identity card. Given what that does for us as a country, in terms not only of security but of access to services and tackling issues such as illegal immigration, I think that that is money well spent.

Mr. Kennedy: Two years ago, the Home Office said that the entire scheme would cost £3 billion. Two days ago, it said that the revised estimate, which is not a final maximum figure, was now running at almost twice that amount. Given the history of this Government when it comes to introducing complex information technology systems, not least for the Child Support Agency and tax credits, will the Prime Minister rule out any company that has had its hands in those fiascos having anything to do with identity card systems? Does not all this, financially and in terms of potential complication for the individual citizen, have all the hallmarks of another Government fiasco in the making, with the individual being left to pick up the tab?

The Prime Minister: The right hon. Gentleman is simply wrong on the costs. The ID card element is around £85 million a year, and that is spread over several years.

Let me go back to the point that I am trying to make to him. In any event, because many countries—the United States, those in Europe and elsewhere—are introducing a requirement for biometric visas, it is important that we introduce biometric passports here. That will already mean considerable change over the next few years. It makes sense in those circumstances, given the new biometric technology, also to have an identity card. The additional cost of that is quite small in relation to the overall cost. We think it is necessary not only because of issues to do with security and terrorism but, as I said to the right hon. Gentleman a moment ago, because of issues relating to access to services—for example, ensuring that people who use the national health service are entitled to do so.

We think that it is legitimate and right, in this day and age, to ask people to carry identity cards, and that is why we will proceed with it. However, there will be a very full debate in the House of Commons.

I think that Sir David Steel got it right. When he was asked about it, he said:

"I don't quite take the party line on this . . . I think the people will find them very useful."

Mrs. Lorna Fitzsimons (Rochdale) (Lab): Is my right hon. Friend aware of the huge anger and disappointment in my constituency about the eleventh-hour proposal from the director of infantry to cut the Royal Regiment of Fusiliers? My right hon. Friend knows about the huge recruiting footprints in towns such as Rochdale that the Lancashire Fusiliers and the Royal Regiment of Fusiliers have had. Will he assure me that the top four success criteria, which the Army Board set out, will be adhered to, thus kicking the poor decision into touch?

The Prime Minister: I assure my hon. Friend that no decisions have yet been taken on the future of the Royal Regiment of Fusiliers. She knows that the review is being conducted by the Army, which wants to ensure that it maintains the traditions of the regiment and much of the history to do with it, which is tremendously valuable to people, but have greater flexibility in the way in which our armed forces are deployed. That is the balance that it is trying to strike. The Army should be allowed to reach its decisions, which it will do over the next few weeks. I think and hope that, once the decisions are properly explained to people, they will accept their wisdom.

2. [200668] **Mr. Bill Wiggin** (Leominster) (Con): On 21 June, the Prime Minister wrote to me following two tragic road deaths at Ashton in my constituency. He said that the Highways Agency would consider what measures would improve safety at the location. On 13 August, the Under-Secretary of State for Transport wrote to tell me that the Highways Agency would report in two months. He said the same on 13 September and on 16 November. On 17 November, Ian Lycett was killed at Ashton in the same place. Does the Prime Minister wonder why people say that he is all talk?

The Prime Minister: First, I should like to express my deep regret about what has happened to the hon. Gentleman's constituent and to others who have been killed at that place. I am not aware of the subsequent correspondence. I shall have to look into it and get back to him.

3. [200669] **Hugh Bayley** (City of York) (Lab): Will the Prime Minister join me in paying tribute to Mrs. Rosy Garnett from York, who today will receive a cheque for £1,000 as a reward for taking a stand against drug dealers in her neighbourhood and giving evidence against them in court? Does he agree that it is essential to maintain strong crime fighting partnerships between the police, the local authority and the public, such as the Safer York partnership, and will the Government fulfil their part of the bargain by continuing to provide additional resources for the North Yorkshire police?

The Prime Minister: First, I congratulate Rosy Garnett and all those others who have won awards for taking a stand against antisocial behaviour. In my hon. Friend's constituency and in many others, the new legislation has been well used by the police, local authorities and, most important, local people. There are also record numbers of police officers in my hon. Friend's authority and elsewhere in the country. I assure him that we shall continue to supplement them with community support officers. When the idea of community support officers along with record numbers of police was first introduced in the House, many people

opposed it. People are now beginning to see that community support officers are a worthwhile addition to our policing force.

Mr. Michael Howard (Folkestone and Hythe) (Con): This week, yet another horrific murder occurred in London. Sadly, it was not an isolated incident: 211 people were murdered in London last year. The Prime Minister promised to be

"tough on crime and tough on the causes of crime".

What has happened to violent crime and gun crime since he became Prime Minister?

The Prime Minister: First, in respect of the horrific murder that took place a short time ago in London, I think we would all like to express our sympathy to the family concerned.

According to the British crime survey, violent crime is down. It is correct that, on recorded crime, it is up. The right hon. and learned Gentleman knows that that is largely because of changes that have been made, for example, in recording domestic violence. Of course, violent crime and gun crime are too high. That is precisely why we have introduced new measures in criminal justice legislation to provide that anyone who is caught in possession of a firearm will be given a minimum sentence of five years.

Mr. Howard: The British crime survey figures do not include murder, rape, drug offences or crimes against children, which is why the Prime Minister never mentioned them when he was Leader of the Opposition and why he then used the recorded crime figures only. On the recorded crime figures, violent crime is up by 83 per cent., 1 million violent crimes are committed every year and gun crime too has doubled. He said:

"We will increase the rate at which we catch and convict people".

Can he tell us what has happened to detection rates since 1997?

The Prime Minister: I do not have the figure in front of me for what has happened since 1997. I do have the figure for the last year, when the rate of detection increased. However, I have to say to the right hon. and learned Gentleman that the British crime survey is taken as the most authoritative crime survey overall. That is why it is used.

In respect of crime, let me just remind the right hon. and learned Gentleman that when the Conservatives were in power crime doubled, and when he was Home Secretary police numbers fell. In relation to violent crime, when he was Home Secretary—on both recorded crime and the British crime survey—it rose, which is simply to say that this is an issue here and in many other countries. We are taking action on it. The new legislation that we are introducing now, as well as that which we have introduced over the past couple of years, has tightened the law considerably. We will continue to do it. Let me just draw the contrast: on any basis, crime under this Government has fallen; it rose and doubled under him.

Mr. Howard: The Prime Minister, to make his point against the last Government, has just used the recorded crime figures. On those figures, crime fell by 18 per cent. when I was Home Secretary; it has risen by 16 per cent. under this Government. Now, let me tell him what has happened to detection rates under his Government. For violent crime, they are down 35 per cent.; for sexual offences, they have fallen by half; overall, detection rates have fallen by more than 10 per cent. since he took office.

Criminals now have a better chance of committing a crime and getting away with it than at any time for the last 25 years. Now, the Prime Minister—

The Prime Minister *rose*—

Mr. Howard: He will have to wait a moment longer.

The Prime Minister promised to make criminals face up to their offending behaviour. How many crimes have been committed by prisoners let out before the end of their sentence on his early release scheme?

The Prime Minister: First, let me just correct the right hon. and learned Gentleman. It is true that recorded crime went up under the last Conservative Government, but if he wants to take the British crime survey, it also went up by over 50 per cent. under the last Government. In respect of his record, I said that violent crime went up when he was Home Secretary, and it did. Recorded crime went up by 18 per cent. So, let us have no more from him about how he managed to achieve this great reduction when he was Home Secretary.

The fact is that violent crime has been rising for a number of years. In relation to early release, fewer than 2 per cent. reoffend. These are people who are going to be released in any event. I might just say that when that early release scheme was introduced to the House, it was supported by everyone, including Conservative Members.

Mr. Howard: More than 3,500 crimes have been committed by prisoners released early under this scheme. The Prime Minister says that that does not matter, because they are only 2 per cent. of the crimes committed in this country. That is a disgraceful thing to say, and it will be no consolation at all to the victims of those crimes. The failure rate under the early release scheme has almost doubled since the Home Secretary extended it. Is not it the simple truth that under this Prime Minister the fight against crime is being lost and crime is out of control?

The Prime Minister: Let us just be quite clear: overall, crime has been falling, not rising. That is not simply my view; it is the view of any independent analyst who has looked at the crime statistics. It is also the case that crime doubled under the Conservatives or, if the right hon. and learned Gentleman wants to use the British crime survey, it rose by over 50 per cent.

The point is that under this Government we have record numbers of police officers and the new antisocial behaviour legislation. We now have new measures on drugs and drug addiction and crime. We have community support officers. I did not say it does not matter if people commit crimes; of course it matters. It is no consolation to anyone who is a victim of crime to be told that crime has fallen, but neither is it any

consolation to have a former Home Secretary who cut police numbers lecture the rest of us on crime when he was part of a Government who doubled it.

4. [200670] **Mr. Colin Challen** (Morley and Rothwell) (Lab): Is my right hon. Friend aware that I have a remarkable and courageous constituent called Jane Tomlinson, who, despite being diagnosed with inoperable cancer, and despite the great pain that she suffers, has set about raising £1 million, and has almost achieved that total, for four organisations that help to alleviate the pain and suffering of those with cancer. Will he join me in paying tribute to Jane, and will he also—perhaps the greatest tribute of all—rededicate the Government's efforts to improve cancer services in the NHS?

The Prime Minister: I would like to join my hon. Friend in paying tribute to the work of Jane Tomlinson in raising money for and awareness of cancer. She serves as a true inspiration to those suffering from cancer. I assure my hon. Friend that we will continue to make this a priority. Ninety-nine per cent. of patients with suspected cancer are now seen by specialists within two weeks of being referred by their GP, which is up from 63 per cent. in 1997. We are investing in the region of £600 million extra a year in cancer services, with more than 1,000 extra cancer consultants. Since 1996, premature deaths from cancer are down by 12.2 per cent., which represents 33,000 lives. We now have the fastest falling death rates in the world for lung cancer in men and breast cancer in women.

5. [200671] **Mr. Gary Streeter** (South-West Devon) (Con): Can it possibly be right that after £500,000 of taxpayers' money has already been spent on establishing and promoting a new microsystems company in Plymouth, the entire project has now been lured to Scotland by the promise of additional grants, which are also out of taxpayers' funds? Apart from the crushing blow that that decision has caused to the economy of Plymouth, is it not a terrible waste of public money? If I write to the Prime Minister with more detail about this case—I do not expect him to know the detail today—will he please investigate and find out whether a serious misuse of taxpayers' money has taken place?

The Prime Minister: Certainly, I will examine the matter for the hon. Gentleman, but I cannot give him a guarantee as to what I will decide when I have done so.

6. [200672] **Chris Ruane** (Vale of Clwyd) (Lab): Four years ago, on 23 December 2000, an 18-year-old student in my constituency was knocked down and killed by a taxi. On Monday this week, the papers informed us that the taxi driver intends to sue the parents of the dead boy for the trauma that he suffered as a result of that. I spoke to the parents last night, and they are devastated by the actions of this taxi driver. Does the Prime Minister agree that this is the compensation culture gone mad? What actions can be taken to curb such excesses?

The Prime Minister: Obviously, I do not know the exact circumstances to which my hon. Friend refers, but if they are as he says, it is an extraordinary thing to have happen. The Government's view is that in relation to causing death by dangerous driving, it is extremely important that we toughen up the measures, not weaken them. I cannot comment on the particular case, and it would not be right for me to do so. Obviously, however, I agree with him on his general point that some idea of the compensation culture should not offend common sense.

Animal Rights Extremists

7. [200673] **Michael Fabricant** (Lichfield) (Con): What assessment the Government have made of the activities of animal rights extremists.

The Prime Minister: The Government take the threat posed by animal rights extremists very seriously, and have taken every opportunity to make it clear that their illegal activities will not be tolerated. We are tightening up the law with provisions in the Serious Organised Crime and Police Bill, which it is important that we emphasise. First, it will introduce a new offence of protesting outside homes in such a way that causes harassment, alarm or distress to residents. Secondly, it will amend the Protection from Harassment Act 1997 to extend it to the harassment of two or more persons who are connected, such as employees of the same company. Thirdly, it will provide an additional power for the police to direct a protester to leave the vicinity of a home and not return to it within a specified period up to three months. I assure the hon. Gentleman that if we need to do so, we will legislate even further.

Michael Fabricant: I am grateful to the Prime Minister for his reply, and my constituents in Yoxall, Newborough and Newchurch, who have been terrorised by animal rights extremists now for five years, will also be grateful. We welcome the legislation, although, as with everything, the devil will be in the detail. But does the Prime Minister also accept that there are genuine animal rights campaigners? What does he say to those who read the pamphlet, "Labour Britain: New Life for Animals", which made the pledge in 1997 that a Labour Government

"will support a Royal Commission to review the effectiveness and justification of animal experiments"?

Does the Prime Minister not stick to what he promised, or was that just talk again?

The Prime Minister: I was going to say that we could dissect that question, but it is probably not the right thing to say.

We pledged to ensure better welfare and better safeguards in animal experiments, and we delivered on that pledge. We have made sure that all experiments are conducted according to the tightest possible regulations. It is for precisely that reason that we are in a strong position to say to animal rights extremists that we have tough measures in this country, so there can be no justification whatever for harassing and intimidating people who are going about their lawful business.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): My constituent, Richard Belmar, has now spent nearly three years in Guantanamo Bay without charge and now with no hope whatsoever—

Mr. Speaker: Order. I must stop the hon. Lady there. Questions must relate to animal welfare.

Engagements

8. [200674] **Mr. Gregory Campbell** (East Londonderry) (DUP): Yesterday two people were convicted in the Irish Republic. One was described as a branch secretary of Sinn Fein in Dublin. He was found in possession of surveillance details of Irish politicians.

On 27 November 2002, the Prime Minister said in the House that everyone must be satisfied that violence had been given up for good. Does not yesterday's court decision in the Republic undermine that?

The Prime Minister: I do not think that I can comment on the individual arrest or the details, but I can say that what I said back in November 2002 still holds. That is why we have not yet been able to get the devolved institutions in Northern Ireland up and running again. Let me make it clear again that there can be no place in a proper democratic Government for people who are engaged in paramilitarism. Let us hope that we can secure clear agreements on all sides that make it absolutely clear that the only basis on which people can participate in a devolved Government is a commitment, which they implement, to exclusively democratic and peaceful means.

Harry Cohen (Leyton and Wanstead) (Lab): Tomorrow, around midnight, will be the 20th anniversary of the Bhopal poisonous gas leak which killed thousands of people and is causing suffering to this day. Will the Prime Minister pledge to strive for a clean-up of the site, for proper compensation for survivors and families of victims, and for new law, regulations and safeguards to prevent industrial hazards, both nationally and internationally?

The Prime Minister: I shall have to write to my hon. Friend to tell him what issues we have taken up with the Indian Government. Obviously the primary responsibility must lie with them.

9. [200675] **Chris Grayling** (Epsom and Ewell) (Con): In a moment I shall go downstairs to join two of the Prime Minister's closest friends, Carole Caplin and Jenny Seagrove, to continue our campaign against the food supplements directive and the threat to vitamin supplements in this country. Given that even the Prime Minister's close friends think that the Government have got this wrong, will he now act to remove the unwanted threat to vitamins taken by millions of people all over the country?

The Prime Minister: As ever, we must proceed according to the science, and the position set out by the Government is the one that I support.

10. [200676] **Paddy Tipping** (Sherwood) (Lab): Given that a massive school building programme was announced yesterday, that all the indications today suggest that primary school results will be excellent, and that tomorrow's local government settlement will put even more money into education, does the Prime Minister agree that it really is education, education, education? Is there not a straight choice between further investment in education in the future, and the bad old days of cuts under the Tories?

The Prime Minister: I am glad that my hon. Friend has said that. In addition to the excellent school results, there has been record capital funding for our schools. Indeed, there will be £17 billion of capital over the next three years. It is possible to visit primary and secondary schools in any constituency and see the results of investment in extra classrooms, extra teachers, extra teaching assistants and, in many cases, new school wings or even new schools.

According to the shadow Chancellor, there would be £35 billion-worth of cuts in spending over the next few years. Therefore, the choice is very simple: keeping up this investment in our schools system under this Labour Government, or returning to the bad old days of cuts under the Tories.

Mr. Alex Salmond (Banff and Buchan) (SNP): Does the Prime Minister understand the level of concern in Scotland caused by the Secretary of State for Defence's apparent dismissal of the substantive case for keeping historic Scottish regiments as merely the tartan question? How can Labour be trusted to represent Scottish interests if that is an example of the standard of senior Ministers' thinking? Does the Prime Minister accept that, ultimately, this will be a matter for his personal decision, and according to what time scale does he intend to make it?

The Prime Minister: We have made it clear, as I said earlier, that we have got to balance the Army's requirement for more flexible deployment of troops with maintaining regiments' traditions. I have listened, and will listen, very carefully to what my hon. Friends say and to what Conservative and Liberal Democrat Members say. However, the idea that the Scottish National party should lecture us on the British Army is one of the most absurd that I have ever heard. If the hon. Gentleman had his way, there would not be a British Army. So we will take these decisions in the best interest of the British Army and the United Kingdom.

Point of Order

12.31 pm

Mr. Andrew Turner (Isle of Wight) (Con): On a point of order, Mr. Speaker. On 27 October, the Prime Minister told my right hon. and learned Friend the Leader of the Opposition that millions of jobs depend on UK membership of the EU. On 2 November, I asked the Prime Minister what the evidential basis was for that assertion, and he referred me to an answer given by the Minister for Europe to my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) on 5 July. On looking at that answer, I discovered that all that it refers to is the number of jobs

"linked, directly and indirectly, to the export of goods and services to the European Union". [*Official Report*, 6 July 2004; Vol. 423, c.594W]

Either the Prime Minister got his answer wrong or he got the reference wrong. What should I do about it, Mr. Speaker?

Mr. Speaker: There is nothing that I can do about it, but we are now in a new Session and the hon. Gentleman could table more parliamentary questions to the Prime Minister.

Orders of the Day

Debate on the Address

[SIXTH DAY]

Order read for resuming adjourned debate on Question [23 November],

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign,

We, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament—*[Mr. George Howarth.]*

Question again proposed.

Economic Affairs

Mr. Speaker: I inform the House that I have selected for debate the amendment in the name of the Leader of the Opposition. Standing Order No. 33 provides that on the last day of the debate on the motion for an Address to Her Majesty, the House may also vote on a second amendment selected by the Speaker. I have selected the amendment in the name of the leader of the Liberal Democrats for that purpose. The vote on that amendment will take place at the end of the debate, after the amendment in the name of the Leader of the Opposition has been disposed of.

12.33 pm

Mr. Oliver Letwin (West Dorset) (Con): I beg to move, as an amendment to the Address, at the end of the Question to add:—

"but regret that the Gracious Speech contains nothing that will reduce regulation, cut excessive bureaucracy or give the taxpayer value for money; condemn the Treasury for sponsoring 70 new regulations per working day, for blocking real reform of public services and for the consequent failure to deliver cleaner hospitals, school discipline, controlled immigration, more police on the streets and a lower tax economy; further regret that the Gracious Speech contains no measures to reverse the Chancellor's punitive taxation of pension funds and reductions in tax incentives to save which have contributed to cutting the savings ratio by one third whilst household debt now exceeds one trillion pounds; are disturbed that more pensioners are means tested than ever before whilst 2 million pensioners live in poverty; note that the Treasury's failure to provide taxpayer value and the waste of billions of pounds on unnecessary expenditure means that another round of stealth tax rises is inevitable under this Government; and further deplore the fact that there are no measures in the Gracious Speech to reverse the Government's policy of high levels of regulation and taxation which have resulted in the UK slipping from fourth to eleventh in the international competitiveness league and having a lower GDP per head than Ireland.".

Before I begin discussing the main substance of today's debate, I want to make a few remarks about the Bills in the Queen's Speech relating to the economy. The Treasury's Bill on the merger of the Inland Revenue and Customs and Excise carries our general support, as the Chancellor is aware, although we remain concerned about its practical implementation. We are dealing with two organisations that have between them 250 legacy computer systems and some 13 million customers. It is no mean feat to put them together, and we will want to look at the details extremely carefully.

Before dealing with the Bills relating to the Department of Trade and Industry, I want to point out that the Queen's Speech does not include two Bills that might conceivably have been expected to be included.

One is the provision for real estate investment trust rights, and I hope that the Chancellor will confirm that clauses will be forthcoming to deal with the introduction of such rights either in the Finance Bill or by some other means. The Opposition believe that those new vehicles have a great deal to offer to our economy. We would want to ensure that the means by which they are introduced are not over-bureaucratic and restrictive, but we would want to support measures to introduce them into the capital markets.

Also notable by its absence—it was not present in the Queen's Speech—was any reference to a statistics Bill. I hope that the Government will draw up proposals to deal with the issues raised by the Statistics Commission about the transparency of national statistics. We shall produce proposals in that connection in the next few weeks and I hope that the House will have the opportunity to discuss and debate such matters during this Session.

In respect of Department of Trade and Industry legislation, the consumer credit Bill carries our general support. We are particularly keen to see some change in the extortionate credit test. As long as the Bill moves towards increasing transparency rather than imposing undue bureaucratic burdens, we will support its gist.

The equality Bill is in much the same position. The CBI, as the Chancellor will be aware, has warned that the new proposed commission for equality and human rights could too easily become too concerned with enforcement, too bureaucratic and not sufficiently concerned with promoting good practice. We will want to see whether those dangers are apparent in the Bill and we will want to debate the provisions in Committee.

I now turn to the main subject of today's debate. Tomorrow we will have an opportunity to see the Chancellor launch his personal election campaign with his customary brio and to discuss the very poor fiscal position that he is in. Today I want to take the opportunity to do something different and examine the Chancellor's economic record, which he is both pleased about and proud of. He frequently presents his economic record as being all for the best in the best of all possible worlds—*[Interruption.]* Government Front Benchers seem to be very happy about the situation. The Chancellor tells us that it will go on getting better for ever.

David Cairns (Greenock and Inverclyde) (Lab): Under Labour.

Mr. Letwin: Yes, indeed. Under Labour, as the hon. Gentleman says from a sedentary position; that is the mythology perpetuated by the Chancellor. The hon. Gentleman says that it is true, so let me read him and Government Members an alternative viewpoint. In respect of the Chancellor, this view states:

"His economic inheritance in 1997 was better than that of any previous Chancellor in living memory."

I believe that the Chancellor once asked one of the Treasury officials whether he would like him to write a thank you letter for what had been done for the Chancellor before 1997. However, the person I am quoting continues:

"But there are limits to the length of time that public spending can increase at a faster rate than growth in GDP without causing problems. By the time I left Downing Street, Britain was approaching or had perhaps passed that limit. The regulatory burden had been increased, the tax system had become more complicated and the tax burden was rising too. Over the medium term, all this matters: it is easier for governments to mess up an economy than to improve it."

That was, as the Chancellor has recognised—

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op) *rose*—

Mr. Letwin: Just a moment. Those were the words not of a Conservative spokesman or even of an independent person, but of someone who was working as the Prime Minister's economic adviser.

Mr. Foulkes: On the question of messing up economies, on 1 March 2000—perhaps it should have been 1 April 2000—the right hon. Gentleman said:

"We made the most dreadful mistakes . . . we spent too much money in 1990 and we did many other things of which we are deeply ashamed".—*[Official Report,* 1 March 2000; Vol. 345, c.492].

Why should we expect anything better from the Conservatives next time?

Mr. Letwin: The right hon. Gentleman has the uncanny knack of falling into the very trap that I am seeking to set for him. It is perfectly true that we are willing to admit it when things go wrong. The problem that I am about to illustrate is the fact that the Chancellor does not know how to do that.

The Chancellor is incapable of recognising that the inheritance we built up after the ERM fiasco—I admit that it was a fiasco—was the strongest inheritance that any Chancellor has had in living memory, as is attested by the Prime Minister's economic adviser. As that adviser points out, there is a question mark over the Chancellor's economic performance. Neither the right hon. Gentleman nor the Chancellor is very keen to admit it, so I shall go through the record.

It is fair to say that the Chancellor is especially proud of his record on stability. He speaks about stability on almost every available occasion. That record of stability has two aspects—fiscal and monetary. However, the remarkable fact about both those forms of stability is that they are due to the fact that the Chancellor has allowed someone else to set the policy. His fiscal stability, which is now running out—we will talk about that tomorrow—derives almost exclusively from the fact that for the first two years the Government's policy on spending was set by my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), the previous Chancellor, whose spending plans the Chancellor obeyed for two years. Had he not done so, he would not be within a million miles of adhering to his golden rule today. Indeed, he would be in the most terrible trouble.

[Mr. Letwin]

Monetary stability is admirable, but again that is because the Chancellor has allowed someone else to run monetary policy—the Bank of England.

The Chancellor of the Exchequer (Mr. Gordon Brown): You opposed that.

Mr. Letwin: I personally never opposed the decision—[HON. MEMBERS: "You did."] I did not. I was in favour of the decision from the beginning and I was part of the group of people who persuaded my party to adopt the position of being in favour of it. It was the right move. The point I am making about the decision, which the Chancellor is in no position to deny, is that the effect—

Mr. Brown: You voted against it.

Mr. Letwin: One does things out of party loyalty that one does not necessarily—[HON. MEMBERS: "Oh!"] I have never personally opposed the decision. *[Interruption.]* I have been in favour of it— *[Interruption.]*

Mr. Speaker: Order. It is very noisy. We must hear the right hon. Gentleman.

Mr. Letwin: The Chancellor is perfectly aware that the reason monetary stability has been achieved is that someone else has been running monetary policy, and that is a very good thing.

Mr. James Plaskitt (Warwick and Leamington) (Lab): On the subject of fiscal stability, can the right hon. Gentleman remind us what proportion of GDP Government debt was when his party was in office?

Mr. Letwin: Fiscal stability has to do with obeying a set of fiscal rules, and the Chancellor would not have come close to obeying his fiscal rules had he not followed the policies of my right hon. and learned Friend the Member for Rushcliffe.

If we want to find the policies that the Chancellor himself has adopted—his policies—we have to look beneath the surface of the two forms of stability that have been created by other people. What do we see when we turn to the question of what the Chancellor himself has been responsible for? Let us take productivity.

Huw Irranca-Davies (Ogmore) (Lab): Will the right hon. Gentleman give way?

Mr. Letwin: No, I am going to continue for a while.

The Chancellor's pre-Budget report of 1998 said:

"Productivity . . . is a fundamental yardstick of economic performance."

Well, what has his record been on productivity growth? It has dropped by a third. The Chancellor shakes his head. Why does the Chancellor shake his head? It is because here we have a classic case of the manipulation of statistics by the Treasury and the contrast between the way in which the Treasury does business and the way in which the Office for National Statistics does business. The Treasury uses the so-called underlying trend rate of growth of productivity and it seeks to persuade itself that the productivity growth rate is reasonable. But the ONS, which is not in this respect governed entirely by Treasury diktats—thank God—produces a different series of actual productivity growth rates which show that they have dropped by a third.

The Deloitte UK productivity index—the latest figures—shows that productivity growth in the UK is now at its slowest for two and a half years and is below the EU average.

Let us turn to competitiveness. The Chancellor has frequently told us that his great vision, which he has been adumbrating in various newspapers recently, is to increase Britain's competitiveness—a very laudable ambition and one indeed that the 1997 Labour manifesto told us would be one of the Government's main hallmarks. It stated:

"We will build a new partnership with business to improve the competitiveness of British industry for the 21st century".

[Interruption.] The Chief Secretary comforts himself with the illusion that he has done some such thing, whereas in fact the Government have brought about a condition in our economy such that we have dropped from fourth to 11th in the international competitiveness league, we have record trade deficits and we have lost 790,000 manufacturing jobs. If that is competitiveness—

Jim Knight (South Dorset) (Lab): Will the right hon. Gentleman give way?

Mr. Letwin: Of course.

Jim Knight: I am most grateful to the right hon. Gentleman for his generosity. Does he accept that his plans to slash the business support programme of the Department of Trade and Industry by £500 million would damage British competitiveness?

Mr. Letwin: Absolutely not at all. The hon. Gentleman suffers from the most astonishing delusion if he believes that the Department of Trade and Industry is currently assisting British competitiveness. It is in fact the Department that has presided over the fall in our competitiveness. The DTI is causing extra costs for businesses through extra taxes and is producing astonishing little result. Our plans to reduce the bureaucracy of the DTI by four fifths will assist British business by reducing the tax on British business and by reducing the degree of unnecessary interference in British business, thereby promoting its interests—long overdue.

Let us turn to growth. The Chancellor is proud of his record on growth, too—[HON. MEMBERS: "Hear, hear".] Yes, his hon. Friends are very pleased about it, too, but they do not spend much time noticing that about six sevenths of the growth in the last quarter was due to the public sector. They do not do much comparison of our growth rates with countries that are growing fast. The Chancellor likes to compare us with the eurosclerotic zone; by those standards, he says, we are doing brilliantly. But what about the rest of the world? What about the other major English-speaking countries; how does our economic growth compare with theirs? It is

slower than that in any other major English-speaking country. It is half the rate of growth in Ireland since 1997; our per capita income is now below that of Ireland. Why? Because in Ireland they have been following quite different economic policies from those of the Chancellor. They have gone for low regulation and low tax and have ended up with people investing in Ireland. The Chancellor has not achieved a similar growth rate because his policies were not designed to the same ends.

Rob Marris (Wolverhampton, South-West) (Lab): The right hon. Gentleman talks of low regulation in Ireland and the Conservative amendment refers to reducing regulation and cutting excessive bureaucracy, so can he give the House three examples of regulation that should be abolished forthwith?

Mr. Letwin: I can give the hon. Gentleman not three but thousands and thousands of examples. I will send him a very long list. My hon. Friends and I do not intend merely to cut regulation; we intend to cut the drivers of regulation. We intend to change the culture that creates regulation by cutting the bureaucracies that produce it. As the hon. Gentleman wants to talk about regulation and the question of what we shall abolish, he tempts me to move immediately to the very question of the Chancellor's statements about regulation—*[Interruption.]*

Huw Irranca-Davies *rose—*

Mr. Foulkes *rose—*

Mr. Speaker: Order. The right hon. Gentleman is not giving way.

Mr. Letwin: I was referring to the Chancellor's statements in the last pre-Budget report. He did not limit himself to three regulations. No, he said that he would abolish 147 regulations. Some interesting facts have come to light about those 147 regulations. The starting point of that interest is that the Chancellor was for once—I think it was unique—unduly modest.

Actually, when we got hold of the list it turned out that he was claiming to be abolishing 159.

Mr. Foulkes *rose—*

Mr. Letwin: I am sorry; the right hon. Gentleman has already intervened once and he did not do very well last time. I am not going to give him another go.

The Ernst and Young team looked at what the Chancellor had suggested and they said this:

"Unfortunately, with one hand the PBR adds much more to the regulatory burden than it subtracts with the other . . . The PBR announcement of an enquiry into reforming or reviewing 147 different regulations was announced with optimism . . . the devil was . . . in the detail: only 25% of the 147 referred to tax and red tape issues."

In fact, the Ernst and Young team were pretty kind to the Chancellor, because when we asked parliamentary questions of the Treasury, the Treasury was able to name only one business measure in the 147, and when we checked on that measure, it turned out that it had already been announced in 2000 and again in 2002, and that it was not in the list of 147 or 159. So we asked—

Huw Irranca-Davies *rose—*

Mr. Letwin: No, I am not going to give way; I am going to continue this rather amusing sequence—amusing to me. So we asked the DTI, and for once we got a parliamentary answer from that Department. I do congratulate any DTI Minister who may see this set of remarks in *Hansard* on the fact that we got an answer—a very unusual thing to get from the DTI. And what did it tell us? It told us that there were six of the 147 or 159 that it would like to name. Unfortunately, five of the six were not in the list of 147 or 159. But one was—the Price Marking Order 2004. We went to look at it, and we got the regulatory impact assessment relating to it. What did it show? It showed very clearly that this measure increased the costs on business by £20 million; it did not reduce them at all.

If there is a problem about mentioning regulations that are for abolition, the problem lies with the Chancellor. From 1998 up to the end of 2003, the Government have passed 23,322 new regulations. I admit that in this one respect the motion is insufficiently generous to the Government, because that translates into 70 per week or 15 per working day, which is an increase of 53 per cent. on the figures for 1979 to 1996.

Huw Irranca-Davies *rose—*

Mr. Foulkes *rose—*

Mr. Letwin: I will not give way for the moment; I intend to make progress.

The fact is that the Government have produced these dismal figures on productivity, competitiveness and growth in very large part because they have over-regulated our economy. They have overtaxed our economy, with 66 tax rises including many on business. The CBI, which has assessed the annual business tax bill at £54 billion in the year 2005-06 on current trends, points out that this is a rise of £7.6 billion from 1997, and adds that to the cost of the additional regulations to show that this Chancellor, who prides himself on being a friend of business, has actually added £15 billion a year of costs through extra regulation and extra tax on business.

There is somebody who is not one of the Prime Minister's advisers, and never was one of the Prime Minister's advisers, who had something to say about this problem of excessive tax and regulation on business. He said:

"An incompetent economy ends you up with higher taxes. A high tax economy is a low success economy".

That was not one of the Prime Minister's advisers; that was the Prime Minister, in 1994.

The fact is, of course, that the Chancellor does not like listening to the Prime Minister and he did not listen to him about that. This is the Chancellor who has imposed tax and regulation on business.

Mr. Foulkes *rose—*

Mr. Letwin: But it is not just by regulating and taxing that the Chancellor has undermined the foundations of

[Mr. Letwin]

our economy. The tale is even worse when it comes to savings and pensions. Next to the Chancellor sits the new Secretary of State for Work and Pensions, and he prides himself no doubt on presiding over some kind of miracle of savings and pensions. That is not the view of the right hon. Member for Birkenhead (Mr. Field), who very rightly pointed out that in 1997, just as we had the best inheritance of any Chancellor in living memory, we had the best system of savings and pensions in western Europe, and now, in the right hon. Gentleman's memorable phrase, we have "one of the worst".

Our savings ratio has dropped by a third; it is now half the EU average. We have a massive imbalance in the economy, with a low propensity to save and a high propensity to borrow, and about £1 trillion of household indebtedness. We all know what has happened. There is the £5 billion a year raid on the pension funds, there is the reduction of the tax advantages of saving in individual savings accounts compared with tax exempt special savings accounts and personal equity plans, and there is the vast expansion of means-testing, which has provided a huge disincentive to saving for people coming up to pensionable age—the three hammer-blows that the Chancellor administered to the already brittle glass of longevity and persistent low inflation. Finally—

Mr. Foulkes: Will the right hon. Gentleman give way?

Mr. Letwin: No. The right hon. Gentleman is dying to speak and he will have an opportunity to do so.

The Chancellor has blocked every effort at radical reform of the public services to try to overcome the vast productivity gap there. He destroyed foundation hospitals. He destroyed them so much that he even led to the removal, by his own will, of the then Secretary of State for Health. What does the Chancellor do about this? He tries to deal with the figures rather than the facts. The broad fact is that we have had a 25 per cent. increase in spending on our hospitals in real terms, and only a 5 per cent. increase in the number of treatments or finished consultant episodes. And what happens as a result? The national statistician is called in, and he is asked to redo the productivity figures for the health service; and he calls in Sir Tony Atkinson. What does Sir Tony Atkinson do? He tries to create 10 different measures by which he could prove that the productivity of the national health service has not gone down. And what emerges as a result? On every one of the 10 measures, the productivity of the national health service is shown to have gone down.

So I return to my original question—what is the reality behind the myth? The reality is this. The stability that the Chancellor is so proud of is due exclusively to his allowing other people to determine his fiscal policy in the first two years and his monetary policy throughout. Underneath the stability, he has failed on productivity, failed on competitiveness—

Mr. Foulkes *rose—[Interruption.]*

Mr. Speaker: Order. The right hon. Gentleman has indicated that he is not giving way. The Government Back Benches are far too noisy. *[Interruption.]* Order.

Mr. Foulkes *rose—*

Mr. Speaker: Order. This is a debate and I know what debates are like.

Mr. Letwin: I am sure that Labour Members will have their opportunity to be less noisy and more coherent in due course, Mr. Speaker.

The Chancellor has failed—failed on productivity, failed on competitiveness, failed on growth. Why? Because he has over-regulated and overtaxed. Why? Because he is funding a vast and wasteful bureaucracy which will be the subject of tomorrow's statement and our debate following it, and he has destroyed or all but destroyed the savings culture in this country. The radical reform of public services has been blocked. He has presided not over the economic miracle that is his mythology, but over the gradual erosion of our economic fundamentals.

It is not just we who have noticed these things. Mr. Scott, to whom I referred at the beginning of my remarks, noticed them. The Prime Minister, whom I have quoted, has noticed them, and that is probably why we now have the bizarre situation of having two Chancellors—the Chancellor of the Exchequer and the Chancellor of the Duchy of Lancaster. It is a sort of mediaeval joust, made even more bizarre by fact that the former Financial Secretary to the Treasury, who once reported to this Chancellor, now reports to the other Chancellor, and this Chancellor has to report to her as Minister for the Cabinet Office The message from No. 10 is clear: time's up, time to head to the Foreign Office—not a moment too soon for the British economy.

12.58 pm

The Chancellor of the Exchequer (Mr. Gordon Brown): I will come to all of the shadow Chancellor's claims later in the debate, but is it not remarkable, in a debate about the economy, that he will not concede that we have the lowest inflation for 40 years, that we have the lowest interest rates for 40 years, that we have the highest ever recorded employment in our country's history, and that standards of living have been rising by over 3 per cent. a year—far higher than under the Major Administration?

I know that the shadow Chancellor may yearn for the good old days of the early 1990s—the good old days when we had 16 per cent. interest rates, the good old days when, under his economic advice, there were 3 million unemployed, the good old days when there were 1¼ million people with negative equity—but any comparison between the record of his Government and the record of ours shows us the facts. On inflation, consumer prices are averaging just 1.3 per cent. on the new index, 2.4 per cent. on the old index, contrasted with 6 per cent. average under the Conservative years. And inflation peaked at 21 per cent. under the party that he represents.

Interest rates have averaged 5.3 per cent. under Labour. They averaged more than 10 per cent. under the Conservative Government. The mortgage rate—what people have to pay to own their homes—has been 6.1 per cent. under Labour and 11.4 per cent. under the Conservatives. Debt has fallen to just under a third of GDP under Labour. It was 45 per cent. under the Conservatives. We are happy to draw a contrast

between the Labour party and the Conservative party: we are the party of sustained growth; they are the party of the two worst recessions since the war.

The shadow Chancellor has the nerve to give the impression that the good record of the Labour Government exists because we adopted his policies. It is because we refused to adopt his policies that we have a good record. When we froze spending in the first two years of the Labour Government, the last Conservative Chancellor said that he would never have gone through with it.

As for the independence of the Bank of England, I hope that the shadow Chancellor will have the good grace to apologise to the House because on 11 November 1997 he voted against the Second Reading of the Bill to grant it independence. Not only did he vote against it, but so did the current Leader of the Opposition, who said:

"The new Labour Government is taking action which I believe is going to damage the future of this country."

That was not a party that wanted to give the impression, either in private or in public, that it supported the major decision on monetary policy that was taken by Labour.

I am glad that the shadow deregulation Minister has returned to the shadow Cabinet so that it has a more moderate image and looks more centrist, and therefore appeals to the middle ground. As recently as 30 October 2004 he said about the previous Conservative Government:

"15 per cent. interest rates, sky-high mortgage arrears, negative equity, bankruptcies, entrepreneurs giving up the ghost on private-run companies and a lot of people losing their jobs. I don't think there was a family in the country that didn't experience at least one of those anguishes. My parents lost their jobs in the recession. A lot of my neighbours lost their houses".

That is the indictment of the Conservative party, and that is what would happen if it came back into power. I am happy to give way to the shadow deregulation Minister if he wishes to correct that.

Mr. Howard Flight (Arundel and South Downs) (Con) *rose—*

Mr. Brown: I am happy to give way to the former shadow Chief Secretary. I remind the House that a few months ago he predicted that we were heading for a crisis analogous to the great crash of the 1920s.

Mr. Flight: First, I am sorry that the Chancellor misquoted what I said. I said that the effect on the stock market was as bad as in the 1920s—which it is, because it fell 20 per cent. Secondly, did the Chancellor support membership of the exchange rate mechanism, which led to the problems that this country experienced in the early 1990s?

Mr. Brown: Of course we supported membership of the ERM, but we did not choose the rate at which that Government joined it, and on which they could not deliver.

The shadow Chancellor tells us that this Government have a bad record on tax, regulation and productivity. Let us look at what the shadow Cabinet member responsible for deregulation has been telling the City. At the Techlocate conference in London on 13 October 2004, he agreed that the single most important consideration—I hope that the shadow Chancellor is listening, because he may have to adapt his policies as a result of this—is the cost impact of government. He said:

"Businesses are reluctant to locate in places where: tax rates are high . . . Places like Ireland, the USA, Hong Kong, Singapore and the UK attract because their tax rates for business are low."

So the shadow deregulation Minister does not describe the condition of the British economy as does the shadow Chancellor, who says that our tax rates are unacceptable, and has told an audience outside the House that tax rates are low.

The shadow deregulation Minister went on to say:

"The second most important consideration is a flexible and willing work force. The third issue is access to market and to supplies. The fourth issue is ease of doing business—do you feel happy there? . . . The UK's strong academic links around the world are an important part of our network"

in finding jobs. Then he said:

"What are the most attractive locations today?"

The answer to the shadow Chancellor, who got his figures wrong on productivity and who imagines that every regulation damages business, although business often asks for things to be done, is, according to the shadow deregulation Minister:

"The lure of the USA; of China; of India; of the UK."

I am grateful to him, because he has given us a verdict on the Government that we will be able to use during the election campaign. It answers in substantial detail just about every point made by the shadow Chancellor, who claims that he is responsible for the good things that the Labour Government have done.

What of the next stage: the Queen's Speech itself, and our policies? The shadow Chancellor did not mention the child benefit Bill. It will enable the Government to extend financial support to trainees who are unwaged and to 19-year-olds completing a course of non-advanced educational training. That will remove the disincentives in financial support for young people to stay on in education while at work. With the growth of education maintenance allowances, it will help many of the 100,000 who do not stay in education and training. I hope that the Opposition will support the Bill, even though the right hon. Gentleman did not mention it.

That leads me to the difference between us and the Conservatives on the other issue of training, employment and opportunities for the future. Our policy is to expand the new deal so that there is a new deal for skills as well as for jobs. In the pre-Budget report tomorrow I shall announce measures that will enable more of the unemployed and those who are inactive, including incapacity benefit claimants, to get the skills to return to work.

Our policies have created 200,000 more jobs in the UK since a year ago. Two million more people are in work than in 1997—

Mr. Flight: In the public sector.

Mr. Brown: The hon. Gentleman uses "public sector" as a term of abuse. There are 80,000 more nurses and 20,000 more doctors. Surely with its new policies, the Conservative party should welcome that. Does he not also realise that two thirds of the jobs have been created in the private sector, which he should support?

[Mr. Brown]

The unemployment rate—the claimant count—in the shadow Chancellor's constituency is 0.7 per cent. He might have been better off congratulating a Labour Government on the jobs that have been created. Unemployment in the shadow Chief Secretary's constituency is 1 per cent.—a reduction of 50 per cent. under the Labour Government. Is it not therefore an outrage that when all those things have been happening to get 2 million people into jobs, the Conservative party now wants to abolish the new deal?

The shadow Chancellor says that the new deal has been an expensive failure, yet 1.2 million people have been helped by it. He said:

"We have got to take painful cuts in the new deal"—

which suggests that it might have been doing some good—

"to fund David Willetts' pension reforms."

Abolishing the new deal would cost money because the new deal for single parents, which, as an employment Minister, my right hon. Friend the Secretary of State for Work and Pensions was responsible for developing and is now responsible for taking further, saves £40 million a year by getting people off benefit and into work. Abolishing it is hardly a saving. Will not the shadow Chancellor take into account what the former shadow Chancellor said:

"It's not bad. It's based on programmes that we developed to put young people into jobs"?

Will he not even listen to the Chairman of the Public Accounts Committee—a Conservative—the hon. Member for Gainsborough (Mr. Leigh), to whom I shall be happy to give way, because I am going to quote him? He said:

"The programme has been effective in reducing long-term youth unemployment."

I hope he still agrees with that sentiment, and therefore agrees that to abolish the new deal would be a bad thing.

Mr. Edward Leigh (Gainsborough) (Con): The Chancellor well knows that in attempting to run the Public Accounts Committee I try to rule by consensus, so we take a balanced view. If he is going to quote reports issued by the PAC, he should quote from the entire report. If he read the report, he would realise that we are prepared to see the good parts of the new deal, but we are also prepared to criticise it. We made a point of saying that the evidence was not clear as to how many real jobs the scheme had created.

Mr. Brown: I am grateful to the hon. Gentleman for that, but it is a bad practice for the Chairman of a Committee to disown himself from a report. I was actually quoting what he said to the *Lincolnshire Echo*. I shall also quote what he said in *The Birmingham Post*, which shows that the Opposition are prepared to say things outside the House that they are not prepared to say inside it. The nearer they get to their constituencies, the nearer they get to some truth about what is happening. He stated:

"Clearly many young people have been helped by this programme and it has led to a fall in the overall level of long-term youth unemployment."

If that is not an acceptance on the part of the Chairman of the Public Accounts Committee of the importance of the new deal, I do not know what is.

Notwithstanding the fact that we are running up to a general election, we had hoped that we would have all-party consensus on the future of the new deal. It is unfortunate that both the Conservative party and the Liberal party, which is disowning the traditions of Lloyd George, who proposed a new deal to conquer unemployment, are opposing the new deal, which has done so much good.

Mr. Flight *rose—*

Mr. Brown: If the former shadow Chief Secretary, who has just left the Front Bench, is the only person who will intervene on behalf of the Conservatives—

Mr. John Bercow (Buckingham) (Con) *rose—*

Mr. Brown: Ah—perhaps there is more talent on the Back Benches. I shall take both interventions.

Mr. Flight: The Chancellor has just illustrated the fact that the economy is pretty much at full capacity. Given that fact, is he concerned that our fiscal deficit is approaching £40 billion and our external current account deficit this year is likely to be in the order of £40 billion as well? Does he not feel that those imbalances present considerable risks for the future?

Mr. Brown: I am grateful to the hon. Gentleman for sometimes saying things that his Front-Bench colleagues will not say. He claims that the fiscal deficit is £40 billion and suggests that the economy is running beyond capacity—[HON. MEMBERS: "At capacity."] I am happy to correct myself—it is running at capacity. He must therefore be surprised that inflation is running at 1.2 per cent. Can he explain that?

Mr. Flight: I should have thought that the Chancellor understood that in a global economy, excess demand sucks in more imports rather than creates inflation. That has manifestly happened in the United States, whose deficit is relatively far larger than ours. The whole problem is that excess demand causes a massive external deficit.

Mr. Brown: The hon. Gentleman is basically claiming that the United States economy has precisely the same problems as the British economy. The Conservatives say that the European economy is doing badly; now the hon. Gentleman is trying to say that the British and American economies are doing badly. The fact is that we have had seven years of sustained growth, seven years of low inflation and seven years of rising employment. To put the former shadow Chief Secretary's mind at rest, let me quote his remark to "The World This Weekend", reported in the *Financial Times* of 4 February 2003, that

"When you get something analogous to what happened in the later 1920s and early 1930s which, alas, is what is happening today, then the economic and political impact is potentially huge."

If that is not the former shadow Chief Secretary giving a hostage to fortune, I do not know what is. When the Conservative party was asked about his remark—the hon. Gentleman was still a Front Bencher when he made it—an official replied,

"Bear in mind his City background. He is a City expert giving his analysis."

Mr. Bercow *rose—*

Mr. Flight *rose—*

Mr. Brown: I shall give way to a different former Front Bencher. It is good to give them a chance to speak.

Mr. Bercow: Millions of voters in this country who have not yet decided whether to vote, and if they do, for which party, are tired of the tedium of the most tribal politics. Therefore, let me say straight away that I concede that the Chancellor was right and we were wrong about independence for the Bank of England; that was one of the best decisions that he has made. Does he, in turn, accept the verdict of a countless number of my constituents and that of my right hon. and hon. Friends that one of the worst decisions and most pernicious judgments that he has made was to tax the British pensions industry in such an underhand way, and to preside over a more than halving of the savings ratio? In that respect, a readiness to apologise and a display of just a modicum of humility on his part would be greatly appreciated.

Mr. Brown: I do not know that the hon. Gentleman is the best person to lecture us about humility—

Mr. Bercow: I am on a learning curve.

Mr. Brown: Perhaps the curve will take him over the threshold. The savings ratio is 6.2 per cent. now; it fell to 4.5 per cent. in the late 1980s under a Conservative Government. The savings ratio is only 2 per cent. in the United States of America. The hon. Gentleman should check all his facts carefully before he intervenes, but as he has so few opportunities to speak for the Conservative party these days, I shall give way to him again.

Mr. Bercow: I thank the Chancellor for giving way with his characteristic grace and generosity. Would he care to tell the House what the savings ratio was on 30 April 1997?

Mr. Brown: The savings ratio reflects the cycle; it reflects the point at which the economic cycle is. If the United States' savings ratio is 2 per cent. and ours is 6 per cent., what conclusions does the hon. Gentleman draw? [HON. MEMBERS: "Give us the figure."] The figure now is 6.2 per cent. and rising, and it fell to 4.5 per cent. under a Conservative Government. I am sure that the hon. Member for Buckingham (Mr. Bercow) does not want me to repeat to the House what he said about the international development budget just before he resigned from the Conservative Front-Bench team. The Conservatives never want to talk about international development, but let me remind the House that he said that a cut in the overseas development budget was completely unacceptable. I suspect that that is one of the reasons why he is now on the Back Benches. Perhaps the shadow Chancellor should think again about the international development budget.

Angela Eagle (Wallasey) (Lab): Does my right hon. Friend recall, as I do, that in the heat of battle during the 2001 election campaign, the right hon. Member for West Dorset (Mr. Letwin) was shut away in mysterious circumstances after he revealed rather too much about Conservative plans to cut expenditure? Will he share with the House how those plans have developed, and what he thinks the implications of the immediate £20 billion cut would be?

Mr. Brown: I was going to discuss fiscal policy. As set out in the spending review, total managed expenditure is to rise from £486 billion this year to £576 billion in 2007–08. In each year we will be able to invest more than in the last, and meet all our fiscal disciplines. We shall continue to meet those commitments, and all emergencies, while meeting our fiscal rules.

I wish to express the gratitude of the whole House to the armed forces for their work, especially in the most recent period. The budget for the Ministry of Defence and for our armed forces, on whom the defence of our country depends, is to rise from £29.7 billion to £33.4 billion by 2007–08. I confirm that we have provided £4.4 billion to meet the extra costs of military conflicts in Afghanistan and Iraq and of meeting international obligations. I am setting aside in the special reserve a further £520 million for this year, raising the overall provision to almost £5 billion. At the same time we shall be vigilant, not only about what we do to help our armed forces, but about security at home.

Mr. Crispin Blunt (Reigate) (Con): Will the Chancellor give way?

Mr. Brown: Not at the moment.

Turning to the international development budget, during our G8 presidency the needs of Africa, development and delivering the Doha development round will be our focus. In the documents of the pre-Budget report issued tomorrow, the Secretary of State for International Development and I will set out our proposals for ensuring through our proposed new international finance facility that Africa and poor countries have the resources they need to fund education, health and anti-poverty programmes, and that the millennium development goals are met. We shall set out proposals for 100 per cent. multilateral debt relief from international institutions, which could complete the process of debt relief for the 37 poorest countries and could be extended to other poor countries as well. In next year's G8 discussions, we shall ask all countries to support our proposed international finance facility. So far 40 countries have done so, and this week Italy announced its support.

Funds for health are a priority of the new international finance facility to promote treatments and cures for HIV-AIDS, and it is appropriate that this is world AIDS day. To promote treatments, we have allocated in the spending review, in each of the next three years, £450 million, £500 million and £550 million.

[Mr. Brown]

That is over the three years of the spending period. We will allocate £1.5 billion to tackle this scourge. My right hon. Friend the Secretary of State for International Development and I are today issuing new proposals on the basis of research showing that for every year we bring forward the discovery of an AIDS vaccine, we save 2 million lives that would otherwise be lost. We commit the British Government to push forward the decisions that have been made before to establish a new global AIDS vaccine enterprise and infrastructure for co-ordinating internationally an exchange of research into AIDS.

As with our offer for malaria vaccines last week, we will also be willing to join other countries to explore how to increase investment in AIDS research and how to develop a jointly agreed advance purchase scheme to make new HIV vaccines accessible to Africa and meet our millennium development targets on health. I hope that I can have all-party support in the House for these proposals that we will put to the G8.

Mr. Letwin: As the Chancellor knows, the international finance facility has cross-party support.

To return to the point that the right hon. Gentleman was making about Ministry of Defence budgets, and as he was using this opportunity to convey some information to the House, may I ask him for clarification? When he said, if I caught him correctly, that £520 million would be set aside, did he mean that that would be done from the contingency reserve, or was that to be added to total managed expenditure?

Mr. Brown: This is in the reserve. It is the special reserve that we have set up for the Ministry of Defence to deal with the issues of Iraq. I hope that the Conservative party and other parties in the House will welcome that.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): My right hon. Friend made an appeal for cross-party support on aspects of international development. Does he agree that the standing of the House and of politicians would be greater if all parties endorsed his objective in reaching a target of 0.7 per cent. of GDP, which is universally supported?

Mr. Brown: My right hon. Friend has taken a huge interest in these matters over time. I am grateful to the shadow Chancellor for his support for the international finance facility. I am grateful particularly to Lord Griffiths, on the part of the Conservative party, who has been pushing forward the proposal internationally and working closely with us. I hope that over time all political parties in the House will come to accept that to meet the 0.7 per cent. target, with a timetable for doing so, is the best way forward. In my view, it is certainly the best way forward for Britain as we try to persuade the rest of the world, including all countries of the G7, to support further development aid.

We hope that during the course of next year, in the year when we are the president of the G8, we will make substantial progress on debt relief, on more funds for health, for the global health fund in particular, and on the IMF. I should add that we hope that by the end of next year we shall have the conclusion of the Doha trade development round—a round specifically in the interests of the poorest countries of the world.

Mr. Blunt: Will the Chancellor give way?

Mr. Brown: No. I want to move forward now. I want to take up the question that was posed by the shadow Chancellor about the fiscal policies of all parties.

The Liberal party has been making commitment after commitment on spending over the past few months. I believe that I have a duty to remind the Liberal shadow Chancellor, notwithstanding the fact that hardly any of his colleagues are in the Chamber, of the promise that he made on 4 March. He said:

"Our broad vision of public finances is that the overall proportion of national income the Government spends is currently roughly right—and we would not intend to change it significantly in the medium term"—

that is, 41 per cent. of GDP at the time that the hon. Gentleman made that proposal. Presumably he would be cutting public expenditure this year.

Dr. Vincent Cable (Twickenham) (LD): The Chancellor has been reminding the Conservatives of the distinction between a year and a cycle. That is a distinction that we understand.

Mr. Brown: If the hon. Gentleman wants public spending at 41 per cent. of GDP, or wants to give the impression that this is a decision that he is making over the cycle, perhaps he should have said that. That is not what he said and it is not what the leader of the Liberal party said on the same day, which was about the need to

"broadly stabilise the ratio between public spending and the size of the economy."

Dr. Cable: Broadly.

Mr. Brown: Oh, just a few billion here and there. The usual Liberal policy.

We are owed some precision from the Liberal party on these matters in this debate. If it is going into the election giving the impression that 41 per cent. is the correct figure, it will have to be honest with the electorate that it would be cutting public spending. At the same time, I look at all the proposals that have been put forward by the Liberal party—abolishing tuition fees, introducing maintenance grants, introducing free long-term care, introducing 10,000 more police officers, cutting council tax bills, extending off-peak travel—

Dr. Cable: Hear, hear.

Mr. Brown: The hon. Gentleman is saying "Hear, hear".

The list adds up to more than £10 billion. That is money that the hon. Gentleman cannot afford if he would freeze public expenditure. The money that we had last year has risen. As everybody knows, it has been rising this year and it will rise next year and the year after. Only last week, in the Queen's Speech debate, the Liberal environment spokesman, the hon. Member for Lewes (Norman Baker), said that he wanted more

funding, and he regretted the fact that the Government had not provided it. He said that the Liberals would allocate Government money for endangered species—yet another example of Liberal party expenditure. That is like the Liberal shadow Chancellor.

Dr. Cable: Will the Chancellor give way?

Mr. Brown: I am happy to do so if the hon. Gentleman can clarify the matter. If he is setting public expenditure at 41 per cent. and at the same time he wishes to spend at least £10 billion more, what is the message going out to Liberal candidates? They cannot go round the country saying that they support more spending when they are outside Westminster, when the hon. Gentleman's rule is that spending would have to be cut. This is not a question of Liberal party policy nationally being that there should be more spending, it is a question of cutting the share of public spending in the national income. I hope that I can give the hon. Gentleman the opportunity to clarify that.

Dr. Cable: I am delighted to have the opportunity to do so. The Chancellor is absolutely right that we have a set of spending commitments that amount in total to about £10 billion a year. Half that would be generated by the higher rate of tax. As someone who has argued in favour of social justice over the years, surely the right hon. Gentleman would be in favour of that. That is 50 per cent. tax on earnings over £100,000. The other £5 billion a year comes from cutting other elements of public spending, which undoubtedly include some of the things that the right hon. Gentleman believes in passionately, like the Department of Trade and Industry and the baby bond scheme. However, we would cut them to finance priority spending.

Mr. Brown: That is extremely illuminating. The hon. Gentleman will cut public expenditure by £5 billion. I think that he owes the House and the country an explanation of where these cuts will be made. He is also saying that he will increase public expenditure by £5 billion through a tax change. Yet at the same time he says that the share of public spending in national income will fall. I suggest to the House that his figures do not add up in any way. He is claiming that he will spend less, while in every part of the country the Liberals are committing their party to spend more.

Then we come to the issue of Gershon. To endorse the principles of the Gershon review, the hon. Gentleman said in his alternative budget that the Liberals

"would bank the long-term savings made as a reduction of the deficit."

There is £20 billion also. He would use the Gershon savings to cut the deficit. We have already written in these savings in our public spending figures. The hon. Gentleman is promising the country another £20 billion of cuts that he cannot deliver. It is about time Liberal Members went back to their constituencies and thought again.

I now come to the Conservative party's plans for public expenditure.

Mr. Letwin: Will the Chancellor give way?

Mr. Brown: I will give way when the shadow Chancellor has a chance to confirm what I am about to say.

The right hon. Gentleman said one Sunday that, over a six-year period, he would provide the ability for us to spend about £35 billion less per year

"in the six years that Gordon Brown's spending plans provide for."

These are the figures. There are cuts of £6 billion in the first year, £14 billion in the second year, £19 billion in the third year, £24 billion in the fourth year, £29 billion in the fifth year and £35 billion in the sixth year. On top of that, the right hon. Gentleman must find additional money. He has allowed his shadow Cabinet colleagues to get out of control. He has allowed them to promise spending commitments all over the place that he has no way of funding.

Will the right hon. Gentleman confirm that he has to find money to fund 40,000 extra police officers? He would have to find money to fund 20,000 extra prison places. He wants to link the basic state pension to earnings. He would have to afford that over a period. There would be a tenfold increase in drugs rehabilitation places. Only this week there was a new £200 million spending commitment on schools. There is also a national parenting scheme, 20,000 extra special constables, a 15,000 increase in social housing, 10,000 student bursaries, offshore processing and detention centres. I could go through the whole list of spending commitments.

When Lady Thatcher was Leader of the Conservative party in the 1970s and was facing the 1979 election, her policy was not to make any spending commitments. However, the shadow Chancellor is not only promising to cut public spending with a headline figure of £35 billion but has to find another £15 billion to pay for the spending commitments that he has allowed his shadow Cabinet colleagues to make. There is a gap between the Conservative party's spending commitments and the real world, and it must find £50 billion of cuts, which cannot be achieved by savings on paper clips in the civil and public services.

The right hon. Gentleman tells us that those cuts can be achieved by efficiency savings throughout the civil service, but that £50 billion is not the only sum that he has to find—he must also account for the £20 billion of Gershon savings. If a Conservative Administration were in power tomorrow, they would be looking for a total of £70 billion of efficiency savings. That is the state of play for the Conservative party. I am happy, if he wishes, to allow him to correct the figure of £50 billion of efficiency savings plus the Gershon savings that would have to be accounted for if he were in government tomorrow.

Mr. Letwin: I thank the Chancellor for allowing me to intervene at last.

I shall not respond to any of that garbage, as I would be surprised if the Chancellor could really delude himself that any rational being would listen to such stuff. I shall do something else, and defend the Liberal Democrats. [HON. MEMBERS: "Oh!"] If Government Members will contain themselves, the Liberal Democrats are my principal opponents in my constituency, and I do not believe that British politics benefits from the kind of rubbish of which the Chancellor was accusing them. The hon. Member for Twickenham (Dr. Cable) is a perfectly rational individual and made a perfectly rational proposition

[Mr. Letwin]

with which, however, I disagree. It is rational to disagree that we should have public spending broadly at its present level across the cycle. The Chancellor knows perfectly well that the Noddy arithmetic that he was using for the Liberal Democrat proposals is no better than the Noddy arithmetic that he was using for our proposals, and it is no way to conduct British politics.

Mr. Brown: If the shadow Chancellor had said that my figures were wrong and could prove that they were, I might have had some respect for what he has just said. However, he said on "Breakfast with Frost" on Sunday that he would find £35 billion of savings. Does he deny that? Of course, he does not. *[Interruption.]* He says that it is beneath contempt to point out exactly what he said on "Breakfast with Frost" on Sunday. However, he said that he wanted £35 billion of savings. He must also find another £15 billion, because other Conservative Front Benchers have made commitments worth £15 billion. If he is going to find that sum, as he keeps telling us on the radio and elsewhere, through efficiency savings, he must deal with a point made by Sir Peter Gershon, who said:

"It is important that the drive for efficiency should not put at risk the delivery of public services, and a target in excess of 2.5 per cent. is likely to present such a risk."

Let me tell the House what savings of £50 billion would mean. If the right hon. Gentleman froze civil service recruitment, as he plans to do, he would gain £250 million a year. In other words, he would get 0.5 per cent. of the savings that he claims that he needs. If he halved the civil service by sacking half its members tomorrow and getting rid of prison officers, probation officers, security officers, customs officers and people guarding our ports and coastguards, he would save less than £6 billion of the £50 billion that he needs to save. If he sacked every civil servant in the land—dismissed the whole domestic civil service—he would get only about £10 billion or £12 billion, so he would still be £38 billion short of the target that he is trying to reach.

The fact of the mater is that the shadow Chancellor is going round every television and radio studio saying that he will make £35 billion of cuts and that there are £15 billion of commitments by his shadow Cabinet colleagues. He says that he will find that sum without affecting the quality of services such as health and education by cutting bureaucracy and waste. However, if he sacked every civil servant in the country, including prison officers and probation officers, he would only find £10 billion of the £50 billion, which exposes the hollowness of the Conservative campaign.

Why does the right hon. Gentleman not tell the country the truth, and admit that he wants to cut services, not just bureaucracy? Why is he not honest and say that he has always believed in cutting the national health service, charging and privatisation? Why does he not say that privatisation, rather than the development of public services, is the goal of Conservative shadow Ministers? Why does he not tell the truth and say that he has always wanted to cut public expenditure to 35 per cent. of national income, which he said consistently until he became shadow Chancellor? Why does he not admit that that is the view of the Leader of the Opposition, who has also committed himself to massive cuts? Why do they not admit that what they really want to do is cut the number of teachers, nurses, doctors, home helps and carers? The issues that we should consider in our debate on the Queen's Speech are, first, stability under Labour against a party that cannot even be honest about its monetary policy, and, secondly, investment under the Labour Government against massive cuts under the Conservatives. I believe that, when we come to the general election, the country will deliver its verdict by supporting us.

1.35 pm

Dr. Vincent Cable (Twickenham) (LD): We support the practical measures on the Inland Revenue and Customs and Excise in the Queen's Speech. I am glad that the Government have noted the concerns that I have long expressed about consumer debt, which is to be dealt with in limited but useful legislation that we will support. I also support the sensible suggestion of the right hon. Member for West Dorset (Mr. Letwin) about introducing legislation on the independence of the statistical service. A key theme over the next few days will be the integrity of Government figures, so such legislation would be a useful building block.

It was clear from his speech that the Chancellor has not listened to the advice from the Chancellor of the Duchy of Lancaster and our man in Brussels to stop boasting about the Government's economic record. However, I am rather on the side of the Chancellor of the Exchequer, because the Government have very little to boast about, and almost all that there is of positive note is on the economic side, so his points about economic stability were fair, as I have always acknowledged.

As for basic economic growth over the past seven years, the British economy has averaged about 2.8 per cent. a year, a little above the average for the Organisation for Economic Co-operation and Development. Some European countries such as Sweden and Spain are doing better, as is the United States, but we have a perfectly commendable growth rate which—there is no point denying the underlying facts—is the product of a combination of fortunate external circumstances and a favourable international economic environment. The Chancellor has also enjoyed a helpful inheritance, including liberalised labour and financial markets, which have contributed to low inflation. Another helpful factor is sensible economic management—notably monetary policy, the independence of which, we all now accept, was a good move.

The Chancellor began by focusing on fiscal policy, and I am happy to respond to the challenge that he threw down. He obviously finds it psychologically difficult to adjust to an environment in which the Liberal Democrats are more disciplined about public spending than he is, but we shall continue to argue the case for making tough choices in public spending. The Chancellor asked me to account for our spending proposals, but it would be useful if he could elaborate on the progress of the Gershon savings exercise. How will he report on that progress? It has never been clear how we would know whether the Gershon savings had been realised and there are some opaque memorandums flying around Whitehall on implementing the recommendations. Will the Chancellor therefore undertake to set out concretely how much

money is being saved under the Gershon programme year by year? What progress, for example, is he making in reducing the number of procurement agencies? We need to evaluate those concrete steps to be sure that the Government are serious about making savings. Whatever their motivation, we need a proper monitoring mechanism.

On fiscal policy, the Chancellor will have to acknowledge over the next few days that there is a growing consensus that he has a problem in meeting his fiscal objectives. It is not a political point. The International Monetary Fund, the OECD, the Institute for Fiscal Studies and the National Institute of Economic and Social Research are not politically driven bodies, but they are all arguing that he faces that problem. It may not be a big problem quantitatively—£7 billion, £8 billion or £10 billion is a very large sum to most individuals, but in terms of the economy it is not a very large sum. That is the standard consensus projection of the extent to which the Chancellor will be adrift in respect of his fiscal policy objectives.

My concern is not the sum of money. Economically, it is not large and could easily be absorbed in the Government's overall borrowing requirements, since the debt position is comfortable. The issue is credibility—fundamental economic credibility. If the Government set tests, they should be able to meet them. The Government clearly understood from the outset that economic credibility was important. Indeed, this year the Nobel prize went to a couple of economists who spoke about the importance of economic credibility. Credibility was what lay behind the decision to establish the Monetary Policy Committee, and it has enhanced the credibility of interest rate setting enormously.

There is a problem, however, with the way the Government have approached fiscal policy. They set fiscal rules, which are broadly sensible, and more or less followed them, but there is a question about who decides whether those fiscal rules have been met. Will that be determined independently or by the Government? The golden rule is a highly technical area. Even for anoraks, it is a recondite subject. There are a couple of specific issues. First, who evaluates the assumptions that the Government make in their forward projections? At present, the Government invite the National Audit Office, on a restricted basis, to examine those assumptions and pass judgment on them. That is sensible, but the NAO does not have unrestricted access to evaluate the Government's assumptions, and it should.

The second aspect that is defective is who decides what the golden rule is and whether it has been met. That is a technical point but it is extremely important. Who decides when the cycle started and when it ends? That is a difficult question. In my private sector days, I was once set the problem by my company. If the company had known the answer, it would have saved a lot of money in investing in refineries and chemical plants.

Somebody must answer the question, and it should not be the Chancellor, but a genuinely independent body. That is why we argue that the National Audit Office should have an enhanced role—economically and technically, it has competent staff—to evaluate the full range of fiscal policy and give an independent judgment on which the Government can then base a credible fiscal policy. There is no party political advantage in arguing for such a structure. It would be in the Government's interest to have a fully credible fiscal policy, which they do not have at present.

Angela Eagle: As a former member of the Public Accounts Committee, I know that the NAO has to borrow civil servants to do its calculations. It would probably have to borrow civil servants from the Treasury to fulfil the role that the hon. Gentleman is setting out for it. Is he saying that there are civil servants in the Treasury who have been falsifying the figures, or that the credibility problem, as he calls it, is that people do not believe the figures because they come from the Treasury? What difference would it make to transfer people who currently do that work in the Treasury to do it at the NAO?

Dr. Cable: Nobody is suggesting that anybody is falsifying figures, but if the hon. Lady sat on the Public Accounts Committee, surely she understands the difference between a Government Department and a body that is directly accountable to Parliament. That is the fundamental distinction that gives the NAO credibility.

Mr. Letwin: I agree with the hon. Gentleman about this, as about the statistics. In a few weeks, we shall publish proposals and, I am glad to say, we shall probably have cross-party agreement. If we could just get the third party, Labour, to agree, we could have a credible system of fiscal discipline for the foreseeable future.

Dr. Cable: That was a helpful intervention and I shall bank it for future reference.

On the wider question of economic policy, we have discussed the rate of economic growth, which is respectable. It would help, though, if instead of looking back, we looked forward. Any honest assessment of the future must be based on the fact that the Government will face economic challenges that will make economic management much more difficult. Some of them are external and the Government have little control over them. It is still possible that we could be hit by a major oil shock. The Saudi Oil Minister was in London yesterday arguing that something of the order of $15 a barrel is still being paid, on account of the political risk arising from the war and enhanced terrorism risk in the middle east. The oil price could get a good deal worse, but it is not a factor that the Government can control.

A second challenge that is looming is the problem presented by the collapsing dollar. I could make the point that sterling is now higher than at any time since the days of black Monday, but it is not a domestic issue. It relates to the United States. The American currency is collapsing, at least in part because of fiscal irresponsibility caused by a tax-cutting agenda on which, I fear, we differ substantially from the Conservatives. It has had disastrous consequences in the US and it will have a major impact on this country.

We also have a home-grown problem, which is the problem associated with personal debt, and the linked problem of boom and bust in the housing market. Some revealing figures on personal debt were produced in the

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past couple of days. People who retire are facing mortgage repayments into retirement—40 per cent. of all mortgage holders face repayments into their retirement, which is twice the level 10 years ago. People are literally paying till they drop because of their mortgage liabilities.

On the position in the housing market, I have no views—it is not sensible for politicians to have a view on whether it is good for house prices to rise or fall. What is serious is that we have a boom-and-bust environment. Within the past few weeks, we have seen growing evidence of a very substantial collapse in lending and in equity withdrawal, which almost certainly, according to analysis by the Bank of England, will have major economic consequences. I do not raise the matter simply as a problem. It would be helpful if the Government thought through some of the steps that they could take to alleviate the problem. I shall make a few suggestions.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): The Bank of England gave evidence to the Treasury Committee yesterday and did not concur in any way with the predictions that the hon. Gentleman is making. It gave no indication that it believed that boom and bust was about to occur.

Dr. Cable: The Bank of England quarterly bulletin is full of articles describing the difficulties in detail. Why has the Bank of England taken on the job of setting interest rates in relation to the housing market? As the Governor has made abundantly clear, he is alarmed at the possibilities that will arise. There are certain things that the Government could sensibly do to alleviate the problem.

The first is to ensure that we have a price index that reflects the housing market. At present we do not. I understand that the Treasury is working with EUROSTAT to establish a new index that will fully incorporate the price of housing. It would be helpful if the Government would say whether they intend to adopt it and when. That would enable the Bank of England to take house prices much more explicitly and clearly into account.

Another problem relates to credit insurance. One way of stopping hundreds of thousands of people facing the disasters that people experienced in the early 1990s would be to ensure that their mortgage payments and credit payments were insured. If the Chancellor had studied the problem and thought about it, he would know that the mortgage insurance market in this country is unsatisfactory. It is expensive and defective. I hope that he can take some initiative to ensure that the competition authorities look at it.

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): Can the hon. Gentleman explain how his party's policies on removing the UK's only property tax and increasing the tax rate on those who are generally paying for houses would help to bring about a more sensible housing market?

Dr. Cable: Analysis shows that it would make little difference. We would do that to introduce a much fairer tax system in which local taxation is related to people's ability to pay. One-off effects may occur as a result of removing a property tax, but in the long run it should make no difference to the problem that I am describing.

Long-term growth and the factors that drive it is the third issue that I want to raise. I sympathise with the views expressed by the Conservative spokesman about the Government's remarkable optimism that their intervention in promoting innovation and growth will produce consequences. One of the reasons I am sceptical about pouring large amounts of money into the Department of Trade and Industry, which does some useful things, is my extreme scepticism about the extent to which that can drive economic growth.

Scientific research is clearly a Government responsibility: the market will never do it, but it is clearly a public good. That is why I am in favour of, among other things, bee research, which the Chancellor and the Prime Minister found so surprising and amusing. Research is clearly desirable and the Government should fund it. It is, however, another thing to argue that private companies, many of which would invest anyway, should be subsidised to do so, when they can raise money in venture capital markets and from charitable bodies such as the Wellcome Trust. The market enables growing companies to function without large-scale funding from the DTI, and I am sceptical about the role that the Government are playing in driving economic growth.

The other area of scepticism relates to the complexity of Government regulation. The Chancellor has a view, with which I happen to disagree, that somehow or other the Government can fundamentally change how business behaves and operates. The classic example of that is the belief that the Government have invested in research and development tax credits. R and D tax credits are a superficially attractive idea—"R and D is a good thing. Let's give them a big tax credit to support it."

All the research done in the past two years shows that R and D tax credits have made no difference to the level of research and development, because most private companies were doing it anyway and the policy has a large associated dead-weight cost. I am not suggesting that we should simply stop that tax credit, but we must evaluate its consequences. The belief that tweaking the tax system and adding great complexity somehow or other changes business behaviour and increases investment, innovation and growth is fundamentally flawed.

Ms Sally Keeble (Northampton, North) (Lab): Is the hon. Gentleman saying that he would keep the tax credit, despite the fact that he thinks that it does not work, or is he saying that he would get rid of it? Will he get on to other Liberal Democrat tax and spending plans, because some hon. Members are interested in hearing them?

Dr. Cable: As I have said, any sensible Government of any party would evaluate the effects of policy before rushing in to change them. The research and development tax credit is a good example—we need to be guided by experience. If it works, we would judge it more sympathetically.

Mr. Mark Prisk (Hertford and Stortford) (Con): The hon. Gentleman is making a good point about the dangers of tinkering and meddling with the tax system, which the Chancellor is guilty of. Will he take one step further? Does he agree that tinkering and meddling not only fails to achieve end results, but distorts business behaviour, often in an unproductive way?

Dr. Cable: Yes. The hon. Gentleman is right. This morning, the *Financial Times* published a letter supplied by the Treasury, which makes the opposite point from the one that it was intended to make. It was published to highlight the horrors of tax avoidance and the iniquity of tax avoidance lawyers and states:

"As the government regularly changes the rules of the tax game, you need to be very vigilant. You have to check continuously to see you're still getting the best from your company".

That underlines the point that, if tax policy constantly changes, business behaviour is affected in order simply to skim the tax system.

Mr. Martin O'Neill (Ochil) (Lab): The hon. Gentleman has sought to disparage the R and D tax credit and has assumed that companies that receive it would have invested anyway and remained in Britain. However, the market in a number of areas is international, both for business and for tax and rewards. A number of companies have invested considerable sums in Canada, where Liberal Governments have provided the kind of R and D tax assistance that the hon. Gentleman disparages in the United Kingdom.

Dr. Cable: I was not disparaging the R and D tax credit; I am sceptical and await the evidence, which so far suggests that the share of R and D in GDP has been completely and totally unaffected by that generous tax credit. However, we shall wait to see the outcome.

Mr. John McFall (Dumbarton) (Lab/Co-op): The Treasury Committee took evidence from AstraZeneca, Rolls-Royce and Microsoft, the representatives of which said that the R and D tax credit is one of the best initiatives.

Dr. Cable: If I were representing a company in front of the Treasury Committee, that is exactly what I would say. Why look a gift horse in the mouth? We have made the point that a good deal more clarity is needed about the benefits that derive from complex tax breaks, as opposed to a much simpler policy of moderate rates of business taxation.

My final point is rather different and relates to an issue, inequality, on which I probably share much more common ground with the Chancellor than do the Conservatives. One thing that has emerged from the statistics, which are somewhat unsatisfactory, is that, despite the Chancellor's undoubted commitment to that issue, income and wealth inequality in the UK are not very different—in some respects, they are even worse—than they were in the days of Mrs. Thatcher. There are several reasons why, some of which involve the workings of global markets, and some of which involve the workings of the tax system.

If we have a tax system in which the top 20 per cent. pay a lower percentage of their income than the bottom 20 per cent. of the population, it is clearly not working to alleviate the problems of inequality. A few months ago, a Labour Back Bencher tried to defend the highly regressive system of council tax. One of our criticisms of the possibly well-intentioned measures that the Chancellor has introduced on tax credits is that tax credits perversely aggravate the problem.

Ms Keeble: If the hon. Gentleman is in favour of increasing equality, why does his party oppose the new deal for lone parents, the pension credit and the child trust fund, which are three of the measures that do the most to help women and provide them with equality in modern Britain?

Dr. Cable: We have suggested that a better way in which to deal with the position of older pensioners would be to give them a decent, basic old age pension rather than a pension credit. One of the reasons for that, which we have debated extensively, is the fact that large numbers of pensioners do not claim pension credit. More seriously, those pensioners who claim face a very high marginal rate of tax—40 per cent. of them pay more than half their marginal income in tax as a result of benefit withdrawal. The system is so pernicious because it is a massive disincentive to save. It does not solve the problem of inequality.

In conclusion, the Chancellor has let it be known in the press over the past few days that he wants to present himself, his Government and his Budget with a flavour of Britishness. Economic policy will gain a patriotic element, which I appreciate because we all like to feel that we are patriotic rather than nationalistic. Under this Government, however, we have finished up with American levels of inequality, French levels of centralisation and, if the Home Secretary has his way, we will get Chinese levels of civil liberties.

Mr. Deputy Speaker (Sir Michael Lord): Before I call the next speaker, I remind the House that Mr. Speaker has placed a 15-minute limit on all speeches by Back Benchers and that it applies from now on.

1.58 pm

Mr. John McFall (Dumbarton) (Lab/Co-op): I congratulate the shadow Chancellor below the Gangway, the hon. Member for Twickenham (Dr. Cable), on a thoughtful speech. However, his political education would prosper if he read the minutes of the Treasury Committee on both the DTI—the regional development agencies say that it would be a disaster for them if it were taken away—and the R and D tax credit, which, as my hon. Friend the Member for Ochil (Mr. O'Neill) said, is essential to attract large multinational companies in an international competitive environment.

This debate is an important opportunity to assess the state of the economy and the public finances, which the Treasury Committee will do over the next few weeks when the Chancellor gives his pre-Budget report and appears before the Committee.

The Committee is interested in two areas: first, the state of the economy and the prospects for growth; and, secondly, the state of the public finances. As we mentioned in our report last year on the autumn PBR, the IMF has stated that the UK's economic performance is enviable, but there are fresh challenges in

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relation to growth. As we know, the Monetary Policy Committee has raised interest rates on a number of occasions to the record rate of 4.75 per cent. Some would say that the housing market has gone off the boil, which would have implications for the economy. The risks to the UK economy are largely international, with oil prices at $50 a barrel or so, the implications of the USA's current account deficit for the global economy and the sluggish growth in European countries.

One of the issues that the Treasury Committee will consider with the Chancellor is how to improve productivity. That has been a centrepiece of the Treasury's aspirations, and it is a challenge to all European economies. When the Chancellor comes before us on 24 February to discuss regional productivity, we will refer to developing countries, the rate of progress of China and India, and how we rise to the challenge of ensuring that regional inequalities in this country are lessened.

Anne Picking (East Lothian) (Lab): On developing countries and how we try to marry up social justice and economic stability, is my right hon. Friend aware of the early-day motion in aid of Band Aid 20, in which we support the Band Aid single? The Chancellor has allowed the VAT on that single to be donated to the charity. Woolworths is donating all its proceeds from the single to the charity, and Asda phoned me this afternoon to say that it will do likewise.

Mr. McFall: I signed that EDM, and that is very welcome news. I have an Asda store in my local community, so first thing on Saturday morning I will be in there buying a Band Aid single. I congratulate Woolworths and Asda and ask other retailers to follow their example.

There are several sobering statistics for us as regards developing countries. Within 20 years, half the world's manufacturing exports could come from those countries. Already, China is exporting more than France, Italy and the United Kingdom. Indeed, Asia is exporting as much as the European area. We can learn a lot from what is happening in those countries in terms of the need for us to develop our skills in the knowledge economy. We pride ourselves on the information technology graduates who come out of our universities, but India and China are producing 125,000 computer science graduates compared with 5,000 in the UK. The question for us is how to embrace that change and get involved in it.

Currently, only 1 per cent. of UK exports go to India and China; we need to increase that proportion. In January, the Government are promoting the year of science in China—Lord Sainsbury is going out there—and in December there is a UK financial dialogue taking place with China. I welcome those steps. However, we need progressive policies on science and skills. As a chemistry graduate, I am very sad that Essex university is closing its chemistry department—[HON. MEMBERS: "Exeter."] I meant Exeter university. At a time when the number of science, technology and engineering university applications is falling, we need to do more to encourage those subjects.

Mr. Robert Key (Salisbury) (Con): Does the right hon. Gentleman share our worry that unincorporated firms are specifically excluded from R and D support? That restraint is a particular concern for unincorporated enterprises that operate in universities. Has his Committee considered that, and if so what were its conclusions?

Mr. McFall: We took evidence from several vice-principals for a regional productivity report, and they made that point. We will examine that with the Chancellor when he comes before us, as it is a live issue.

Mr. Mark Prisk (Hertford and Stortford) (Con): Is the right hon. Gentleman aware that this morning the Select Committee on Science and Technology took evidence from the Minister for Science and Innovation, Lord Sainsbury, and was told of a letter sent from the Secretary of State for Education and Skills, with whom they are trying to work? It is a serious matter that chemistry departments are being closed, not only in Exeter but across the country. The Government cannot have it both ways, because that is against the interests not only of academic research but of the long-term sustainability of British industry and competitiveness.

Mr. McFall: I entirely agree with the hon. Gentleman. That is an important issue for the Chancellor, and we need a whole-Government response to it. The number of applicants is going down, and we have to tackle that if we want to challenge India and China and to work alongside them.

I want to say a few words about Europe. A couple of weeks ago, I attended the EU's budget committee for member states. Several issues arose, including that of the European budget itself. I asked what the EU's policy priorities were for 2005, making the point that good budgetary practice calls for reprioritisation when new needs arise and wondering whether certain of our activities should be reduced to make way for new ones. I did not receive very satisfactory responses. We know that the EU auditors have not signed off the books, so it is very important for the UK Government to look at the EU budget to ensure that it is spent wisely on the right things.

The EU needs to take action externally in two areas. First, despite the possibility of an accord in the Northern Ireland peace process very soon, it is still important that we contribute to the Peace 2 programme for peace and reconciliation in Northern Ireland. That requires €60 million, but the EU appears not to be providing that finance in its main budget. I ask Ministers to press the EU on that.

Secondly, whatever position we may take on Iraq, we must ensure that the finances are there to ensure, ultimately, a peaceful settlement. At the moment, the EU does not agree to the use of the flexibility instrument, which would allow €200 million of spending in Iraq. It is insisting that €190 million of required resources will have to be met through the use of the flexibility instrument. A lot of pressure needs to be put on the EU on that point, and I ask Ministers to take it up.

Several Members mentioned savings. The official Opposition, in particular, referred pejoratively to means-testing. Means-testing takes place daily through

the Inland Revenue, which taxes every one of us according to our income. The question is whether pensioners are in need of extra money. The figures for Scotland show that 327,000 individuals—or 270,000 households—are in receipt of pension credit. The poorest third of Scottish pensioners are on average almost £1,900 a year better off. That is a good deal for our communities and for our local pensioners. I commend the Government for that initiative.

Mr. Bercow: Will the right hon. Gentleman give way?

Mr. McFall: I believe that this will be taken off the time that I have, Mr. Deputy Speaker, but I give way.

Mr. Bercow: I thank the right hon. Gentleman for his characteristic generosity. In the light of his comments about means-tested benefits, and in view of his consistent and stoical support for his right hon. Friend the Chancellor, would he care to explain why the Chancellor told the Labour party conference that it was a key aspiration of his to bring about the day when the means test for our elderly people was abolished?

Mr. McFall: I think there is a case for that, but given our inheritance in 1997—there were too many poor pensioners—the short and medium-term objective is to ensure that they have a decent level of income. Once they have that, we can move on to consider how we provide in the longer term. I am glad that I gave way to the hon. Gentleman on that point.

There are 3.17 million people in Great Britain who receive pension credit. That is a great testimony to the Government and their initiative since 1997. I also note that the Government will spend an extra £10 billion on pensioners in 2004–05; £7 billion more than an earnings link would have provided. Some parties offer an earnings link for four, eight or six years, certainly not for eternity. The Government are right about the issue.

Adair Turner and his colleagues on the Pensions Commission have been examining whether it is worth saving for pensions. They found that the pension credit, through the savings credit, rewards pensioners aged 65 and over who have made modest provision throughout their lives. It is worth £14.70 a week to individuals and £19.20 to couples. That is a welcome development. Are there pensioners who may lose out? Yes. Is it worth while saving in today's environment? That is manifestly the case. The Turner commission and others made that point.

Withdrawal rates were mentioned earlier. Before 1997, pensioners faced a withdrawal rate of 100 per cent., with savings being matched to benefits, pound by pound. The new savings credit rewards people for saving and that is a progressive policy.

Three issues dominate the subject of financial services, to which the Treasury Committee has given a great deal of consideration in the past. First, a healthy financial services industry is crucial to the country. It is a £2 trillion industry, a major employer, a major provider of capital to United Kingdom companies and a major repository of savings for nearly every family in the country. Policy makers cannot allow the industry to fade away as several great United Kingdom industries faded away in the past.

Secondly, rightly or wrongly, there is a loss of trust in the industry, and customers have departed. Ron Sandler said in his testimony to the Treasury Committee that local supermarkets are now trusted more than major insurance institutions. We need to correct that.

Thirdly, major parts of the financial services industry have abandoned everyday, average Britain. In many ways, it is a middle-class pastime. We have not reached those people on lower incomes and poorer people to get them to save. The industry must take that on board. The other side of the industry—the credit card providers—is inundating us with promotions for cards, but that does not apply to the asset gatherers. They have complex products and expensive distribution channels. That needs to change.

I have held discussions with the industry in the past few weeks. Along with the industry, consumers, the Association of British Insurers, the Investment Managers Association and others, we hope to establish a forum for the industry and consumers to come together to examine issues that affect financial services and consider the future so that we can rebuild a healthy industry. That is one of the reasons why I welcome the consumer credit Bill. The Treasury Committee has been banging on about it for many months.

The need to tackle unfair credit agreements, for more regulation, to excise the crooks from the market, for a fairer regime for business and, overall, as the shadow Chancellor said, for a clearer and transparent market, is important. We need to implement the Bill before May 2005. That is an arbitrary date but it is important that the measure is implemented before then. I do not want us to resile from that commitment. I therefore ask Treasury Ministers and others to respond to that specific point.

I agree 100 per cent. with the Chancellor about better public services. However, my right hon. Friend knows that civil servants, especially lower paid civil servants, are concerned about the number of redundancies that have been announced. The Chancellor appeared before the Treasury Committee in July and I note that the Public and Commercial Services Union welcomed his statement in July. However, it makes the point that there should be an agreement between the Government, the unions and other civil service organisations about the steps that Departments should take to avoid compulsory redundancies. Time should be allowed for civil service-wide machinery to be put in place. It is incumbent on the Government to do that, given that most of the individuals who could be made redundant are the lower paid.

The policies that were announced in the Queen's Speech and today's debate ensure that we will rise to the long-term challenges that face the country. How do we implement the Lisbon agenda? How do we make Europe a more competitive environment? How do we continue to ensure UK economic growth and more employment in our communities? How do we ensure safer communities for our constituents and their families? If we can achieve those aims, we will have a better Britain and a more contented country. I wish the Government well in that but warn them that the Treasury Committee will examine the detail of the pre-Budget report to ensure that the Chancellor and his colleagues live up to their promises.

2.15 pm

Mr. Howard Flight (Arundel and South Downs) (Con): Tomorrow, one way or the other, I believe that we shall hear the Chancellor's last pre-Budget statement. Today, we have heard the Chancellor being, a little unwisely, as complacent and boastful as ever. If he, like me, had got on his bike in the past few weeks and visited the financial community, on which so much of our earnings for our imports depend, he would have found it increasingly concerned about the deterioration in our public finances.

If I may put it simply, our economy is close to full capacity. The norms of Government borrowing are: borrow when an economy is well below capacity to keep it afloat, but that it is sensible when an economy is at full capacity to be in balance or even in surplus. However, our borrowings this year approach £40 billion. We have an external current account deficit that is likely to be around £40 billion. That is not a balanced, well positioned economy. It is irrelevant whether the Chancellor fudges the figures to fulfil the golden rule because the position is the wrong way round. The golden rule makes sense over a cycle if one borrows when there is slack in the economy and moves into surplus when it is at full capacity. Doing it the other way round leaves matters positioned wrongly for the future.

Estimates of the black hole that would have to be filled by additional taxation if the Government were re-elected vary between £11 billion and £20 billion. The latest City estimates have continued to increase. Again, on the golden rule and the true underlying position, it is disappointing that the Chancellor had to resort to cooking the depreciation figures to squeeze another few billion pounds in his favour. As we all know, instead of treating the cumulative deficit on a numbers basis—adding the pluses and minuses—the Chancellor resorted to a bogus method of average in relation to gross national product, giving a figure that is not the actual monetary cumulative deficit over the cycle.

My right hon. Friend the Member for West Dorset (Mr. Letwin) went through the wider issues that make it clear that the economy is no longer as well placed as it has been. We have dropped from fourth to eleventh in the world's competitiveness league. We have underperformed when compared with the other English-speaking economies, especially Ireland. Our productivity growth is a third down on what it was under the Conservative Government and below the EU average, when the Chancellor is perhaps among the most critical of EU economic performance.

The savings ratio is down not only because of the cycle; it has been down by a third on average in the past six or seven years. That presents considerable problems for pension accumulation and investment.

We still have a stock market, although the Government have done their best to wreck it. They appear to believe that long-term investment can be financed by cashing bonds. A sad disappointment may be encountered. This country's stock market has underperformed by 35 per cent. when compared with the United States and France. It has even underperformed by 10 per cent. when compared with Germany. I do not claim that the stock market constitutes a full measure of the position of an economy but it is ignored at peril. There are serious imbalances in the economy.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Have the hon. Gentleman's City friends ventured an opinion on how the shadow Chancellor's figures stack up? He proposes tax cuts on top of spending cuts.

Mr. Flight: I am pleased to tell the hon. Gentleman that they understand perfectly well what we are saying and that they are surprised that neither the Chancellor nor Labour Members seem to understand. I shall summarise it very simply; perhaps the hon. Gentleman will be able to understand. We have set out our spending strategy, which, instead of the Government spending 42 per cent. of gross domestic product, will result in us getting the figure down to 40 per cent. over the period to 2008. The amounts have been set out bit by bit.

I and various colleagues set up the taxpayer value review in which 60 people under David James have considered each area of Government. It is not quite complete, but there will be savings significantly in excess of the Gershon savings. Now, let us take those two together. We have made it clear that in some areas additional spending will be needed—for example, in defence, and for our policies of choice in health and education—but the resulting overall position will clearly permit some scope to reduce taxation by a significant amount over the next period of government.

Mr. O'Neill: I appreciate that the James study has not been completed, but there must obviously be some overlap between Gershon and James. Can the hon. Gentleman give us any indication of its extent, because surely any additional money over and above James is all the Conservatives would have to offer as a tax cut?

Mr. Flight: Again, I am grateful for the intervention. First, there is the question of how much of both is cash for real and how much accounting entries. The hon. Gentleman will no doubt be aware that roughly half of Gershon is accounting entries, not for real. If he reads our announcements, he will see that we have got up to a figure of, if I recollect correctly, approximately £24 billion and covered about 70 per cent. of the territory. He can make his own estimates as to where we will get to in the fullness of time.

The second task is to consider how much of our work is cashable and how much is not. The answer is that the proportion that is truly cashable is substantially higher than Gershon. The James review has covered all the territories that Gershon has covered. There are a lot of territories that Gershon has not covered; I cannot understand why the Chancellor did not give the review a full brief to consider all areas. On the figures that are available to date and in respect of what I have just said, I trust the Chancellor understands that, in cashable terms, quite a significant margin will come through in excess of Gershon.

Mr. James Plaskitt (Warwick and Leamington) (Lab): As the hon. Gentleman is referring to the James report, can he confirm that its proposals are official Conservative party policy?

Mr. Flight: I thank the hon. Gentleman, but I think that is rather a strange question. The Conservative party

has made it quite clear that the David James team is an independent body that is considering the whole public sector and will report back to the Conservative party, which will make its policies very clear when our election manifesto is set out. That is perfectly clear and straightforward.

The reality is that the Chancellor has presided over a rising tide of personal debt, but he has kept the figures looking good and created hundreds of thousands of public sector jobs, although only 100,000 of the total of 600,000 mean, as he has just said, more people in the front line—more doctors, more nurses and so forth.

What lies behind what has happened is the tale of the two Chancellors; I am sure Labour Members have read it. William Keegan wrote a superb book entitled "The Prudence of Mr. Gordon Brown", which I was asked to review earlier this year. Indeed, he set it out very clearly that the Chancellor, in his first three years in office, was deliberately prudent to seek to win the longer-term confidence of middle England and the financial community. Then, he embarked on a massive public spending splurge from 2000 onwards.

It is worth focusing on the macro figures and on the Office for National Statistics figures in relation to that public sector spending. By the end of this tax year, spending and taxation in cash terms will be up by about 60 per cent. Where has all that spending gone? Every citizen knows that they do not see improved delivery of anything like 60 per cent.—*[Interruption.]* If Labour Members would care to pause for thought, they would realise that the ONS figures show that approximately 80 per cent. of all that spending has been consumed by public sector inflation as the ONS defines it.

What is public sector inflation? It is a mixture of several things. It is basically higher pay for those working in the public sector and more people—another 600,000. When I was a student economist, I asked my teacher why people earned less in the public sector than in the private. He said that they had greater security of employment and better pensions. That seemed a fair balance to me, but the ONS now shows that, level by level, pay in the public sector is 20 per cent. higher than it is in the private sector. Indeed, many of my friends who work in the health service have made the point to me that the money is not getting through for additional facilities, but has come through in significant pay increases.

Again, we should consider the macro data. In 1997, public sector inflation was 1.6 per cent. It is now running at 10 per cent. We should consider the productivity data. The Government try to hide the figures, but productivity in the public sector has declined by 10 per cent. This is the overall story of failure to reform the public sector, failure to deliver, excessive regulation, excessive bureaucracy and more and more costs between money at the centre and getting it down to the delivery units.

As William Keegan's book points out, this was the Chancellor's great fear: that people would say, "You've spent all the money, but the delivery is not there. You've wasted it." So, the Chancellor set up his target regime. Alas, that was based on an entirely out of date concept that had not worked in the private sector in the 1970s and 1980s—management by objectives, setting targets from on high and dictating to the people working, rather than bringing them in and getting suggestions from the coal face on how to do things better.

We have heard little or nothing of the targets regime because, in the main, it has been a failure. Targets have not been met, they have distorted priorities, and they have greatly upset and demotivated people working in the public sector.

Last summer, I think, the European Central Bank commissioned a group to consider public sector spending in this country compared with that in other countries. It found that, compared with Japan and the United States of America, our public spending was enormously wasteful, citing a figure of 20 per cent. inefficiency. We were only slightly better than France and Germany.

Now, the ECB is hardly an organ of the Conservative party, but that is the magnitude of the inefficiency of our public sector. Indeed, that is why the Chancellor was eventually obliged to set up his own Gershon review, after we had started work on our review. I have already said quite a bit about that work in answering various questions, but I repeat the point that if the Chancellor wishes to understand what we are saying, rather than ranting a lot of, candidly, gibberish, he should consider what has been announced area by area in the David James review and what the shadow Chancellor said last spring about the spending plans. He will find that the figures add up perfectly logically.

Ms Keeble: I should have asked the hon. Gentleman this question earlier when he was talking about the James review. Which specific areas should the Chancellor have considered for spending cuts that were excluded from the Gershon review but included in the James review?

Mr. Flight: There are a large number of areas. As the hon. Lady will be aware, broadly, the approach of Gershon has been to say, "Here are areas where money can be saved, such as better procurement and pooling back offices and various other things. Now, civil servants, try to find 2.5 per cent. savings." I was contacted by a friend who has been seconded to the Home Office who said that people there said, "We have not even got proper financial accounts to know what we are spending and how, and how we can effect the economies." That is a measure of how unsatisfactorily our public sector is run.

Broadly, the James review has considered matters area by area, detail by detail; in only a few areas has Gershon done that. I suggest that the hon. Lady would get an answer to her question if she read the summary reports of the James review and noticed that Gershon has not covered any of that territory.

I want to move on to two other big areas, but the essence of the point—I am concerned about complacency and, candidly, and so is the City—is that everybody knows that this country cannot afford not to reduce tax and regulation. We face the challenge of Asia. Most service businesses can move elsewhere and this country has become considerably less competitive. Capital inflows are trailing off quite worryingly and those who come to Europe increasingly go to central Europe, not this country. Unless we make our economy

[Mr. Flight]

a good deal more competitive, we will have a less promising future than the Chancellor seems to think he is presiding over.

I want to say a little about pensions. Having talked to members of trade unions, I can see that everyone knows that the one thing that the Chancellor has really messed up has been our pension savings. Earlier in the debate, the Chancellor referred to my comments about the British stock market having halved. He does not seem to understand that as a result, first, of the £5 billion removal of advance corporation tax credit, the stock market fell 20 per cent. further than it needed to have done, because stock markets bottom when dividend yields cross over gilt yields. Logically, had 20 per cent. of dividend yields not been removed, the stock market would have bottomed 25 per cent. higher than it did. The extent of the fall led to forced selling by pension schemes, life companies and individuals, and a fall of 50 per cent. has understandably destroyed investors' confidence. If citizens no longer have confidence in long-term equity saving, it will not be possible for the whole economy to move forward satisfactorily, as that is where the money comes from for real investments.

A stock market fall of that extent, to which I referred at the time, has had a disastrous effect on equity savings, leading to the unwillingness of people to save. So far this year, there have been net withdrawals from individual savings account schemes. What bigger measure can one have of the loss of equity confidence? Again, if people think that pension funds will be able to accumulate enough through investing in bonds and cash, another thought is coming to them. The only way in which a sufficient amount can be accumulated over the long term is through successful equity investment.

My real criticism is not just of the £5 billion per annum that the Chancellor has taken away, but of the knock-on effects, which have been enormously greater. Outstanding final salary schemes still have deficits of around £100 billion. Coincidentally, if a price-earnings multiple is applied to the £5 billion loss of income—a multiple of 20 is a fair average—that is equal to exactly the £100 billion that is missing. More than 10,000 schemes have gone into wind-up, affecting more than 300,000 individuals. As the National Association of Pension Funds has recently warned, three quarters of employers' final salary schemes are facing funding difficulties. As companies must put that money into their pension schemes, that reduces their profits, and as their profits are hit, faith in equity investment in this country is hit.

I say to the Chancellor that the voters of Britain—not just the financial community—understand what has happened and do not like it. They are well aware of the biggest single area in which he has failed seriously.

2.33 pm

Mr. Martin O'Neill (Ochil) (Lab): I was very interested in the speech made by the hon. Member for Twickenham (Dr. Cable) and his desire, reflected in the shadow Chancellor's remarks, to secure a more independent base for statistics. I only wish that the hon. Member for Arundel and South Downs (Mr. Flight) had provided us with some statistical justification or evidence for the assumptions on which he based so much of his arithmetic. Indeed, if one wanted to examine the reasons for the difficult performances in the pensions industry, one need only look at such a so-called specialist and the way in which he glibly manipulates figures to suit his own purposes, as many of us have thought that many of the people responsible for pension funds elsewhere have done in the past. Certainly, such slick arithmetic does not make any serious contribution to an issue that vexes many people and has perhaps created greater distrust in the City and in financial institutions.

It is for reasons of that nature that we find that the savings ratio is not what we would want it to be—people do not trust financial institutions, because of mis-selling, bad calculation and failure to take account of basic demography. Consequently, while there may be some lack of sympathy for the performance of this Government in relation to pensions, there is no substitution of sympathy with the Conservative party, as evidenced by its woeful showing in the opinion polls.

Mr. Flight: I am well aware of the issue of mistrust in financial institutions. As a bottom line measure, however, does not the hon. Gentleman accept that the fact that ISAs—although largely about individuals buying individual shares and doing their own thing, and not the same as pension saving—have gone negative demonstrates that people have lost confidence in equity investment? That is the most worrying point.

Mr. O'Neill: I am not sure exactly what percentage of ISAs are accounted for by equity investments, in so far as many people take them through building societies and just opt for tax-free interest on a very safe investment. The hon. Gentleman, by his question, has illustrated my point: the evidence that he provides is, to say the least, superficial. We have had a repeated statement from the Chancellor today that the savings ratio has increased by 6.2 per cent. this year. I will not duck the charge that the savings ratio has been disappointing, but it is improving. It may be that people are taking money out of one account and putting it into another, although that is not what I wanted to talk about today.

The Queen's Speech has an interesting symmetry, because the preoccupation in debates earlier in the week was security, but in some respects no kind of security comes home more quickly to people than economic and financial security. If we are to sustain the economic security that many of our people still enjoy, with many people, certainly in my constituency, in employment for the first time in many years and enjoying a degree of security that they have not experienced previously in their working lives, we must recognise that there is a sense in which any financial or economic advantage that the country has will of necessity be short-lived.

We talked earlier about investment in research and development, and there was some disparagement of R and D tax credits. It is not long ago, however, that I and others, including Opposition Members, were coming to exactly the same conclusion—that to encourage companies to invest in research and development, fiscal incentives were necessary. There could still be other kinds of financial incentives to encourage investment beyond R and D.

Let us face it: within British manufacturing, there is still gross under-investment per head. If there is any identifiable factor involved in the poor productivity that besets this country, that is it. In France and Germany, far more money is put behind each individual worker in manufacturing industry in the shape of newer and better kit. I have often argued that the engineering industry could benefit from that to a great extent, and certainly an engineering industry that is currently severely beleaguered because of the sad difficulties affecting part of the car industry, which historically has sourced its equipment from the west midlands and the industrial manufacturing areas of the country.

The critical point is that were we to see further deterioration in the predicament of MG Rover or the plight of Jaguar, or the failure to secure investment in another model at Peugeot in Coventry, the supply chain for the British motor industry as a whole could become endangered. In turn, that would make it less attractive, particularly for Japanese companies when making decisions on their next model.

Sadly, the cycle occurs every 18 months to two years. A supply chain is weakened and, having become less successful, is less attractive to potential investors from abroad in the models that we need to go on producing.

Malcolm Bruce (Gordon) (LD): As we would expect, the hon. Gentleman is presenting a very fair analysis of what is going on in the British industrial and manufacturing economy; but is he not opening up a dangerous line of argument? Is he not inviting us to give in to the idea that companies will invest in this country only if we bribe them with taxpayers' money? Surely we want them to invest in this country because it is the right place to be.

Mr. O'Neill: I understand the hon. Gentleman's point, but it is not the point that I am trying to make. I am saying that the engineering supply chain for the motor car industry is currently fragile. We do not want to see a continuing deterioration in what might be regarded as the two UK bankers. Companies such as Jaguar are prestigious, and companies such as MG Rover still account for a large volume of orders, although perhaps not for a large volume of output, but many traditional manufacturing supply chain companies operating in this part of the world and the economy are fragile at present, and if they fell by the wayside Japanese companies would find inward investment less attractive.

Those companies do not necessarily need bribes any more, because we have a good labour force, good industrial relations and high productivity levels. We are confident that there will be demand for our product in the UK. However, they tend to operate on a "just in time" production basis. They need essential spare parts—widgets and so forth—to be close at hand: they need them yesterday, virtually. That becomes rather difficult if the supply chain extends to Budapest or Bratislava.

Mr. John Taylor (Solihull) (Con): Or China.

Mr. O'Neill: Perhaps China eventually. Anyway, I was making that point, not a point about assistance.

Nevertheless, assistance is important. Regional selective assistance is possible under European Union arrangements, although it is on a smaller scale than it was at one time. I understand that the Liberal Democrats in Cornwall and elsewhere in the west country believe that they can go to Europe and get more money because the budget in the area is being cut: that was suggested in a document from the west country that I saw yesterday. There is no magic wand, however, and RSA is nothing like the crutch that it once was.

Mr. Taylor: The hon. Gentleman has visited most of the motor industry so far in his excellent speech, including Peugeot, Jaguar and Longbridge, which makes very difficult reading in the business pages nowadays. However, he has not mentioned another important west midlands motor manufacturer—Land Rover, in my constituency, which is critical to the many surrounding industries that supply it. Will he comment on Land Rover? I shall be content if he merely wishes it well.

Mr. O'Neill: I think that the Ford PAG group, of which Jaguar, Land Rover and Volvo are all part, is vital to the high-quality end of British car manufacturing. We all want those companies to succeed, and I think we are confident that they can. The difficulty, especially in Jaguar's case, is short-term, and we hope that it can be solved. Sometimes when we start discussing the prospects of companies here, we draw attention to them in ways that may not be intended.

Let me take up a point that was made earlier. The Government should realise that if we are to have a research and development-led industry and promote the transfer of technology from the university laboratory to the workshop and larger areas of production, we must be sensitive to the plight of the unincorporated bodies that universities have created. That is an example of the law of unintended consequences, and I shall be very disappointed if the Chancellor does not find a way of dealing with it constructively and sympathetically. It may not be appropriate for him to refer to it tomorrow, but he could do so in his Budget speech, and it could be addressed in the Finance Bill. It should be recognised that it is through investment in science in the United Kingdom that we shall secure continuing development of science-based industry.

We keep talking about India and China in debates of this kind, but they are not necessarily the same. India has been able to invest in its fantastic output of graduates and in the Bangalore information technology areas, to provide world leadership, and to make a far more significant economic contribution than is represented by a couple of hundred thousand jobs in call centres. Apart from outsourcing and those call centre jobs, there are 200 million people in India who would be classified as middle-class. They are potential consumers of many of our goods and services—financial services, Burberry raincoats and scarves, Johnny Walker Black Label and all the luxury products that so many of our businesses should be getting out there and selling.

Many of our ambassadors should recognise that they are there not just to outsource but to outsell those in other parts of the world. Conservatism, with a small "c", and protectionism feature in the thinking of too many of our people.

[Mr. O'Neill]

China is a slightly different matter. It is self-evident that Taiwan, the offshore part of China, has turned its back on the type of manufacturing for which it was famed in the 1950s, 60s, 70s and 80s. It is now the largest single inward investor in mainland China. Its kit is being produced in China and is returning to Taipei and the surrounding area, where only the widgets are added. China may be a workshop, but in Beijing and Shanghai it can be seen that there is a demand for consumer goods. It may not extend much beyond those cities at present, but it will do so at a great rate; and if we are not there selling those goods, you can bet your bottom dollar that the Italians, the Germans and others will be. We must organise a much more concerted push to sell our luxury products.

Rob Marris (Wolverhampton, South-West) (Lab): And our Jaguar cars.

Mr. O'Neill: Yes, those as well. One of the frustrating aspects of visiting China is that if you are going to get knocked over, it is a pound to a penny that you will be knocked over by a Volkswagen. Volkswagen has cornered the market there to a fantastic extent.

We must take advantage of this opportunity. Our country has many of the most attractive features for inward investment. We have a stable labour market, flexibility and high productivity among those employed by inward investors. The Government's economic legacy has enabled us to build on many of those attractions, but if we are to secure the future of the economic success that we have achieved we cannot just depend on the ability of Britain, as currently constituted, to attract investment from within and create the research and development that we need. We must have inward investment as well: there must be a balance.

Those who seek to make economies by doing away with this or that Department should bear it in mind that the civil service and public bodies will be required for many of the functions to which I have referred. Some Liberal Democrats may well want to get rid of the Department of Trade and Industry; but do they want to get rid of the offshore supplies office in Aberdeen, which serves the North sea industry? Do they want to get rid of the expertise of the Department responsible for energy? If they do, there might well be serious consequences—*[Interruption.]* Oh, they want to get rid of everything but that.

As a Scotsman interested in energy matters, I should point out that such issues are easy game. Across the country as a whole, every one of the bleeding-heart Liberal Democrats who wants to appear liberal would indulge in special pleading for the little niche that is for ever theirs. They may say, "But you couldn't do away with that," but which bits could we do away with? Which bits do they not like too much? Which bits are concentrated only in Tory or Labour seats, or in Victoria street? *[Interruption.]* They do not like it when the cheap shots are aimed back at them. The truth is that many of us believe that if we are to reform the machinery of government, it is industries such as the hospitality industry that should be reformed. It should be dealt with by a department of enterprise and industry, rather than by the Department that looks after museums and castles.

2.51 pm

Malcolm Bruce (Gordon) (LD): Perhaps it is appropriate that I should be called after that little diatribe. I should tell the hon. Member for Ochil (Mr. O'Neill) that we Liberal Democrats certainly do not regard energy as a niche market. We have consistently argued—the point is made in our published policy papers—that energy should be dealt with by a department of energy, environment and transport. If we are to meet our Kyoto objectives, it is logical that all the factors that cause emissions be dealt with together, rather than being split among several Departments. I hope that that illustrates that the essence of what we are trying to do is to simplify government, reduce the number of Departments and operate more efficiently.

We believe that it is inefficient for the Government, through the Department of Trade and Industry, to engage with industry by trying to second-guess the market and use taxpayers' money to induce businesses to take decisions that they would take anyway—in which case, the money has been wasted—or to take short-term decisions in order to qualify for tax incentives that do not stick in the long term. There is plenty of evidence to show that in many cases companies are happy to take the money, but that they take a different decision when the money runs out. We are talking about substantial sums, and we have set out the figures in our existing policy documents. We will publish in more detail the logical consistency of our proposals.

I am very happy to debate this issue with the hon. Member for Ochil, and let us be clear: there can be an honest difference of opinion about the proper role of Government in business and industry. In our view, that role is to make life simpler and less regulated, to simplify the tax system and to enable businesses to get on with the job that they do best: running themselves, rather than having to engage too much with civil servants, and having bureaucracies tell them how to run their affairs.

I want to address one or two issues that are of concern to my constituents, as well as other aspects of economic policy. As a Scottish Member of this Parliament, I hope that in the coming years we will develop greater co-operation between Scottish MPs and the Scottish Parliament. Like every Member of this House, I am very worried about the GP out-of-hours service. This issue is relevant to today's debate because it shows there is a crossover in respect of what this Parliament does and what the devolved Parliaments do. Health is a devolved matter, but of course the reality is that the change in the out-of-hours contract was determined by negotiation across the UK. The fact that GPs no longer wish to work such hours might be a reasonable proposition, but it causes difficulties across the piece. UK Ministers need to work with the devolved Assemblies to ensure that we train enough doctors and consultants to cover the service and fill the gaps. I hope that we can do so in future.

I am also concerned about transport. Two of the transport Bills proposed in the Queen's Speech have implications for my constituents, and we need to know the reality of the situation. Are we getting a significant

devolution of strategic decision making to Scotland, or does such legislation constitute an abdication of responsibility for those living north of the border? That issue needs to be clarified.

My constituents were incensed when the Strategic Rail Authority said that it would no longer support the upgrading of the service between Aberdeen and Inverness because of the unexpectedly high and over-budget cost of upgrading the west coast main line. That service runs from London to Glasgow—in other words, it terminates 140 miles from Aberdeen. Although it may be of some benefit to my constituents, most of the traffic between Aberdeen and London is on the east coast main line. It is therefore frustrating to be told that the upgrading of a line that does not directly serve my constituents is being used to justify the cancelling of promised investment.

If the devolution of funding to the Scottish Parliament enables the reinstating of such investment, that would be welcome. If, on the other hand, it means that the UK Government are simply abdicating their responsibility for strategic decisions on rail matters affecting my constituents, that is another matter altogether. I was not encouraged on hearing the Under-Secretary of State for Transport, the hon. Member for Plymouth, Devonport (Mr. Jamieson), say that for franchising purposes the east coast main line runs from London to Aberdeen but that for investment purposes it runs from London to Edinburgh. That makes it clear that there is no commitment to strategic investment in that line, even though it is the main line between Edinburgh and Aberdeen.

It takes nearly as long to get from Aberdeen to Edinburgh as it does to get from Edinburgh to London, despite the fact that the distance involved is little more than 100 miles. If there is to be a strategic decision, it should ensure that remoter parts of the country have access to fast transport, especially given the argument that too many people are flying internally in the UK when they could be taking the train. I would like to agree, but I can assure hon. Members that, as my hon. Friend the Member for West Aberdeenshire and Kincardine (Sir Robert Smith) will confirm, it would be impossible for me to carry out my duties as a constituency Member and to serve in this House if I relied on the rail service. I have no option but to fly, which is regrettable, given the need to address such issues and their long-term environmental consequences.

I have a constituency interest in energy, an issue to which the hon. Member for Ochil referred, but in this debate I want to link together national and constituency concerns. In some respects, the recent increase in gas and electricity prices is entirely understandable, but in others it cannot be easily explained, and it does not seem to demonstrate the efficient functioning of the market. Those of us who monitor the industry know that many long-term gas contracts have come to an end, at a time when oil prices have been rising sharply. That has become an excuse and created a market gap, which has led to an increase in gas prices, but that does not explain why UK producers are exporting gas to the continent, where prices are lower, rather than supplying the domestic market, where prices are higher—unless there is another, perhaps ulterior motive relating to the long-term control of market supply.

I have pointed out that we Liberal Democrats are concerned about the fact that this country's emissions are increasing, despite our obligations and commitments under Kyoto. I do not regard rising energy prices as inherently bad, given that such increases probably encourage the more efficient and environmentally sound use of energy. We nevertheless have to accept that if they jeopardise businesses and increase fuel poverty before the mechanisms to deal with such poverty have come into play, genuine concerns will be expressed in all constituencies, including mine.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The Government will soon take over the presidency of the EU. Is it not also an important time for them to work out how to force the rest of Europe to recognise that the liberalisation of the energy and gas markets must be carried out across the whole of Europe? It is important to realise the distorting effects caused by the liberalisation of our market and its being attached to a market that is still under the firm control of the big suppliers.

Malcolm Bruce: The Conservatives may not like the implications, but the reality is that a Europewide energy market, if it is open and transparent, would be to our benefit. Our concern is that liberalisation is not proceeding fast enough.

I have written to the new Energy Commissioner, asking him to look further into that, as well as to the Secretary of State. I have been criticised by some people who claim that what I am saying implies a dislike of markets. I favour markets and market solutions, but there is something not quite right about this market at the moment. It has been a matter of concern to me that gas prices should automatically be determined by oil prices rather than by the actual costs of production and the fact that the market is not always the same.

I spoke a week or so ago at the annual conference of the Combined Heat and Power Association, which may not be at the top of people's agenda as the best place to speak. I have to say that I have not seen a more depressed looking audience for quite some time—and that was before I spoke. The serious point is that several billion pounds of significant investment, which could create many thousands of jobs—I already know of more than one Conservative early-day motion on the subject—are currently frozen. Those funds could genuinely help us to improve industrial investment, employment and our commitment to reducing emissions.

In the past few weeks, I have had interesting meetings with a significant number of businesses in my constituency, and many specifically welcomed the consequences of EU enlargement, not least in giving them access to good-quality, hard-working labour, which has helped them meet the significant shortages that they were experiencing until recently. One enterprise in the tourism sector had employed a substantial number of Slovakian young women in an enterprising leisure facility. Those girls had come here for two fundamental reasons: to learn English, which they view as an international language that will improve their skills; and to gain more productive and better paid work experience than they could gain in Slovakia. It is important to understand that that is of real benefit.

[Malcolm Bruce]

Prior to enlargement, this business found it extremely difficult to get exactly the sort of labour that it required and is now delighted with the quality of staff that it has been able to recruit.

I fear that debates on immigration are sometimes conducted in the House in a way that fails to emphasise the significant benefits that can accrue. It may be of interest to the House to know that the city of Aberdeen has specifically said that it believes that its economic future depends on recruiting a substantial number of the work force from the new accession countries. It has taken a positive step to promote the virtues of living and working in Aberdeen to those people. It will help the economy to be dynamic rather than run the risk of having to export jobs to where the people are. We often lose sight of that fact, which is a consequence of not being able to recruit labour here in the UK. I have heard that general complaint from many businesses in my constituency.

I mention in passing that, as a member of the plenary assembly of the Council of Europe, the UK delegation will debate in January next year the issue of trafficking from the borders of the EU, and the Balkans in particular. I believe that trafficking is too kind a word. We are talking about slavery, and people being sold, often by their families, into slavery. The exploitation of these people is vicious, and some of our more draconian immigration laws make it harder for them to break out of it. We must make it clear to people that if they have been brought here by force, they can appeal. The fear is that if they make themselves known to the authorities, they will be immediately deported without help or subsistence, so we must show that we have some sort of compassionate rescue mission to deliver people back safely to their families under terms and conditions that will prevent them from being exploited in that way again.

My hon. Friend the Member for Twickenham (Dr. Cable) made a passing reference to the British trade position, the exchange rate and the consequences of American policies. One general problem with US domestic policies is that they seem to constitute the worst excesses of left and right-wing ideologies brought together in one regime.

Rob Marris: That sounds like your party.

Malcolm Bruce: I would argue, in defence of my hon. Friend the Member for Twickenham and my own record when I was in the same post, that it is precisely not like our party, because we cost our proposals and try to demonstrate, even though it opens us up to pretty strenuous debate, how we would pay for our policies. We say what taxes we would or would not alter. What has happened in the US is that the public deficit has gone through the roof and tax cuts have been implemented that are clearly not sustainable. Yet as long as the rest of the world is prepared to support that by accepting devalued dollars, we cannot really blame the American Administration for taking advantage of it.

I would say to the Chancellor that one of the disadvantages stemming from having our own currency is the fact that it is not a very important currency. It certainly does not play influentially in the markets in the way that the euro currently does. There may well be an argument, as Mr. Anatole Kaletsky suggested, for the eurozone to cut interest rates in order to put inverse pressure on the dollar and perhaps also help stimulate the European economies to perform rather better.

Having attended the breakfast that the Chancellor provided for board members of Britain in Europe a couple of weeks ago, I know that he stressed the importance of the transatlantic relationship. Although I have been critical of the Bush Administration, I also support the transatlantic alliance as part of the UK's position in the world. If we have a special relationship with the US, however, it is important for the Americans to know that we also have a dimension of European co-operation and solidarity that is important to us. We should also expect Americans to take some responsibility for conducting themselves in a reasonable fashion in the world or to expect the consequences if they fail to do so.

I make no apology for mixing in some important constituency issues put to me in recent months. Indeed, debates on the Queen's Speech provide an excellent opportunity to do so. I have considerable scepticism about a Government who announce 32 Bills or draft Bills in any Queen's Speech, especially in a programme that everyone expects to be interrupted before half the Session is completed. We should acknowledge that much of the Queen's Speech is not a serious programme of legislation but a shopping list for a general election. It is frustrating to find, in seeking clarification from Departments as to which Bills will be introduced and when, that the answers become heavily caged according to political expediency.

In the few seconds left to me, I want to say that the one Bill that I am assured is likely to be introduced before Christmas is the consumer credit Bill. If that is the case, I welcome it, but I hope that the Government realise that we are talking not just about loan sharks but about shameful practices being pursued by high street banks—the biggest banks in the country—to push people into using credit and to sell them products that are much more expensive than they need be. Those banks are happy to take the excess profits that result. The legislation must deal with that problem. We should also recognise that door-to-door cash collection is not always against the interests of people on low incomes. It sometimes helps them to manage their credit, so we should not legislate that out of existence and open the way for the criminals who would inevitably step in.

This is a rag-bag of a Queen's Speech. It is really an election propaganda message, so I hope that hon. Members will support our amendment.

3.9 pm

Denzil Davies (Llanelli) (Lab): It is only right and proper for the Chancellor to remind the House of his and the Government's fine record of economic stewardship over the past seven years. It compares more than favourably with most, if not all, western European countries and the Government deserve credit for it. We do not always acknowledge the external pressures of globalisation on western economies. I do not believe that our Government, western Governments or even fashionable opinion have begun to engage with the

consequences—social, foreign policy and economic consequences—of globalisation, despite the fact that countries such as China now dominate large sections of world trade.

Many hon. Members have always been concerned, rightly, about the effect of globalisation and the dominant influence of multinational companies on the poorest developing countries. On the other side of the argument are those who worship at the shrine of the free market and free trade, who see no adverse consequences to globalisation and brook no criticism of it. Indeed, the Director-General of the CBI appears to have been one of that cult's high priests in recent years. I read in the newspapers some extraordinary comments from him—perhaps he was not correctly reported—about the outsourcing of employment from Britain to places such as Bangladesh and India. He seemed to favour that and to want to see more of it. I do not think that he fully realises the consequences, but I await with interest an announcement in the near future that the bureaucracy of the CBI will be transferred to Bangladesh or Bangalore.

The anti-globalisation protestors and the pro-globalisation zealots display a lack of awareness that the pressure of globalisation is felt most by western countries. Western capitalism cannot cope with global capitalism. Countries such as China appear to be able to do capitalism with greater energy and ability than countries of the west, particularly the United States of America. We have heard about the balance of payments deficits in the US, but it arises in the main from trade with China, perhaps because of the traditional links that have always existed between the two countries. The devaluation of the dollar against the euro, which is no doubt happening as we speak, will not help the US very much with the massive balance of payments deficit it has with Asian countries, especially China. As we all know, the Chinese currency, the renminbi, is linked to the dollar, so as the dollar goes down, so does the renminbi. That is what is happening at the moment.

There is pressure on the Chinese to revalue their currency. They might or might not do so, but they will do so only if they believe that it is in their long-term trading interests.

Angela Eagle: Does my right hon. Friend have a view on the unprecedented situation in respect of global monetary structures? The Asian currencies are pegged to the dollar and other western currencies are floating—a hybrid system unlike any that we have experienced before. The globally dominant currency, the dollar, is experiencing pressure. Does he have any views on what might happen?

Denzil Davies: I do not know how it will unwind. There have been calls for China to be brought increasingly among the main economic nations, but the Chinese will probably go their own way and make their own decisions in their long-term trading and security interests.

The pressures on the US are considerable. An American think-tank recently looked at the prices of products in the US and in China. Prices in China were 30 to 50 per cent. below the cost of production of similar or identical products in the US. Such pressure cannot continue without destroying a country's industrial and economic base. It will mean a massive transfer of wealth from the US, which is already happening, and ultimately from the countries of western Europe to China and other Asian countries.

The European Union used to believe that it was immune from such pressures. Those of us who have sat through many debates on the EU remember that it was said that one of the reasons for its formation was that it could be ring-fenced. The common agricultural policy was a manifestation of that thinking. The countries of the EU, it was believed, could trade with each other and would not need to trade with anyone else. However, that world is going or has gone. Apparently, 10 years ago the EU had a surplus on its trading account with the countries of Asia and China. It now has a deficit of $10 billion, and that is with a low rate of European growth. The EU is not capable of withstanding the pressures that we will see from China and other Asian countries.

The problem is not only the balance of payments, but costs, wages and profits. The pressure on wages is now considerable. Last month, the average yearly increase in wages was 3.7 per cent., which is well below the Bank of England's 4.5 per cent. figure used in analysis of inflation and other factors. The minimum wage of £4.85 is fine, but my impression is that wages, certainly in the manufacturing sector, are gradually being driven down towards £4.85. That figure is seen as a respectable amount, so the pressure driving wages down is considerable. Of course, that has implications for the Chancellor. He subsidises wages through the working tax credit, and the cost of that subsidy will probably increase.

If costs cannot be reduced and prices cannot be increased, companies' profits will be affected. If profits do not go up, investment cannot be made. What about the effect on tax yields? No one has studied the effect of globalisation on tax yields, but if wages are driven down, yields from income tax will fall, unless more people can find work. Indeed, the Chancellor's estimate of revenue from income tax fell short. VAT is a tax on prices. If the price of imported goods falls, and the price of domestically created goods falls in competition, the VAT yield will be reduced. Perhaps that can be made up by VAT on services or in other ways, but the fact remains that globalisation pushes down wages, costs and prices. If it pushes down profits, the yield from corporation tax will also fall. Governments may have to look at ways of raising money from taxation other than the main taxes of income tax, VAT and corporation tax, because of the effect of globalisation.

In many ways, globalisation has had a benign effect on inflation. Prices have been driven down. The high inflation of the 1980s has gone, mainly because of competitive global pressures. Japan still has zero interest rates, because some people are now more worried about deflation than inflation. Alan Greenspan in the US was so worried about deflation that he reduced American interest rates to almost 1 per cent., although they have now gone up by a few quarters of a percentage point.

Our central bankers still try to claim the credit for reducing inflation. We have heard again today how wonderful the Bank of England is, and I bow at the shrine, albeit a little reluctantly. We have heard how

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wonderful it has been in keeping down inflation, but that is putting the cart before the horse. It is international competition that has pushed down prices. The governors of central banks, who are usually behind the curve, follow that by reducing interest rates. I accept that that is not a fashionable view, but I believe it is a better explanation.

The trouble is that those central bankers keep looking for inflation everywhere; they are a bit like generals who cannot find an enemy. For central bankers, the reds are still under the bed, and they are inflation. The Bank of England looks for inflation all over the place. I do not know how an interest rate of 4.7 per cent. can be justified when the consumer price index, flawed as it may be, is only, as the Chancellor told us, 1.2 per cent. It was a mistake for the Bank to raise interest rates on the last few occasions so that the rate is now 4.7 per cent. The signals coming from the Bank are extremely confusing, almost as confused as the Organisation for Economic Co-operation and Development report about which I read in the newspaper today.

We cannot wish away globalisation. Some of the effects have been benign and beneficial, as I have tried to point out, but there is a danger when a huge country such as China begins to dominate world trade in goods and can make such inroads into the productive capacity of western countries. We have to consider whether we can bear the substantial transfer of wealth from western countries to such countries, as the effects on standards of living, taxation yields and public expenditure will be considerable. The time is past when globalisation can be viewed merely as a consequence of free trade and countries such as China can be described as trading partners rather than as competitors. That type of imbalance makes a mockery of Ricardo's economic tenet that trade is good for all, because each country can export the products that it is good at making. That is no longer the case when a country such as China could completely dominate world trade.

It will not be easy to try to alleviate the consequences of globalisation and to stem the seepage of wealth from western economies, but we should at least recognise that there is a problem and that it cannot simply be left to the free market. Governments, whether of the left or the right, will have to interfere again to protect their economies, industries and societies from the pressure from free trade and globalisation. Once we acknowledge that there is a problem, perhaps we can find ways of countering it.

3.23 pm

Mr. Mark Prisk (Hertford and Stortford) (Con): I am delighted to have this opportunity to contribute to an important part of the Queen's Speech: the economic affairs that underscore the country's wealth and prosperity.

I want to turn from the broad landscape of the global picture of economic affairs to something more local but just as important—the concerns of small businesses and the self-employed. I do so both as someone who was self-employed for more than 10 years before I became a Member and as honorary treasurer of the all-party small business group. I am especially pleased that it is the largest all-party group and I hope that that reflects the genuine interest and concern of all Members in the importance of small enterprises.

There are 3.8 million small businesses in the UK and 3.6 million people are self-employed. Those distinct but overlapping groups represent the backbone of our economy. After all, they employ more than half the private sector work force and they generate much of the wealth that enables us to afford the public services that we debate in this place. They are also often the most entrepreneurial and innovative enterprises in our economy.

There is an additional reason why I believe that small enterprises matter; indeed, it is one of the reasons that I joined the Conservative party. Family businesses—the self-employed and small enterprises—send out a clear message that no matter what someone's background is, whatever the colour of their skin, whatever their race or creed, if they have the ambition, the ability and the will to work they can be their own boss and make their own way in the world. That is a very powerful reason for us to consider the role of small businesses—not only in the context of the economic debate that we are holding today, but because those businesses reach beyond mere economics.

As a former freelancer, and having met many of the small business organisations in my constituency, it is clear to me that entrepreneurs are struggling. They tell me that they are struggling for two main reasons: the burden of regulation and the burden of the tax system. It is evident that both the volume and scope of regulation has worsened over the past seven years. We know that there are 15 new regulations every working day—a 53 per cent. increase since 1997. In absolute terms, the number is between 3,500 and 4,000 in any one year.

I am well aware that many of the regulations come from Brussels, but the majority still come from Whitehall. It is fair to say that Whitehall manages—extraordinarily—to make EU regulations even worse than they might otherwise be, but nevertheless regulations, and their burden, matter. They matter not simply as a debating point—in the jousting between the Opposition and the Government in this place—but because, no matter what their worthy aims may be, the costs of complying with regulations and of administering them actually count for businesses. Let me give a short example: the working families tax credit—apparently worthy in its aim, whatever one may think of its merits as a system—costs business £105 million every year to administer. That is a significant amount for business to take on, and it is but one measure. I know that it is a favourite of the Chancellor's, and given that tomorrow's will, I hope, be his last pre-Budget report, I hope that this measure will go with him. When the Secretary of State for Work and Pensions replies to the debate perhaps he will enlighten us on what I am sure the Government will wish to claim is their radical—nay, modernising—agenda to seek to reduce this burden. I look forward to his eloquence on that point.

Rob Marris *rose—*

Mr. Bercow *rose—*

Mr. Prisk: I give way to my hon. Friend the Member for Buckingham (Mr. Bercow).

Mr. Bercow: I am grateful to my hon. Friend for giving way because he is truly rivalling Cicero and Demosthenes in terms of the eloquence with which he is addressing the House. In the light of his philosophical points, may I put it to my hon. Friend that he should endorse the words of the late and great Winston Churchill, who famously said:

"The . . . vice of capitalism is the uneven division of blessings, while the . . . virtue of socialism is the equal division of misery"?

Mr. Prisk: Far be it from me to seek to compete with Cicero, but my hon. Friend has made his point well and I have no doubt that when it comes to awards, the one for the most sincere impression of Cicero will go to him, not to me.

Brian Cotter (Weston-super-Mare) (LD): What tangible proposals does the hon. Gentleman have to reduce regulations? We all agree that this is a very big problem; will he give us a flavour of what he feels we should do about it?

Mr. Prisk: It is always dangerous to try to answer such interventions in full, but I try to do so. In this case, let me simply say that I shall be touching on one measure in a moment, but first let me give another example of regulation—the ridiculous six-step, three-formula rule on abnormal rents, which Labour Members pushed through and which will have a punitive effect on business leases. I shall enlighten the House on other measures later.

I have talked about the costs of complying both in time and money, but another problem with regulation is that it restrains enterprises; it restricts their ability to compete in the international world. I am not afraid of the international world, and neither, I am sure, is the right hon. Member for Llanelli (Denzil Davies), but as the burden of regulation has increased this nation's ability to compete has declined. We have moved from the fourth most competitive nation in the world to the eleventh in just seven years, and that is a very disappointing trend.

Rob Marris: The hon. Gentleman mentioned the working families tax credit and its £105 million cost per year, which he saw as a burden on business. Is he aware that research from the Department for Work and Pensions shows that almost 90 per cent. of employers have no problem whatever with administering that tax credit?

Mr. Prisk: My hon. Friend the Member for Havant (Mr. Willetts) highlighted the change that will happen, but if the hon. Gentleman were to talk to businesses in Wolverhampton he would find a very different picture from that portrayed in the Government statistics that happily spew out of Whitehall. Indeed, I have found that, for many small entrepreneurs, the problem is one of time. The Federation of Small Businesses found that the average time involved in dealing with the cumulative impact of regulations is now over 28 hours a working month. Many of those present will realise what an impact on family time that clearly has on many small businesses, and it is an unsustainable burden. That is why more and more of what I would describe as the serial entrepreneurs—the people who create and recreate enterprises—the people whom we want to keep, are retiring or selling up. That is a significant drain on the skills and the ambition that this country can ill afford to lose.

Over the past seven years, the tax system, as part of the regulatory burden, has become hideously complex. I am delighted that the Chief Secretary to the Treasury has joined us, albeit briefly. He will recall that this year's Finance Bill contained 310 clauses and more than 500 pages of new tax rules and regulations.

Rob Marris: Lovely.

Mr. Prisk: Labour Members might regard that as lovely, but I suspect that their view is not shared by their taxpaying voters. It is a symptom of a Chancellor who, frankly, cannot help meddling, interfering and tinkering. Every year we have a raft of new rates, thresholds and rules. Let me, if I may, offer a classic example that directly affects small businesses.

In 2002, the Chancellor introduced a zero rate of corporation tax on the first £10,000 of profits—apparently a very good idea, although the Government had not looked at it carefully. Of course it created a significant tax advantage for small firms to incorporate. Indeed, as I recall, the Paymaster General told us that this was a gift horse, which small businesses should not look at in the mouth. That was the exact quote; I apologise for the English. However, the result, of which the Government had been warned, was a massive 43 per cent. increase in incorporations in the first 12 months. That was far more than the Government had expected, so suddenly they realised that they were losing more than £1 billion, as I understand it, in tax revenue that they had not accounted for. Suddenly, we were warned by the Paymaster General that this was not a gift horse but a tax avoidance scheme—what a farce! To compound the error, they have proceeded not to reverse the policy and admit their own error but instead to add a further change with a 19 per cent. non-corporate distribution tax rate, to try to recoup the loss. Therefore small businesses have in three years seen four changes on different rates, which directly impact on their profitability. That is a measure of the tinkering and meddling of this Chancellor.

Mr. Plaskitt: Will the hon. Gentleman give way?

Mr. Prisk: No, I am sorry but I am short of time.

We also had the farce of the IR35 regulations on the self-employed. That is a crude attack on freelancers and the self-employed. The regulations create barriers to work, especially in information technology. Even worse than that, however, despite being warned at the start that they would cost the Government £900 million and that they must act immediately, we discover three years on that, of the 500 cases that the Inland Revenue brought to challenge that apparently pernicious threat,

[Mr. Prisk]

it has won fewer than two—a woeful record. It has created enormous uncertainty for thousands of entrepreneurs and enormous legal bills for taxpayers.

In conclusion, small businesses do not want the Chancellor interfering and meddling. They want smaller government. They are fed up with being unpaid tax collectors and unpaid benefit officers for the benefit of the Government. They want fewer, not better, regulations. Above all, small businesses want to know where they stand.

Mr. Plaskitt: Will the hon. Gentleman give way?

Mr. Prisk: No.

Mr. Bercow: This is the peroration.

Mr. Prisk: It is a long peroration, so hon. Members must be patient.

Small businesses need a tax system that is not more complex, constantly changing and something that they can never trust. They need a tax system that is simpler, fairer and lower. Frankly, this Labour Government have failed to deliver for small businesses. They talk positively about deregulation, yet they pass more regulations. They talk warmly about tax reform, yet what have they done? Each year, they have passed a record-sized Finance Bill, with more rules, regulations and statutory instruments. That is the truth and the evidence of their record.

Despite the talk, the result of all that is that when I talk to small business organisations—I am sure the same thing happens when many of my colleagues speak to them—I discover that they have finally realised that behind the spin and the smokescreen this Government will never deliver for them and that only the Conservative party understands small businesses. Frankly, it is only a Conservative Government who will deliver for them.

3.37 pm

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): Not only am I delighted to contribute to the debate, but I do so with real pride, rather than fear. I am enormously proud of the record for people in my constituency who have told me how much they have benefited from the various measures introduced by the Government, and who are encouraged by the promise that the Queen's Speech holds. They share my pride in having the lowest interest and mortgage rates for nearly 50 years, the lowest inflation for 30 years and the highest employment since the 1970s. The fact is that millions of people, whether they are young or old, or have young families, are benefiting from those hard-won gains, and I notice that the statistics have not been contested.

A record number of people are in work. That has to be a welcome development for hard-working families in constituencies such as mine, where unemployment is down by 37 per cent. and about 1,640 people have got jobs thanks to the new deal. Moreover, the Government are doing more for pensioners than any other Government at any time in our history. In my constituency, the winter fuel allowance alone warmed the homes of 12,286 pensioners in 2004, and Labour is helping all pensioners to enjoy a decent and secure retirement.

Mr. John Taylor: Will the right hon. Gentleman be broad-minded enough to concede that the Chancellor of the Exchequer delivered a savage and severe repeated annual blow to occupational pensions of a £5 billion impost, which damaged those pensions and added to the demoralisation of the stock market?

Mr. Clarke: I would do a great disservice to the facts, and not reflect the views of pensioners in my constituency, were I to do as the hon. Gentleman asks. I do not know the figures for his constituency, but I am sure that he is broad-minded enough to acknowledge that the 3,775 pensioner householders in my constituency who now benefit from pension credit, which is worth an average of £41 a week, did not receive that under a Conservative Government. That is a welcome change.

Had I said before 1997 that the Government would be able to manage such a turnaround of fortune for my constituents, and for millions of other people the length and breadth of Britain, my claim would have been greeted with sheer derision by Conservative Members—or at least, by those who attended such a debate; there are few present today. One of the reasons for the deep gloom that I observe among Opposition Members is that the Government's record has wiped the smile off their faces and encouraged a real glow among millions of vulnerable people, including pensioners.

Let me give an example: only last week I received a phone call from a woman who had just collected £400 to help with heating and council tax. She said, "Mr. Clarke, I would like to thank you very much. I am 82 years of age and I have never held that amount of money in my hand in my life." That is little wonder when we consider how few years the Labour Government have been in office compared with the Governments of the past century.

The Queen's Speech is not only about young people and the elderly, important though they are; it is about children, too. The Conservatives left us a shameful legacy in the form of one of the highest rates of child poverty in Europe: one in three children were living in real poverty. Our mission to end child poverty is grounded in our determination to secure social justice. I shall not be satisfied until child poverty is abolished completely, at home and abroad. I heard what the Chancellor had to say today about his policies on international development, but, domestically, child tax credit and working tax credit awards are helping 6,400 hard-working families in my constituency alone. I welcome that.

Having taken the courageous decision to give freedom to the Bank of England, we must not, and will not, repeat the mistakes of the past. We shall never return Britain to the boom and bust of the 1980s and early 1990s, when mortgage rates hit 15 per cent. for a whole year—my constituents will certainly never forget that—the homes of 250,000 families were repossessed, and 1.5 million suffered negative equity. People are proud of their homes; home provides a sense of security and much happiness for many. That is why mortgage

rates are of the utmost importance to the electorate. Sustained low rates are saving mortgage payers an average of £2,600 a year—almost £220 a month—compared with life under the Conservatives.

Last week the Leader of the Opposition was campaigning in Cornwall—a county bereft of Tory MPs. The right hon. and learned Member for Folkestone and Hythe (Mr. Howard) took over from the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) a year ago, but the polls suggest that he is just as unpopular with the voters. No wonder the mild-mannered, erudite Jeremy Paxman, who covered the visit, headlined the report "Same Old Tories". That reminds me of the past.

"Fifty years ago was the decade in which Prime Minister Harold Macmillan told us we'd never had it so good. Life in the 1950s was considered to be simpler, better and free from the ills of modern society . . . That's the theory. In practice, a survey suggests that life is much better now than it was 50 years ago. In 2004 we are generally more prosperous, do not work as hard and enjoy a far more comfortable lifestyle than in 1954."

I have quoted from last Monday's edition of the *Daily Mail*, so it is official. As Macmillan said, we have never had it so good. In view of the Chancellor's impressive handling of the economy, unmatched for a very long time, perhaps we should brace ourselves for the *Daily Mail's* next headline, "Britain under Brown is even better".

Returning to my main theme—jobs in my constituency—I shall set out two excellent examples and refer to two separate issues on which I believe the Government must do more.Within the village of Gartcosh in my constituency there is a large derelict site. Under the previous Government it was a thriving steel strip mill employing 600 workers. Since the closure, which I campaigned against, I have continued my campaign to have the site redeveloped and prepared for meaningful jobs.

I am delighted to say that last month I learned that Scotland is to get a new-style crime-fighting agency, which will gather together several key law enforcement agencies on one site, and it will be based in a purpose-built headquarters at Gartcosh. Discussions about the new centre of excellence are still at an early stage, but significant resources have been made available to enable planning to get under way. A new organisation will tackle the growing and evolving threat from serious and organised crime—something that is addressed in the Queen's Speech.

Mr. Flight: Does the right hon. Gentleman not have any concern that what he has lost was a business that was producing wealth, whereas what he has gained is something in the public sector that will be living on his constituents' taxes?

Mr. Clarke: I had great concern, which I expressed in the House, about what the previous Government did to the steel industry, and what is still being done. If that has led in some way to an increase in crime, I certainly welcome the jobs and the opportunities that will offer themselves.

The Serious Organised Crime Agency for Scotland will house the Scottish Drug Enforcement Agency as well as the forensic science department of Strathclyde police. It is understood that the Scottish arm of the National Criminal Intelligence Service, prosecutors from the Crown Office, Customs and Excise north of the border and immigration service workers could also be relocated to the site. I am pretty sure that the hon. Gentleman will welcome all of that in the fight, in which we all join, against crime.

It is anticipated that the development work on the new crime campus could start as early as next year, with completion expected in 2006–07. So the hon. Gentleman has helped me to make the point that under this Government the old Gartcosh steelworks is like a phoenix. It is about to rise from the ashes of 18 years of waste under the Conservative Administration and to go places. I am delighted that my constituency will accommodate this new modern facility.

As I turn to another important issue for my constituency, I welcome the presence of my right hon. Friend the Secretary of State for Work and Pensions in the Chamber. The Government are committed to improving the efficient delivery of public services and bringing government closer to the people, in particular by rationalising back office functions, working across administrative boundaries, improving the interface between the Government and citizens through new technology, and slimming down estates.

However, I must tell my right hon. Friend that in Lanarkshire, the Department for Work and Pensions is planning to deliver operations from 10 sites, with varying levels of service. The Jobcentre Plus facility that serves Coatbridge would become a benefit processing site, which would end the current standard of service delivery to my constituents. Coatbridge is at the centre, or heart, of surrounding communities, and has a population of approximately 50,000. Irrespective of where my constituents live, they visit the local town centre, and can make use of a full range of public services, including health, housing and the Department for Work and Pensions, as well as carrying out their weekly shopping.

Frankly, it is unacceptable that Coatbridge should be treated unfavourably in comparison with other towns in Lanarkshire. DWP officials, and my right hon. Friend the Minister for Work, know my views and my opposition to the current proposals. I remind my right hon. Friend the Secretary of State that the matter simply will not go away, because it is an injustice for my constituency.

Mr. Michael Connarty (Falkirk, East) (Lab): I was born in Coatbridge, so I know that it is a large community, but does my right hon. Friend accept that in small communities such as Bo'ness in my constituency, the number of footfalls in the town centre is just as vital to the shops as it is in a large town? To remove a service such as a jobcentre contradicts the Government's declared intention of bringing the service closer to the people.

Mr. Clarke: I take my hon. Friend's point, but in view of the time, if he will forgive me I shall turn to another major issue that impacts on my constituency, and which Opposition Members may welcome my raising—road haulage.

Earlier this month I received representations from the Road Haulage Association. Ms Glancey and Mr. Fraser visited my office and put their case with great clarity and

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firmness. They argued that the UK is the only country in the European Union to charge more tax on diesel than on petrol. Every time the price of diesel increases by 1p a litre it adds an average of £800 to the annual cost of running a heavy goods vehicle. They therefore want the Chancellor to abandon further increases in fuel duty—an increase was postponed from September to November—and introduce a temporary fuel duty de-escalator for diesel. Oil revenue income could be used to reduce the duty and compensate for the rising cost of fuel, the process being triggered when world prices exceed $50 a barrel.

I have already written to the Chancellor about the issue. Tomorrow we will learn in the pre-Budget report what he proposes to do about it and other critical matters. I expect that he will listen extremely carefully to representations, and will have something interesting to say. In that spirit, I congratulate the Government on the Queen's Speech. I welcome their proposals, which reflect reality in my constituency and beyond. They will help to build a progressive consensus, which is welcome in Scotland, throughout Britain and, I am sure, in Europe too.

3.54 pm

Mr. Gregory Campbell (East Londonderry) (DUP): In addressing the subject of the Queen's Speech and the economy, I shall dwell on a number of topics. In Northern Ireland over recent years it has been argued that if the economy were made more robust and there were significant investment, it would ensure that in areas where paramilitary groups have a vice-like grip on working class communities, their grip would be broken. I do not subscribe to that theory and have consistently warned against it. However, if that grip can be broken—and we hope that it can be—there is no doubt that a vibrant economy based on a peaceful democratic economic regime would assist local communities to build themselves and improve their local infrastructure. The Government should ensure that that can happen.

I shall return to the proposition that has been discussed in recent days with the Secretary of State for Northern Ireland. There has been much media speculation in Northern Ireland in recent weeks about a regeneration fund. I know that discussions have taken place between the Treasury and the Northern Ireland Office, and my party and others have engaged in discussions in an effort to establish such a fund. It has been termed a peace fund. The term "peace" has been devalued in Northern Ireland down the years, because of overuse and because it has been applied when anything but peace existed, so I prefer to speak of a regeneration fund. Whatever it is called, it is important that the economy in Northern Ireland should receive as much assistance as it can.

The Northern Ireland economy has been suppressed for 35 years, principally because of the ongoing regime of violence and terror, the remnants of which we are still dealing with. Compared with the rest of the United Kingdom, salaries are lower than average, we have higher power and electricity prices, we have much worse deprivation levels and, correspondingly, we have significantly worse health and mortality rates across the population. It is essential that the regeneration fund is targeted at alleviating those problems.

Rob Marris: UK central Government funding per capita is already considerably higher in the Province. In round terms, 40 per cent. of the UK economy is the Government. In Northern Ireland the figure is 60 per cent.—that is, 50 per cent. higher. How much more money does the hon. Gentleman want?

Mr. Campbell: The hon. Gentleman obviously was not listening when I outlined some of the reasons why there is such deprivation in Northern Ireland. If other parts of the United Kingdom had been fighting a terrorist war for 35 years, they might well suffer in similar ways. Through the establishment of a regeneration fund, we are endeavouring to make the Northern Ireland economy less—not more—dependent on the public sector. If we get the type of funding that we are looking for, we can ensure that the private sector becomes much more active in Northern Ireland than it has been heretofore.

For example, tourism is one area in which we can make significant progress in a short time. Other parts of the United Kingdom have greater levels of tourism and experience higher spending per head of population. Again, that is because we are still coming to terms with the aftermath of 35 years of violence, but we hope that violence will come to an end. If we see a definitive end to violence, the tourism sector can take off in a few short years.

We have a magnificent product to sell. I represent one of the most beautiful coastlines in Northern Ireland. The principal resorts of Portrush, Portstewart and Downhill can take advantage of a significant influx of tourists, provided we have not only the product, but the marketing and expertise to drive up the spend and ensure that the number of people purchasing the product increases.

The other issue is the problems that have beset the manufacturing sector, which are not peculiar to Northern Ireland but have afflicted communities across the United Kingdom. The manufacturing sector in Northern Ireland has experienced a particular downturn. I concur with many of the comments made by the hon. Member for Hertford and Stortford (Mr. Prisk) about small and medium-sized enterprises. If our economy gets a significant boost in the next few years, we can significantly increase the SME sector, which could take off as it has not done in the past.

The Government have funded Invest Northern Ireland, the agency responsible for delivering economic development, to a considerable degree in the two and a half years since its establishment—but many of us are still not impressed by Invest Northern Ireland's results. The economy in Northern Ireland has become more buoyant, as has the economy across the United Kingdom, but I have tabled numerous written questions to try to establish how effective Invest Northern Ireland is at driving potential inward investors beyond the Greater Belfast area. Unfortunately, the answers have been minimal. It appears to many people in Northern Ireland that the body responsible for promoting the economy has a capital city mentality. Invest Northern

Ireland does not get out beyond the motorway, and we must try to ensure that it does. It must address that point.

The Chancellor of the Exchequer could address this issue, and I have written to him on several occasions to try to get him to do so. In Northern Ireland, as in many other parts of the UK, the black economy is prevalent. Other hon. Members and I have lobbied for a significant increase in personal allowances. If, for example, personal allowances and the threshold at which individuals begin to pay national insurance were raised to £10,000 per annum, it would no longer be productive for any small employer to pay someone who is in the black economy and consistently draws benefits.

That would apply particularly to part-time employment. The part-time economy in Northern Ireland is buoyant, but if the black economy is prevalent, it is a drain on the social security budget. I hope that the Chancellor will reconsider the issue and raise personal allowances significantly above the rate of inflation. If we had, for example, that £10,000 per annum limit, part-time employees could earn £200 per week and pay no income tax or national insurance, and that would reduce the amount of regulation for small employers with such employees.

Mr. O'Neill: I am listening to the hon. Gentleman with interest, but there is a certain inconsistency in his argument. He suggests radical changes in revenue raising, but equally wants large lumps of public expenditure to be devoted to one of the most disadvantaged parts of Britain. That equation does not work out. We have to increase revenue in order to have the resources to increase expenditure; otherwise we will end up like Bush's America, and that is not what we are after.

Mr. Campbell: I thank the hon. Gentleman. I shall return briefly to the issue that I was attempting to address. We are, I hope, emerging from 35 years of murder and violence, during which our economy has been depressed and resources that should have gone into our infrastructural capacity have been channelled and sidelined into fighting the war on terror. If those resources can be channelled into the infrastructure—tourism and so on—many of us believe that that will of itself help to regenerate the private sector economy and make us less dependent on the resources that we get from the block grant.

I shall conclude by asking the Government to deal with the problem of financial institutions. Last month I tabled an early-day motion on the availability of free cash machines—ATMs—across the United Kingdom. The fact that that EDM received the most signatures of any tabled in the past three years by a Northern Ireland Member of Parliament reflects the great level of concern. In the past six weeks, Nationwide building society has issued a report that concluded that UK financial institutions were charging personal account-holders £60 million to access their own money through ATMs. That is a disgrace. The Government should pressurise those financial institutions to display their charges clearly on ATMs to ensure that people, particularly in poor deprived areas, understand that they are being charged £1 or £1.50 to access their own money, even though in many cases they are taking out only £10 or £15.

Angela Eagle: The hon. Gentleman raises a point that increasingly worries many of us as we see the development of cash machines that charge people to access their money, especially in poorer areas where they do not have the option of getting it in other ways. Does he realise that the Treasury Committee is soon to consider that, and hopes to come up with some views to pass on to the Government about what can be done about this serious and increasing problem?

Mr. Campbell: I thank the hon. Lady. I noticed that the Committee made that announcement just after I tabled the EDM; I do not know whether the two things were connected. I heartily recommend that hon. Members sign early-day motion 93, and if the Treasury Committee advocates strong, positive and decisive action in respect of the financial institutions, many of which make hundreds of millions of pounds, in order to assist people in deprived areas, it will be doing a service.

4.9 pm

Mr. James Plaskitt (Warwick and Leamington) (Lab): I am pleased to follow the hon. Member for East Londonderry (Mr. Campbell) and I endorse the points that he made towards the end of his contribution about charging machines. I shall speak about that subject later.

I welcome the measures announced in the Queen's Speech that relate to economic affairs, especially the Government's commitment to introduce a consumer credit Bill. I endorse the comments of other hon. Members, including my right hon. Friend the Member for Dumbarton (Mr. McFall), who chairs the Select Committee on the Treasury. We hope that the Bill will implement many of our Committee's recommendations on consumer credit. I also agree with my right hon. Friend that the matter is urgent. I hope that the measure will be introduced soon so that Parliament can begin work on it.

The Bill is important because existing consumer credit laws are approximately 30 years old. As the Government rightly stated in the White Paper, "Fair, Clear and Competitive", which was published last year, the need to overhaul consumer credit legislation has become pressing. I am pleased that Conservative and Liberal Democrat Members have so far made broadly positive noises about the Bill. I hope that there will be broad consensus for our reform of consumer credit legislation.

The need for reform is underlined by the dramatic change in the world of credit since existing credit laws and regulations were written. When the initial legislation was introduced, I believe that only one credit card was in circulation, whereas there are now more than 500. The range of credit facilities is phenomenally greater. The complexity of the marketplace that offers credit bears no resemblance to the simple world that existed when the laws were introduced. Access to many different forms of credit is far easier. It is therefore vital to bring the laws that govern credit up to date .

Indebtedness is another reason for dealing with credit. The subject has already surfaced in the debate and attention has focused on the fact that total

[Mr. James Plaskitt]

household indebtedness in the UK has passed the £1 trillion mark. The right hon. Member for West Dorset (Mr. Letwin) commented on that. There is no need to get over-excited about the £1 trillion figure. Although it is a new high, it reflects 10 years of growth in the economy and the rise in disposable income. Before becoming too concerned, it is important to stress the balancing figure in the other column, which covers total household assets and wealth. That figure is £6 trillion. The relationship between one and six is reasonably stable and does not suggest an overall problem of indebtedness in the economy. However, in specific sectors and groups of society, there are problems. Some are due to weaknesses in consumer credit legislation. We need to deal with that.

Mr. Richard Allan (Sheffield, Hallam) (LD): Does the hon. Gentleman agree that it would be helpful to try to clarify responsibility for credit card fraud, especially card-not-present fraud, before it becomes a major crisis? People are not sure who is responsible once fraud has happened, and disputes between the financial institutions are increasing.

Mr. Plaskitt: The hon. Gentleman is right, and I am right to suggest that there is a growing consensus about such issues. I am happy to endorse his comments. Later, I shall consider other fraud issues, which are also the product of the market's evolution in recent years and underline the need to tackle the matter.

Many more people have access to credit as provision has grown so fast in recent decades. There are important imperfections in the credit market, and that is another reason to review the legislation. Choice and competition in the credit market and product innovation are all fine—no one would have a problem with that. They drive the market and make it so successful. However, with those things have come other consequences that Parliament needs to address. There is far more complication and a great deal of consumer confusion in this market, as well as opaqueness in terms of the consumer trying to understand what the product is or what will be the consequences of taking a particular form of credit.

That creates confusion for the average customer—many of us would include ourselves in that category—but things become far worse for the vulnerable consumer and move on from confusion to potential entrapment in a downward spiral of debt, which can lead to tragic personal consequences, as we have seen in recent years. Reform of the law is needed to realign credit legislation with the real nature of today's credit market.

Credit is very important to the economy, as it aids personal flexibility, helps us all in managing our personal finances and creates more opportunity than there would be without it, but we can improve the working of the credit market and support all its benefits while eradicating some of its excesses and bad practices, which we in the Treasury Committee have been studying and becoming increasingly concerned about.

The new Bill, when we have it in front of us, must achieve a number of important balancing acts. Yes, we need a genuinely competitive market in consumer credit, but to have it we need informed consumers. Yes, we want fair competition to be promoted and encouraged, but that requires an end to misleading promotions. Yes, it is important to achieve transparency in trading in credit, but that requires an end to the obfuscation that distorts so much of the market. We must have fair trading in credit and between credit providers and credit consumers. That means an end to many of the practices that constitute irresponsible lending.

To focus on an important issue, the market falls well short of being genuinely transparent. The credit terms that come with most credit cards are printed in minuscule type and written in the most opaque language that it is possible to envisage. It is very hard for the average consumer to understand—if they can even see them to read them—the terms of the contract that they have entered into.

Also, it is impossible to compute the cost of credit. One thing that we on the Treasury Committee discovered in considering the issue is that an average consumer who takes two, three or four credit cards from different issuers, all with the same annual percentage rate, assumes that the cash cost of credit on those cards is the same. It is not. Hidden away in the small print are so many other variables that a person can do the same transaction over the same period on those four cards, all at the same APR, and the cash cost of the credit might vary by as much as 40 per cent. It is very difficult for consumers to keep up with all that. There are even different ways of calculating APR. That, too, adds to the lack of transparency.

There is some progress in the industry—I hope that some of it is due to the work that we have done in the Treasury Committee—as it is moving towards a standardised APR, which I welcome. The industry is also introducing summary boxes, which summarise the key information on the credit, the offers and the statement. That is movement in the right direction, but it has been rather grudging and there is still a lot further for the industry to go.

I see those as down-payments on the complete reform that is needed. The summary boxes are not yet standardised, so it is still difficult to compare providers. The penalty charges that attach to the cards are still not clear and they represent a large part of the spiralling cost incurred by those whose debt goes out of control.

The point that we must try to reach when we reform the consumer credit legislation is that the full extent of the deal into which the consumer has entered must be on the table before the consumer signs up. The problem at the moment is that far too much is discovered after entering into the contract. That is the key change that we need to make if we are really to achieve proper transparency in the industry.

I hope that the Bill gives us a chance to achieve fair trading in the industry. We have found far too many examples of where that does not exist. I want to stress one, and one only: the unsolicited issuing of credit card cheques. These are being sent repeatedly to 5 million households in Britain, all of them unsolicited. They come with glossy accompanying promotional literature. Many of the banks that issue those credit card cheques encourage people, as they send them, to spend them on holidays, cars, gifts for other people, or credit transfers to yet another credit card. There is always room, it

seems, to print on the cheques themselves and the promotional literature all the things that they can be spent on, but there never seems to be room to print the APR, the actual credit cost, what will happen if one only makes minimum payments and so on. There can only be one justification from the industry's point of view—it is an inducement to the consumer to use up more and more of their credit limit.

I have put the question to many providers of credit card cheques when they have appeared before our Committee: what is the justification for unsolicited issuing of credit card cheques? Answers come back along the following lines: credit card cheques provide convenience to consumers; they cover instances of payment when one cannot pay with a credit card or bank cheque; or they are helpful for balance transfers. All those are reasons for having credit card cheques as part of the credit business, but not one of them is a reason for the unsolicited issuing of credit card cheques. They are delivered repeatedly only because providers hope that they will land on the doormat on the same day as a glossy holiday brochure, and consumers will simply find it irresistible, put two and two together, and end up paying six for the privilege. It is simply an irresponsible extension of credit.

There is quite a simple answer. The industry can make the argument for the existence of credit card cheques—I have no problem with that—but the consumer should opt in to them, not have to face repeated issuing of them when they are not requested and not used. In the White Paper, "Fair, Clear and Competitive", to which I referred earlier, it is suggested that the unsolicited issuing of credit card cheques "could" or "may" be one of the instances of irresponsible lending. I would suggest that it "is" an irresponsible form of lending. There is no justification for it, and I hope that we will use the opportunity of the forthcoming Bill to end the practice of the unsolicited issuing of credit card cheques.

I also hope that when we consider the Bill in more detail, we can deal with the excessive interest rate problem in relation to store cards—credit cards issued by retailers. I can describe such interest rates as excessive, but it is not my description. When the Select Committee had the bosses of the four main banks in front of us, we asked them what they thought constituted an excessive rate of interest. The head of Barclays was unwilling to define it, but the others could—they put it in the region of 20 per cent. or more, against the backdrop of current base rates. Most of the interest rates charged by store cards are well in excess of that, so we can describe them as excessive—they are condemned as excessive by the industry itself, not just by consumer associations.

There are 21 million store cards in circulation, £5 billion a year is spent on them, 14 million adults have them, but they all charge excessive interest rates. I hope that we will have an opportunity, in consideration of the Bill, to do something about that, and to act on conclusions already reached by the Office of Fair Trading, whose report stated that

"the level of interest rates on store cards does not appear to be disciplined by competitive pressures."

We must move to a genuinely competitive market, and if we do we should see an end to excessive interest rates on store cards.

I want to pick up on the observations made by the hon. Member for East Londonderry about charging automated teller machines. That issue will also be examined by the Committee, and it is another area in which it is important to review regulations on money and credit. There is an explosive growth of charging ATMs. There are 20,000 of them around the United Kingdom, and they grew by 40 per cent. last year. Of the 5,600 new cash machines installed across the UK last year, 63 per cent. were charging machines. We are nearing the point at which there will be more charging machines than free machines, because some banks are selling their networks to charging operators. This means that we are paying for our own money.

The industry argues that it is all about convenience. It says that in remote areas, if there were no charging machine there would be no machine. That is not a convincing argument. Many charging machines are in areas that could not possibly be described as "convenience" locations. In Leicester square, for instance, there is a Travelex charging machine, which does not warn people that they will have to pay but tells them that they will have to do so only after they have completed five screen actions. On the other side of the square, there are free cash machines. That constitutes a total lack of transparency, and it is a further reason for my hope that the consumer credit Bill will deliver a transparent industry.

There is an urgent need for Parliament to consider this issue. We need an opportunity to lend a hand to the millions of consumers in Britain who are wrestling with the complex, obscure and frequently misleading world of credit.

4.26 pm

Mr. Richard Allan (Sheffield, Hallam) (LD): I have a great deal of sympathy with what was said by the hon. Members for East Londonderry (Mr. Campbell) and for Warwick and Leamington (Mr. Plaskitt) about consumer protection in the context of financial services. However—unsurprisingly, perhaps—I want to talk about the role of information technology in the UK economy, a subject on which Cicero and Demosthenes did not regularly speak.

For a number of reasons, IT is now centre stage in the political debate. It is no longer an issue on the fringes for the anoraks to talk about; it is something that we all need to consider. The Chancellor emphasised its centrality when he told us that he had already factored into his public spending plans the Gershon review savings, many of which depend on the success or otherwise of IT projects.

Government affects the sector as a whole because about half all IT spending in the UK is now made by the public sector. As Government spending plans depend increasingly on efficiency gains that themselves depend on IT, the expenditure is being ramped up. Sadly, the track record of Governments of all colours in procuring and implementing systems has been characterised by problems that we regularly examine on the Public Accounts Committee.

Many of the mistakes that we see continue to be repeated, and this year's programme contains a huge amount of new IT risk. Both the identity card system and the Inland Revenue and Customs and Excise

[Mr. Richard Allan]

merger will be very IT-intensive. Major contracts from earlier years will also be of interest this year, notably the national health service's national IT programme, the large-scale outsourcing for the Department for Environment, Food and Rural Affairs, which has already been awarded, and the £4 billion infrastructure project for the Ministry of Defence, which is due to be awarded early in the new year.

The record of problems that should form a background to our consideration has come to the fore in recent weeks with the failure to implement the Child Support Agency system effectively, and the desktop system crash at the Department for Work and Pensions, which was truly spectacular in technical terms. It takes real skill to bring down 60,000 work stations. Normally, servers are the problem; one machine is killed, and no one else can gain access. These people managed to kill 60,000 machines simultaneously, which deserves respect from a technical if not an operational point of view.

Stories of IT failures have been well rehearsed both in Committees and here, and I would rather spend my time suggesting solutions that I believe would produce a credible Government IT strategy on which we could pin spending plans with a degree of expectation of actually being able to meet them. I characterise them as "people, practices and purposes". IT problems often lie not in the detail of the technology, but in the "people, practices and purposes" that surround it. Let us begin with "purposes", sometimes described as "requirements" or specifications. We should view it in a broader context, and start by asking what any system is for. Far too often we do not look at the context of what we are trying to achieve in the wider world, but simply mechanise existing systems.

One example of our losing track of the wider world is the tax credit system. Like me, other Members doubtless get regular visits from constituents who complain that they have been overpaid tax credits and are now being asked to pay them back. The system works; it correctly calculates that such people have been overpaid, informs them—in a way that is completely unintelligible to me, and certainly to them—and then seeks to reclaim the money. In doing so, it loses track of the wider point that we are giving these people money in the first place because they are on low incomes, so our ability to reclaim it is bound to be limited. The purpose of delivering money to people on low incomes has been lost in the process of creating a system that works well at a technical level—it does not lose the Treasury's money—but which does not deliver what the customer actually needs.

Sir Robert Smith: My hon. Friend is making a valuable point about the impact on people with low incomes. Just today, a constituent got in touch with my office to explain how their problem was dealt with. They phoned the helpline, but the system is so chaotic that it told my constituent to write to their MP because there is nothing that it can do.

Mr. Allan: I have had precisely the same experience; people have come to my surgery to point out that they have been given exactly the same advice. Such incidents show that, in the broader context, the system is not working, irrespective of whether the technology is doing what it is supposed to do. These are the issues that we need to debate. Another example is the huge electronic medical records programme that the national health service is introducing.

Mr. David Willetts (Havant) (Con): I am listening to the hon. Gentleman with great interest. Before he leaves the subject of tax credits, may I ask whether he will join me in congratulating the Secretary of State for Work and Pensions on insisting that claims made by people in receipt of income support will not be handed over to the child tax credit system? The decision has been delayed yet again, and it is clear that the Department for Work and Pensions is not confident that those on the lowest incomes would get the money that they need if they were handed over to that system. Long may the Secretary of State carry on battling in favour of long-established benefits and against this scheme, which is still so unreliable.

Mr. Allan: The hon. Gentleman makes the point very effectively. I agree entirely that if there were clear evidence that a particular programme would cause distress, we should not proceed with it simply because it had been started and a target date set. I am at one with the hon. Gentleman on the decision that has been taken.

Mr. Paul Tyler (North Cornwall) (LD) *rose—*

Mr. Allan: The subject of tax credits appears to be a minefield. I give way to my hon. Friend.

Mr. Tyler: I am grateful and I shall be brief. Does my hon. Friend agree that this issue is very relevant in the light of the Chancellor's intention to remove many people from the various Departments, and of the recent strike action taken by professional civil servants affected?

Mr. Allan: I have an enormous amount of sympathy with my hon. Friend's observation. As our surgery experience shows, many such changes are based on a business plan that involves getting rid of lots of people, but which does not recognise that, in the early months of its implementation—but hopefully not in the long term—more people are needed to deal with teething troubles. Otherwise, a huge backlog develops. Existing queries cannot be answered and more queries arise, leading to a cycle of difficulty. Sadly, that is what is happening with certain aspects of the tax credit system.

The NHS IT programme will be another major issue for debate in this House. To my mind, the purpose of that electronic medical records system is to improve patient health by ensuring that information is available to support clinical decisions. Its purpose is not to create electronic records per se, which would have no value except where they lead, directly or indirectly, to patient benefit. Again, we should think about such systems in terms of what they are trying to achieve for the public, rather than as the simple creation of electronic records. We frequently fail to debate such issues in that way.

The shifting of purposes should always be a clear warning of potential problems, and in my view—it will not be shared throughout the House—identity cards are a case in point. Whatever the merits of ID cards and the

associated politics, they are certainly an example of shifting purposes. Initially, they were wanted for their own sake, but since then we have gathered up an ill-defined set of functions—preventing illegal working, national security, access to NHS services—and tacked them on. To me, that rings very loud bells as regards whether the system will work. I cannot see it as having a clearly defined purpose. We could have a separate debate about whether it would meet those requirements, which seem to be hazy.

Michael Fabricant (Lichfield) (Con): I am grateful to the hon. Gentleman for giving way. If I may say so, it is one anorak giving way to another. Does he agree that the gateway system introduced by the Government is another problem? The whole point of having a gateway review is that a project should not go ahead until gateway zero has been initiated, yet quite often—the hon. Gentleman mentioned the NHS as an example—we enter gateway three a long time after gateways one and two have been ignored.

Mr. Allan: In the case of ID cards, we know that the scheme has been through the first gateway, as the general feasibility has been looked at. One of the problems that the House will face is that, after public money has been spent and the best Treasury brains in the Office of Government Commerce have been applied to the project, we will not be able to see the outcome. We will have to debate ID cards in the knowledge that a report into feasibility has been drawn up, but is unavailable to us. I know that the hon. Member for South Norfolk (Mr. Bacon) is working on the task of gaining access to the gateway reviews. After all, we are taking decisions about spending public money, so the information should be made available to us.

Gateway reviews are one of the practices that should be followed. Many have been dealt with in National Audit Office and Public Accounts Committee reports and, to be fair to the Government, there are some signs of hope in the work of the Office of Government Commerce and, indeed, of some Departments improving their game. I believe that we should compliment Departments when they start to get things right, but there are still clouds on the horizon, especially in the apparent lack of competition in the market, which leads to companies that have failed in one area still picking up lucrative contracts from other Departments.

It is an easy target, but Electronic Data Systems is often singled out for its problems with tax credit systems, Child Support Agency systems and high-profile incidents such as what happened last week at the Department for Work and Pensions, a story that writes itself. Yet EDS remains a major partner and one of only two consortiums remaining for the £4 billion defence information infrastructure project that will be awarded next year. Understandably, people ask how we can end up with failure being rewarded by the award of another contract.

Only in very few cases have contractors been written out altogether; Accenture, in its old guise of Andersen, was prevented from bidding for Government contracts for a while after a national insurance record system cock-up. Generally, we see the same faces coming back. The problem is not with individual companies. The problem is systemic, because contracts are geared in such a way that smaller innovative companies simply cannot get in. They can find no way in and tell us daily of their difficulties in obtaining Government work. The contracts, tender documents and costs of bidding prevent those companies from bidding for that work, even though they could demonstrate better value for money.

Rob Marris: Is the hon. Gentleman aware that the Child Support Agency in Australia, on which the UK CSA is based, got its computer system to work only by getting rid of the external supplier and taking the computerisation in-house?

Mr. Allan: The hon. Gentleman makes an interesting point. We have already, quite rightly, done away with the private finance initiative for IT projects, but the level of in-house expertise, which I am coming on to now, is critical to getting these projects right. We have, sadly, developed a culture of tolerating failure in software development, which is simply not necessary. There are voices calling for proper software engineering principles to be applied, as mentioned in a very good report produced by the Royal Academy of Engineering and the British Computer Society. We should listen to what is being said. Correctly engineered software does not have to cost more than buggy software, yet there is a sort of lazy assumption out there that these things simply have to go wrong. That is not true. The engineering principles are there; the problem is that they are not being applied.

Improvements to Government performance could be made by instilling these disciplines in departmental IT centres of excellence. If we are to have IT centres of excellence, let us ensure that they are truly excellent and that they do not adopt some of the lazy practices offered by suppliers over the years. They must secure best practice rather than state of the art. State of the art is terrible; they need something better than that. We should use information architects, which is an important recommendation in the Royal Academy of Engineering report, and we should have requirement specialists to get the designs right from the beginning. We need to ensure that a broader range of companies is able to bid into the public sector market.

The most important, and often the most neglected, element of any IT project is the people. Industry—British Gas, BT and others—has learned to look at such projects as business change projects, rather than as technology projects. They are not about technology but about changing the business, with technology as a large element of that change. An example of how far the public sector is from that attitude is the national programme for NHS IT. The technology procurement appears robust—I am sure that Richard Granger's team will have bought some good technology—but the people have been left so far behind that the technical press, and even the more general press, are full of stories of clinicians in the NHS who are fighting the very programme that is supposed to assist them in their work. The project is getting the people side desperately wrong. If anything brings down the programme and leads to significant wastage of the £6 billion committed to it, it is likely to be on the people side, not the technology side.

We must ensure that the NHS now gives priority to working with its staff to implement the new IT systems and puts money into training. The NHS must ensure

[Mr. Allan]

that it has in-house expertise so that people can use the systems and derive maximum benefit, rather than leaving the matter to external contractors.

The Government can improve their IT procurement, to the benefit of the public purse and, most importantly, the users of the services, if the will is there. The Government can do more to create a climate in which the UK IT sector can flourish to the benefit of the economy as a whole; the pointers to what needs doing are already there. Ofcom should be robust in promoting a competitive telecoms market and can expect a lively year ahead as it grapples with some of the more difficult issues of telecoms competition that have been left to ride over several years. The Government can respond urgently to the e-skills UK report, "IT Insights", which highlights the improvements needed in work force training. Other hon. Members have mentioned our competitiveness with China and India, but the report tells us what problems we will have if we do not address the issue of skills, all the way up to chief executive and ministerial level. We need IT skills across the work force if we are to be able to make correct and informed decisions.

We need to ensure that we continue to review our support for research and development in technology to ensure that it is genuinely additional and efficiently delivered, without the complexity that often makes it inaccessible to the very companies that would most benefit from it. Such companies often say that they cannot make their way through the bureaucracy to access the funds that are supposed to be available to support innovation, or that they have to employ an extra layer of specialists to do so for them.

I am not in the camp of those Jeremiahs who wish to see the Government fail in their objectives. That is especially so in the case of the improvement of public services through new technology. Indeed, I am desperately keen that the Government should succeed in that agenda. It is not in anyone's interests that such projects should continue to fail. It is a high-risk agenda, but not an impossible one. I hope that the Government will continue to learn the lessons. The Liberal Democrats believe that our approach to the issue is credible. We could achieve savings through the use of new technology, but it is incumbent on all parties who put forward a cost-saving agenda for the public sector to demonstrate that they have the credibility, have learned the lessons and will deliver.

4.43 pm

Harry Cohen (Leyton and Wanstead) (Lab): I shall not follow the hon. Member for Sheffield, Hallam (Mr. Allan) on the subject of IT in public services, although he made some good points about greater competition. The Government have to be clear about what they want from such contracts and there should be penalties for failure as well as rich rewards.

I welcome the programme of new legislation for next year that was announced in the Queen's Speech, including the 37 Bills—some of which are complex and important—the Chancellor's financial proposals in his pre-Budget report tomorrow, and the commitments in Labour's election manifesto, when it is published. The one thing that cannot be said about this Government is that they have run out of steam. They have plenty of ideas for improving society and the lives of our people.

I want to address one issue that the Government will have to address more fully in the next year—pension reform. I shall indicate some components of such reform that I think would achieve the most favourable outcome for the many, not just the few.

First, I shall give the House two recent examples that show pension schemes in a mess. On 19 November, under the headline, "APW staff furious as loophole threatens pensions", *The Independent* reported:

"More than 1,000 former and current workers at APW—the UK electronics manufacturer, which announced the winding-up of its pension scheme yesterday—are set to lose up to 80 per cent. of their retirement savings . . . The wind-up is the second such case this week, after Henlys, the bus group, left more than 2,000 workers in jeopardy when it announced that it would be winding up its pension scheme . . . Despite a fortnight of debate over the final structure of the privately funded Pensions Protection Fund and the Government-backed Financial Assistance Scheme, members of the APW and Henlys schemes are still set to fall outside the requirements to qualify for either lifeboat."

That is appalling, although I pay tribute to the Government for bringing in the pension protection fund and the financial assistance scheme.

Another report in the same paper on the same day was headed, "Royal Mail warns it must double pension contributions", and disclosed a scandal that is repeated in many other companies. The report stated that

"for the previous 13 years, Royal Mail had taken a pension holiday, making no contributions at all."

The fact that companies and employers can do that is an enormous flaw in the current system, especially as the report went on to note:

"However, the organisation's top management . . . stand to collect millions of pounds in performance bonuses."

Some people get their bonuses by not putting money into pension funds.

Those are not isolated scandals; they are a flaw in the system, and not least in the Chancellor's approach of maintaining that his responsibility is the prudent management of public finances, which is laudable, while leaving the private sector largely to operate as it wants. Companies hold in trust, but are untrustworthy with, people's savings and workers' pensions.

On pensions, the Chancellor has said:

"If the voluntary sector"

—he meant the private sector—

"doesn't work, we'll have to look beyond that."

The examples I gave are among the many that show that the system does not work and that it is time for the Government to look beyond it.

The Tories attacked the Chancellor for abolishing the tax dividend on pension funds. I refer to the "Daily Politics" Tory conference special on 6 October, when the presenter, Andrew Neil, questioned the hon. Member for Havant (Mr. Willetts), the Conservative spokesman on work and pensions. The hon. Gentleman had said in his speech to the conference that Labour's £5 billion per annum take from pension funds, by completing the abolition of the tax dividend—by the way, that process started under the Tories—was

"the worst stealth tax of the lot".

Andrew Neil asked him whether he would restore the money and the hon. Gentleman replied:

"We're not in a position to make that pledge. We're not making that pledge."

Mr. Neil concluded:

"All right, so the £5 billion in tax stays."

The Tory attack is thus somewhat feeble.

The Chancellor is not out of the woods as far as I am concerned, however. On the "Today" programme on 27 September, he said that the £5 billion per annum taken out of pension funds was connected to rewarding investment, to give greater incentive for investment in the economy. He said that corporation tax had been cut by 3p and

"the result is that companies should be more profitable after taxes".

That was not picked up at the time, as it was Labour's conference week and news moves fast, but in effect the Chancellor said that he had taken out of workers' pensions to put into company profits. That is not appropriate from a Labour Chancellor and he will have to arrange to put back that money, and a lot more, over the next period.

I believe that there has to be dignity and well-being now for today's pensioners, and I praise the Government on their efforts on that. They were right to tackle the appalling legacy of pensioner poverty that they inherited from the last Tory Government. In 1997, 2.7 million pensioners were in poverty and expected to live on a total of just £69 a week. The poorest pensioners are now £1,800 a year better off and absolute pensioner poverty has been reduced by two thirds.

Savings used to be harshly penalised by a reduction in benefits. The new pension credit has changed that. The setting up of the pension protection board, to help the workers in those firms that go broke and wind up their pension fund, is also a very welcome move by the Government. But there need to be decent pensions for people in the future, and to achieve that reform is needed.

The recent interim report of the Pension Commission, chaired by Adair Turner, formerly of the CBI, said that a sustainable comprehensive approach was required for the long term. There are, it argued, four "unavoidable choices" for policy makers, at least one of which will have to be made. The first is that pensioners become poorer relative to the rest of society. The second is that taxes and/or national insurance contributions devoted to pensions will need to rise, or public spending on other services will need to be reduced, presumably to balance tax and national insurance. The third is that each generation will have to save more and be reliant on the next generation also saving more. The fourth is that retirement ages will have to rise. Without action on this, the report said,

"pensioners will on average suffer about a 30% decline in their incomes relative to average income between now and 2035."

So doing nothing is not an option and the Government will have to start to address the issue in a realistic way from next year.

I oppose raising the retirement age; I also favour a bigger basic state pension for every older person in this country. I would like the pension linked to earnings and to be free from means-testing. The Government's minimum income guarantee raised the incomes of the poorest among the elderly, but I have seen figures showing that the basic state pension is now just 15 per cent. of average earnings. In 1980, before Mrs. Thatcher abolished its link to earnings, it was 23 per cent., so in my view the Government have to raise the basic state pension.

I favour a compulsory savings requirement upon all people to individual savings accounts, which cannot be accessed until retirement or, for a spouse, death. There should also be compulsion for employers to contribute at a proper level, higher than now. They should also lose the power to manage and, potentially, to raid their workers' pension fund. The Exchequer should insert an initial sum, like that proposed with the child bond—which I very much favour, although the Liberals opposed it—into the individual savings accounts, and add a state contribution to extra private savings made, say a pound for every pound saved.

There should also be an extra boost from the Exchequer for women's pensions. Many women lose out on their occupational pension because they undertake important but lower paid jobs and miss out for a long while in their working career due to the time that they take out to raise their children.

I am not against Exchequer use of the private sector. It could use the private sector to manage the savings account sum in total, but managers' performances would need to be monitored and their contract terminated if their performance was inadequate.

The Government would also need to address the impact of stock market fluctuations upon savings for retirement, perhaps by adopting a system whereby they inserted extra cash during bad times and took it back at times of stock market rises. It should be possible to do that consistently in this day and age.

Effective robbery from pension savings by fat cat directors of finance companies who take excessive salaries and dividends for themselves, even when the savings that they are managing are underperforming, must be stopped. It is also time that the salaries, dividends and other payments that directors receive from companies, including their pensions, are published in annual accounts and not kept secret, as is often the case. I introduced a Bill to require that in the last Session and I hope that the Government will take up that point.

Those are my basic components for pension reform, which I hope will be taken on board. Over the next year, I hope that the Government will be for the workers, not the bosses, and for the many, not the few.

4.55 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The Gracious Speech contains a massive number of Bills—32 in all: thank goodness most of them will not see the light of day before the next general election.

I cannot sum up the Queen's Speech any better than Anatole Kaletsky, who said that it is a rag-bag of unfortunate measures. It is one of the most illiberal Queen's Speeches for a long time. On identity cards, I walked past eight policemen this morning. That is the most I have seen in many towns in my constituency in the 12 years that I have been a Member of Parliament. Each one could have stopped me and asked for my

[Mr. Geoffrey Clifton-Brown]

identity card. Had they done so, I would have been late to make my speech. That shows what an ID card could do to the relationship between this country's citizens and the police.

The Queen's Speech is set against a world environment in which two particularly important things have happened. One is the general situation in the middle east, which has severe consequences. It has led not only to a huge oil price spike but to a significant cost, both here and in the USA, of keeping our troops in Iraq. That, of course, has led to the special provision by the Chancellor. The second is the substantial decline of the dollar, which has now reached a rate of almost 50p. That is because other world uncertainties have led commentators and others to concentrate on the very large twin deficits in the States and here.

The Chancellor has had an extremely lucky tenure since he has been at No. 11 because of the stable world environment. From what I said, it is clear that I believe that that might, sadly, become less stable. That will give him even greater problems in meeting his fiscal and monetary targets. In tribute to him, but in concert with many other central banks around the world, central banks have become much better at managing the macro-economy, injecting liquidity into an economy when it is needed, but also engaging in monetary tightening when economies are starting to overheat. That has led to a much more stable economic cycle.

Angela Eagle: I do not recognise the description of a stable world environment. We had the Asian contagion, which the British economy managed to work its way through because of our economic policies, and the aftermath of 9/11.

Mr. Clifton-Brown: My comments on the stability of central banks include the Chinese and other Asian central banks. In particular, the United States Federal Reserve and Alan Greenspan's work, and the Governor of the Bank of England, have led us to manage the macro-economy in a much more stable way. That has been helpful.

The decline of the dollar will be important to both the American economy and our own and could well lead to a slowdown in world demand and growth. I hope that the same will not happen here, but there is no doubt that imports to the American economy will now be more expensive. America has been living on its huge fiscal deficit and on cheap imports, principally from China and India, but the US deficit and the huge Chinese economic surplus will have to be addressed in the not-too-distant future.

Mr. Peter Pike (Burnley) (Lab): Does the hon. Gentleman agree that one of this country's industries that operate in a dollar market is aerospace? A weak dollar could cause problems to the aerospace industry, which is important in my constituency in the north-west and in many other parts of the country.

Mr. Clifton-Brown: The hon. Gentleman is entirely right, but aerospace is not the only industry for which the weak dollar might cause difficulties—there are several others. It is something that concerns us all. I hope that in the coming months the central banks of America and Europe will pay greater attention to the problem and see whether the dollar's further decline can be prevented.

Under present policy, over the next Parliament taxes set by the Chancellor will rise to their highest level for 24 years. The UK public sector has undergone a period of dramatic expansion and taxes are now rising to pay for it. They will have to rise even further after the next election, to pay for the Chancellor's black hole. Many people predict that next year the fiscal deficit will rise massively to about £20 billion—the equivalent of 8p on income tax. My right hon. Friend the shadow Chancellor of the Exchequer has set up the James committee, of which the Gershon committee—to which, as usual, the Government gave very limited terms of reference—is a pale imitation. The James committee has real teeth and I understand that it has identified savings of approximately £20 billion. The message for the British people is simple: under the Chancellor's proposals, there will be a £20-billion black hole and their taxes are likely to go up by the equivalent of 8p on income tax; under my right hon. Friend's proposals, taxes will stay the same for the same level of public services. The choice at the next election will be clear.

Paul Farrelly *rose—*

Mr. Clifton-Brown: And the hon. Gentleman will now try to dispute that fact.

Paul Farrelly: How does the hon. Gentleman explain the fact that the ratio of what used to be called the Government deficit to the national debt now stands at 32.7 per cent., compared with the 43.6 per cent. ratio that Labour inherited in 1997?

Mr. Clifton-Brown: The difference is that we were at a different stage of the economic cycle. At that point, we were on a rising part of the cycle; the Chancellor is in difficulty because now we are on a declining part of the cycle. He will have great difficulty filling the black hole; the only way he can do it is by putting up taxes.

In 2000–01, the Government were spending about £1 billion a day, whereas it is estimated that by 2006–07, they will be spending about £1.5 billion a day—a 50 per cent. increase in public expenditure in five years. That is not sustainable, but even if it was, we would have to ask whether it is buying results. As my hon. Friend the Member for Arundel and South Downs (Mr. Flight) said, measured internationally, that is very inefficient public expenditure.

I wish to mention specifically one or two stealth taxes that have crept in. The first was highlighted in a fairly sharp exchange about the savings ratio. One of the nasty stealth taxes that have appeared in the Government's fiscal policy is the measure to cut ISAs in 2006, so that ISAs in equities will be cut from £7,000 to £5,000 and ISAs in cash from £3,000 to £2,000. Given that some of our lowest tax payers derive great benefit from ISAs, that is a spiteful measure.

The change by which Business Link will no longer be able to recover VAT will mean that millions of pounds that had been available to help small companies with tax

and employment advice will go straight to the Chancellor. It is a small and mean-minded measure. Stephen Alambritis of the Federation of Small Businesses said in relation to this measure:

"We would be very concerned about any fall in overall revenue which would affect the efficiency and effectiveness of Business Link's operation."

Surely we want to encourage the 3.5 million small businesses, about which my hon. Friend the Member for Hertford and Stortford (Mr. Prisk) spoke so eloquently.

There is also the disaster of pension credit, which was mentioned by the hon. Member for Leyton and Wanstead (Mr. Cohen), whom I am pleased to follow. Pension credit was introduced by the Department for Work and Pensions, which, incidentally, now has more employees than all our armed forces put together. Pension credit, introduced by the Department in October last year, guaranteed an income of £105.45 a week. That is good for anyone over 60. It guarantees £160.95 for couples. However, effectively it taxes savings of £6,000, which is only £120 a week, at more than 40 per cent. If the full indexation rules remain the same—the pensioners' withdrawal tax—experts estimate that as much as 80 per cent. of the pensioner population will eventually qualify for means-tested benefit. That is a situation that Mr. Adair Turner of the CBI has rightly described as unsustainable. It is wrong that pensioners who have a small amount of pension are taxed on that small amount and are often worse off, or no better off, than someone who has managed to organise their lives to claim the maximum amount of benefits. I know that my hon. Friends on the Opposition Front Bench have proposals to deal with this problem.

Mr. Prisk: My hon. Friend is making an excellent point. Does he agree that there is also the human question for pensioners? Is it not humiliating for the oldest members of our community to have to give to strangers their personal financial details through this disgraceful process?

Mr. Clifton-Brown: My hon. Friend has eloquence when he speaks on behalf of small businesses and even more eloquence when it comes to clairvoyant powers. He has touched on exactly what I was about to say.

The minimum income guarantee system, which was introduced by the Government, is an utter disgrace. Some of the poorest pensioners in the land—about 2 million—do not get the full MIG because they are too proud, for one reason or another, to claim it. The basic state pension is only £70 a week. The difference between that and the MIG of £105 affects some of the poorest people who cannot afford properly to heat their house or to feed themselves. That is an utter disgrace. The proposal to link pensions to earnings to improve the lot of our poorest pensioners is greatly to be welcomed. I think that the British people will greatly welcome it too.

Mr. John Horam (Orpington) (Con): My hon. Friend is bringing to the debate a welcome sense of realism about pensions and also a sense of despair among many pensioners. There is a looming crisis, for example, about the possible and uncertain ending of the traditional pension book in February next year. This will affect many very elderly pensioners who are infirm and fragile in their health. When the Government first mentioned this, they talked about an exception service. We have heard nothing about that for the past two years. I want a statement from the Government on this looming crisis in the very near future.

Mr. Clifton-Brown: My hon. Friend makes an excellent point. I have no doubt that my hon. Friend the Member for Havant (Mr. Willetts) will refer to the matter when he makes his winding-up speech. Indeed, he is nodding. This is an area where the Government, who claim to be the champion of some of the poorest people in the country, have failed our poorest pensioners. I put it as strongly as that because I believe that that is the case. Something needs to be done. I have no doubt that there will be a clear choice at the next election.

I want to refer to what I call fiscal drag. It is the issue of not uprating allowances in line with inflation, let alone earnings. The example of property taxes is perhaps the most stark. I declare my interest—it is in the Register of Members' Interests—as a fellow of the Royal Institution of Chartered Surveyors, so I do know a thing or two about property. It is a disgrace that the threshold for stamp duty is set at £60,000 when the average house price is £100,000. When the threshold was set, the average house price—my hon. Friend the Member for Hertford and Stortford, who also knows a great deal about property will correct me if I am wrong—was £22,500. The ratio is therefore the wrong way round, and a huge number of low and middle earners with modestly valued houses will be caught by the tax for the first time. It is a tax on mobility, including job mobility, which we desperately need to maintain a competitive economy. That feeds through to the allowance for inheritance tax. If we uprate stamp duty to reflect the increase in house prices, we must also uprate the exemption for inheritance tax from £262,000 to about £300,000. That is a much more realistic allowance for inheritance tax.

In his 2002 Budget, the Chancellor forecast net borrowing of £13 billion in 2003–04. A year later, he said that it would be £27 billion, but it turned out to be £35 billion, or 3.1 per cent. of gross domestic product. In his first tenure—and I listened to him hour after hour—he said that he was providing prudence for a purpose. Goodness knows how often we heard those words. Prudence has now jumped out of the window—poor Prudence has gone, never to be seen again by the Chancellor, who is now running the country into huge debt and does not know how he will get us out of it, except by taxing the people of this country more and more. The tax take has doubled in the past seven years, costing the average family £5,000 each. The British people have a stark choice—either their taxes are increased significantly under another Labour Government, or they can have a Conservative Government who will hold taxes at the same rate, do their best to reduce them over the cycle, yet produce a better level of public services. The choice is clear—I am sure that they will want to vote Conservative.

5.12 pm

Angela Eagle (Wallasey) (Lab): It is a pleasure to follow the hon. Member for Cotswold (Mr. Clifton-Brown), who is clearly drawing up battle lines for the election. I merely point him to the latest polls showing how people may vote in any election in the coming year.

[Angela Eagle]

The themes of the Queen's Speech were clearly security and opportunity for all in a changing world. Before talking about opportunity, I congratulate the Chancellor on his economic record and the achievement of economic stability, which underpins all our subsequent policies as a Government and gives us the chance at long last to invest in and reform our sorely neglected public services, ensuring that we can create a fairer society with opportunity for many people who were left behind in the years of Conservative government. That economic stability has been achieved through political choices about, for example, the independence of the Bank of England and monetary policy, as well as a system of fiscal rules that have enabled us to steer a steady course through internationally choppy waters.

Whatever the Opposition's motivation in attempting to paint a different picture, the economic facts are unchallengeable and need to be put on the record. We have had growth in every quarter for the past seven years, thus achieving the longest period of continuous growth for 200 years. We have had the longest period of low inflation and interest rates since the 1960s, and while the Government have been in office 2 million more jobs have been created. Unemployment is at its lowest for 29 years. In my constituency, there has been a 57 per cent. fall in unemployment, and youth unemployment has been wiped out. Those are the lowest ever figures for my constituency, and I will be proud to campaign on them when the time comes.

Economic stability and growth have enabled sustained public sector investment in our schools and hospitals, child care, skills and the knowledge economy. For example, in Wirral borough, before a Labour Government were elected, capital investment in schools ranged from £1.5 million to £2 million a year. That has steadily risen to £18 million a year, and we have a transformed infrastructure in which our children can learn. In addition, there is a £55 million private finance initiative project that will deliver seven new schools.

Many people would have thought that such a changed environment for my constituents was impossible when the Government came to power in 1997. It contrasts with our experience of 3 million unemployed, 1.5 million households in negative equity and constant cuts in public services, which was the Tory record. We have heard today of the £35 billion of cuts that are the Tory threat and their platform for the next election.

I welcome many Bills in the Queen's Speech. I shall speak briefly about the consumer credit Bill. My hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt) made an extremely good speech dealing with the details of the problem that must be confronted in the Bill, including the introduction of summary boxes to deal with confusing interest rates, misleading advertising and the proliferation of complex products with opaque and confusing prices, sometimes with extremely high rates of interest, which are not clear, and even higher rates of penalty charges, which can often drag modest borrowers into serious trouble. We have all had examples of that in our constituencies.

Mr. Pike: I had an example of that this very week, with a constituent who took out a loan and has been ill. A reduced payment was agreed, but the interest payment is more than his monthly payment, and he now owes quite a lot more than he originally borrowed. Such a state of affairs is a disgrace.

Angela Eagle: Indeed. I hope that with the passage of the consumer credit Bill, we will ensure that such practices are brought to an end.

I want to deal with the prospects for the future, now that we have the economic situation triumphantly right. With the basics in place, we have an opportunity to carry out more structural change and engender greater protection and fairness for all our citizens. I shall spend the next part of my speech talking about the realities of post-neo-classical endogenous growth theory. I refer to the opportunity and anti-discrimination Bills in the Queen's Speech. Translated into English, that high-falutin' economic phrase means that if people are happier and are treated more fairly, they will generally be more productive and work harder, and the economy will benefit. We should remember that and act on it.

I am happy to see in the Queen's Speech a welcome package of reforms promoting protection from discrimination and exploitation for many people who are not properly protected at present. I have in mind the Disability Discrimination Bill and the equality Bill. I shall make a case for extending our activity to introduce what I call a single equality Bill updating the equality legislation that the joint commissions will be tasked with putting into effect.

The Disability Discrimination Bill will help the 14,000 people in Wallasey who suffer from some form of disability, as it will help the 14,000 people, on average, in every constituency who struggle to manage with one form of disability or another. The Bill will complete the Government's manifesto commitment to legislate for full civil rights for disabled people and is to be welcomed for that. It will put in place an end date for transport to be made accessible. It will introduce a positive duty to promote equality, which will help to prevent much of the thoughtless discrimination against people with disabilities that we see around us. It will extend the scope of reasonable adjustment provisions to allow the many hundreds of thousands of disabled people who feel able and ready to work now, and the million or more who aspire to be able to work, practical access to the labour market to enable them to get on with their lives and contribute to both the wealth that we create in our society and their own personal fulfilment and development.

The Disability Discrimination Bill will complete Labour's historic mission to introduce full civil rights, which was begun by Lord Morris of Manchester. The mission is currently being continued by one of the most talented Ministers in the Government, the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Liverpool, Garston (Maria Eagle), whom I have known quite well for most of my life.

Ian Stewart (Eccles) (Lab): All of it.

Angela Eagle: Yes, all of it.

I want to discuss the equality Bill.

Mr. Willetts: We all look back fondly to the time when the hon. Lady spoke on disability issues, or at least benefits, from the Front Bench. In his remarks earlier today, the Chancellor said that he will announce changes in the rules for incapacity benefit tomorrow. Can I take it that she supports those changes?

Angela Eagle: Clairvoyance has never been one of my talents, so I await tomorrow's announcement with interest.

Many things can be done to help those who have been stuck on incapacity benefit to get back into the labour market and make their contribution. It is important that the Disability Discrimination Bill accompanies any effort in that direction, because it is no good expecting people with disabilities to be reasonable and try to get back into work if barriers in the workplace prevent them from doing so. We must sort out both sides of the equation. When the measures are unveiled, we can all judge whether they are practical and whether we support them.

I welcome the equality Bill, which will put together the current commissions for disability, gender and race and add other duties in order to create a more user-friendly organisation. I welcome the idea that different types of discrimination are not in competition with one another. If we can get anti-discrimination work right in one area, it strengthens the argument for promoting it in another.

I disagree with the Commission for Racial Equality's worries. A single commission for equality and human rights will strengthen the drive in our society to deal with some all-too-persistent discriminations, which are still around 30 years after some of the pioneering legislation in that area was put on the statute book.

Rob Marris: Does my hon. Friend share my disappointment that, having signed up to the Amsterdam treaty in 2000, it will take the UK Government until December 2006 to introduce age discrimination legislation, which will have taken six years to get on the statute book? The situation is ridiculous.

Angela Eagle: I am slightly more patient that my hon. Friend and am happy to see the Government getting on with it. On age discrimination, many knotty and thorny issues must be worked through, and the exemption until 2006 was implemented for a specific and good reason. However, I would like to see the work being done as quickly as possible as that date approaches.

I particularly welcome the positive duty to promote equality on gender grounds in the equality Bill, because I had a ten-minute Bill on that subject not long ago. Although I am sure that the Government have been listening to me, I suspect that the process went on behind the scenes for quite a while.

The Government have delivered on their commitment, which was made in 1999, and the legislation will help to shift the structure of our battles against discrimination in our society on to a preventive footing. The older legislation protects people and gives them compensation after they have been discriminated against. The new positive duties will prevent discrimination from happening in the first place and will enable us to create a culture—initially in the public sector, and in due course in the private sector—of prevention, which will enable employees to know that they have rights, and employers to know that they have responsibilities to ensure that unthinking and illegal discrimination does not happen. I welcome that move.

I welcome the equality Bill's extension to goods and services of protection on the grounds of religious belief. I should like that to include sexual orientation and age, which are the only two strands of employment protection that have not had goods and services protection extended to them. This important Bill will change the equality delivery infrastructure.

The UK's existing anti-discrimination legislation needs to be updated, as it is inconsistent, piecemeal and complex. Since the enactment of the first such legislation by Harold Wilson's Labour Government—the formidable and fantastic Barbara Castle piloted it through this House more than 25 years ago—it has developed into a package of 30 Acts, 38 statutory instruments, 11 codes of practice and 12 EC directives and recommendations. I am not surprised that even those employers who wish to do right find the increasingly complex and sometimes inconsistent regulations facing them to be a bit much. It is about time that we had a Bill to simplify, harmonise, consolidate and extend our legislation to make it much easier for employers and employees to comprehend.

Unless that is done, the Government's plan to combine the three different commissions, welcome as it is, will be flawed. It is important that employers who wish to do right know exactly what is expected of them and that employees who are subject to unlawful discrimination realise that they have been discriminated against and know that they can have redress. It is even more important that employers and employees can work together to eliminate from the labour market and from the provision of goods or services any unlawful discrimination on the grounds of gender, race, religious belief, disability and, I hope very soon, sexual orientation and age. Then, as our economy develops in the choppy waters that our Chancellor has managed to navigate so well, we can make certain that opportunities that have not been available in practice in the past are opened up to all our citizens regardless of their gender, race, creed, colour, disability, age or sexual orientation.

Extending and consolidating that approach will make our economy more efficient and enable us to use the undoubted skills and talents of our citizens, many of which are grossly underused, much more effectively. That will put us in a position to continue to make our way in the world and to enjoy the ever rising standards of living that we have experienced. It will also, crucially, help us to fight inequality, poverty and disadvantage, which we still find in all too many parts of our communities where discrimination has been suffered.

With the Bills in this Queen's Speech, the continuing work to ensure that we preserve our economic stability and the equality Bill to consolidate anti-discrimination legislation, we truly look forward to a much fairer and more progressive future.

5.29 pm

Mr. Peter Atkinson (Hexham) (Con): I apologise to the House for my absence for a large proportion of the afternoon owing to another engagement, after being present for the opening speeches.

[Mr. Peter Atkinson]

The commitment of the hon. Member for Wallasey (Angela Eagle) to dealing with discrimination and to disability issues is undoubted and it is hard to disagree with much that she says. However, I would counsel that, although many of the initiatives are worthy and desirable, they have an impact on business, especially the operation of small businesses. That must be carefully considered and I shall say a little more about it later.

I have heard the Chancellor make similar speeches on several occasions. Today, he simply made one of his typical speeches. He comes to the Chamber and is surrounded by Brownite Members. It is interesting to see who sits behind the Chancellor; we shall keep a little note of that. He approached the Dispatch Box with a fistful of press cuttings and extracts from broadcasts. He spoke for about 40 minutes and said little apart from reading comments that Conservative Members and Liberal Democrat Members had made to the newspapers. We witnessed a bit of a record today because, if I heard the right hon. Gentleman correctly, he quoted from the *Lincolnshire Echo*. He must have been scratching around for press cuttings to reach that level.

As always with the Chancellor, what he did not say was notable. We expected some sort of trailer for tomorrow, but there was nothing. He said little, if anything, about pensions, almost nothing about borrowing and the attendant problems that he faces, and nothing about the golden rule. We are determined to hear what he has to say about that tomorrow but we expected him to give us a bit of a clue to what it is all about. If he had taken an intervention from me, I would have asked about the rules of the golden rule, which get more mysterious as the days pass.

Mr. Prisk: Does my hon. Friend agree that the supposed golden rule has become a flexible tool? Is not it better described as a golden elastic band?

Mr. Atkinson: That is a good point. Given that the Chancellor's borrowing requirement is predicated on the golden rule, he should give the House his interpretation of it. We think that we know when it started because the Treasury tells us that, but we do not know when it finishes because we do not know when the right hon. Gentleman believes that the economic cycle will finish. Will that happen in 2005–06 or next year? The Governor of the Bank of England more or less hinted that it could be in a few months. It is difficult for anyone to make a substantial judgment on our position and that of the Chancellor's borrowing requirements without knowing the basis for the golden rule.

In 2002, the Chancellor predicted a borrowing requirement of £13 billion; a year later, he predicted a figure of £27 billion and now, if we are to believe PricewaterhouseCoopers and others, he predicts a borrowing requirement of £36 billion. That shows that he is on a rake's progress for borrowing. I hope that tomorrow will shed some light on the country's true financial state so that people can make decisions that affect their future.

The Chancellor said little about pensions, whereas many hon. Members have said a lot about them. They constitute the big crisis that confronts the country. I do not need to rehearse all the comments about specific problems, but one of the Government's most shameful acts has been to reduce a world-class pension system to a third world pension system, leaving many people in serious doubt about their future.

The boom in house prices is one result of the uncertainty about pensions. If people are faced with the prospect of their pension being of less value than they expected, the safe alternative is to pour money into bricks and mortar. That has driven up house prices recently as people have baled out of pension funds and gone into property. The consequent increase in interest rates becomes a serious problem for many people who have chosen that form of investment. Although there has been a softening in recent weeks and we have heard predictions that interest rates will not increase, it is alarming to read in the papers today that the Organisation for Economic Co-operation and Development believes that we should have four more interest rate rises in the near future. Other predictions are that interest rates should go beyond 5 per cent. next year. That is alarming news for many people who have invested in property.

Ms Keeble: If the hon. Gentleman thinks that mortgage interest rate predictions of 5 per cent. are alarming, what on earth did he think about the 15 per cent. rates under the Conservative Government?

Mr. Atkinson: I agree that that is alarming, but the difference is in how interest rates go up. In earlier times, they were traditionally much higher and had been for many years, but they went down to 2.5 per cent. and have now doubled. That is a substantial jump in the calculation that people make and considering— *[Interruption]* If the hon. Lady will let me finish, considering the sums that are invested in property compared with those invested a decade or so ago, it hurts hugely.

The collapse of the pensions system explains another phenomenon.

The Secretary of State for Work and Pensions (Alan Johnson): Collapse?

Mr. Atkinson: The Secretary of State says, "Collapse?" and laughs at the word. He comes from a different background—public service—but if he had his own private pension he would know that he will probably get back more or less what he has put in, pound for pound, over the last 20 or so years and not a single pound in profit as a result of his investment. That is what most people in the private sector face, if they have a pension at all. Protected though he was by the public sector, he should, I hope, not be ignorant of what is happening in the real world.

Alan Johnson: There is obviously political knockabout here. The hon. Gentleman used the word "collapse" in relation to pensions, but will he confirm that the Pensions Commission has said that, at the moment, pensioner income is at record levels? It will continue to rise. There is no crisis at the moment; it will come 15 to 25 years down the road if Governments,

whatever their political persuasion, do not act to ensure that we will be able to deal with the baby boomer generation moving on to retirement.

Mr. Atkinson: Crisis? What crisis? In fairness, the Secretary of State is talking about something slightly different. I am talking in particular about those with company pensions and private provision pensions. They are the ones who have been putting their money in bricks and mortar and in commercial property to safeguard their future. They are the people who are hit by the Chancellor's ridiculous decision to cut the amount that can be put tax free into individual savings accounts and other investments.

I accept what the Secretary of State says—in the long term, of course there is a problem down the line for the basic state pension—but that is a different problem from the immediate crisis that this Chancellor has caused for those with private sector pensions. It is a shame that he had nothing to say about that. The one word that we did not hear, as my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) pointed out, is the magic word—prudence. Sadly, prudence is now dead and buried.

I want to make one or two other points about the problems facing business and to deal with the point made by the hon. Member for Wallasey about the welter of legislation, such as all the European directives. I agree that such measures must be simplified, but it is important to acknowledge their impact on growing and smaller businesses.

I represent a constituency in the north-east of England, which, as everyone knows, had a large number of old, declining industries such as coal, steel, chemicals and shipbuilding, which have long since been laid to rest. We needed to replace those, which we did with a large number of important high-tech inward investors. Some of them, such as the Nissan car company, have been tremendously successful, but others have been what might be described as false friends. They came here and made a contribution, but when economic circumstances changed they moved from the north-east to lower-cost economies. The lesson we have learned is that while they helped with the transition from the old heavy industries to a new type of economy, they are beginning to disappear.

Regions such as the north-east must now rely on home-grown industries. We in the north-east have been very successful in doing so and, to name a few, we now have companies such as Sage, Greggs of Gosforth, which was a little baker's shop but is now a national chain; the Go-Ahead group; and Reg Vardy in motor distribution. Those are great success stories, but we need many more. We will achieve that by building up our new smaller businesses, but regulation can damage them so much.

Regulations on discrimination, paternity leave and maternity leave are well intentioned, but for a small business employing three or four people they become a considerable burden in both time and expense. Letters and representations from local businesses in my constituency, which are mostly small businesses, show that such regulations are becoming a heavy burden that restrict their development. That fact must be taken on board when such matters are discussed.

Angela Eagle: Does the hon. Gentleman agree that consolidation and simplification of many different statutes, introducing a much-simplified and easier-to-understand statute, both for employees and employers, would improve the situation and not worsen it?

Mr. Atkinson: I wait to see the small print of what is produced and how it works, but in principle I agree that that would be desirable. When we have such a plethora of regulation, the way in which officialdom interprets it can often be the problem. In one area, enforcement can be draconian; in another, it can be more reasonable. Regulation in relation to access for disabled people requires a certain amount of common sense, and if common sense is not forthcoming, that can be very hard on a business. Such businesses need to grow, and we must not throw huge obstacles in their way. If the north-east is to rebuild itself and have a decent future, we need to encourage them, not discourage them.

I should also slightly chide the hon. Member for Ochil (Mr. O'Neill). Yesterday, if I read my *Financial Times* correctly, referring to the concerns of the British Chambers of Commerce about over-regulation, he said that its figures were "statistically dubious" and that employers were "obsessed" with protesting against regulation. I disagree fundamentally. My experience is that they are genuinely worried about such regulation, and see it as possibly one of the biggest drawbacks to expanding and developing their business.

Mr. O'Neill: I was questioning, in the first instance, the rather haphazard way in which the British Chambers of Commerce conducted its survey. There was no real sampling—it was a self-selected group of people, who had perhaps replied by computer, and perhaps sent in forms. It was rather sloppy, and it did not stand up to close examination as an accurate expression of opinion of British business. It was more of a propaganda tool for a group of people who seemed to have as much a political as a business agenda.

Mr. Atkinson: I am not sure that I can complain about the hon. Gentleman's last comment, but I am grateful that he has put it on the record. I urge him and his Committee to bear it in mind that over-regulation, and bad regulation, is seen as one of the greatest drawbacks for business.

Regulation can also be amazingly trivial. There is a small butcher's shop in my constituency, which, because it is owned by a number of farmers, likes to put up a sign saying, "This lamb came from so-and-so's farm", or "This beef came from so-and-so's farm." It received a letter about how it should label meat, its interpretation of which was that all that could be displayed on the board was a holding number, which would be utterly meaningless. I wrote a series of letters to Lord Whitty to try to get to the bottom of the matter. I discovered that the shop can show which farm the lamb came from, but that if it wants to do the same for beef it needs to obtain permission from the Department for Environment, Food and Rural Affairs and then get a form, which it can download. I worry slightly about chaps who work in the butcher's shop downloading forms from DEFRA. Nevertheless, they can download the form, fill it in, send it back on-line, and, I hope, get permission to put up a sign saying that the beef came from Joe Bloggs's farm. That is a silly example, but it nevertheless illustrates the kind of regulation with which people must deal these days.

[Mr. Atkinson]

The Chancellor was silent on many aspects of the economy about which we wanted to hear. He was silent on one little aspect that is not mentioned much here nowadays, although it is very important, certainly to my constituency. Although it is never mentioned in Budget speeches or economic debates, agriculture—which had a reasonable year last year—has had a disastrous year in terms of farm incomes this year, because of wet weather and the new single farm payments scheme, which is causing uncertainty about the way in which they are paid. There have also been hugely rising costs.

Rising costs affect all businesses, but one of the businesses that they affect most is agriculture. Fuel and imported fertiliser costs form a large part of the agriculture bill. At a time when incomes have fallen because of a poor harvest, the supermarkets are yet again pushing down the price that they pay dairy farmers. One of Asda's suppliers is reducing the price by 0.5p a litre, which is a serious blow to the dairy farming community.

There was nothing much, apart from a rant, in the Chancellor's speech. I hope that we shall hear more tomorrow about how he proposes to address the real problems that face so many people in this country today.

5.46 pm

Ms Sally Keeble (Northampton, North) (Lab): I am grateful for the chance to speak, and particularly grateful for the chance to speak in today's debate. The Queen's Speech includes measures on the economy that are fundamental to the well-being of my constituents, and will be fundamental to what happens next year when the election comes along. They affect my constituents particularly in two ways: they illustrate the Government's continuing commitment to economic stability, and they introduce important new provisions. Economic stability has been fundamental to the security enjoyed by my constituents in their homes and in their work, and to their sense of well-being under the present Government. It has made possible sustained investment in public services, which has also greatly improved my constituents' quality of life.

The hon. Member for Arundel and South Downs (Mr. Flight) said that none of that was visible. In particular, he said that the spending was not visible and that public sector spending was ineffective. That is certainly not true in Northampton. The change in the fortunes of people there under a Labour Government are extremely visible, and continue to be so.

I well remember, in the run-up to the 1997 election, taking our then housing spokesman, my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford)—now Minister for Local and Regional Government—to look at some repossessed houses. We thought that we would see one or two, but we saw rows and rows of them. Now repossessions are at record low levels because of low mortgage interest rates. I accept that the rates have gone up a little recently, but given higher employment and financial security, people have been able to maintain their mortgage payments. Unemployment has fallen further, by 28 per cent. in my constituency. The constituency has always had high employment levels, but this drop has made a substantial difference to the well-being and financial security of families who work.

As for public sector investment, one of the things that we inherited from the last Government was scandalously low pay in the public services. It is right that some of the extra money going into public services should deal with pay levels and employment conditions for the people who provide those services. But over and above that, such investment has transformed the prospects of many young people. For example, a £106 million private finance initiative scheme is rebuilding all our schools.

The hon. Member for Hertford and Stortford (Mr. Prisk) spoke persuasively about the problems that businesses encounter with regulation, and all of us can understand their frustration with red tape. But when I first became an MP, the local chamber of commerce's biggest complaint was the underperformance of schools and the skills gap. The extra investment in schools, particularly in secondary schools, is key to expanding the economy and creating the long-term security that the people of Northampton want.

Mr. Prisk: The hon. Lady is right: schooling, the calibre of individuals and the skills aspect of learning in particular are important issues. Given that she recognises that the burden of regulation is an important issue for small businesses, does she think that the 53 per cent. increase in such regulation since 1997 is a good thing or a bad thing?

Ms Keeble: As the hon. Gentleman may have noticed, I am not a particularly tribal politician. Small businesses usually consist of people who are simply earning an income for their families, and for that reason many banks have virtually turned their small business financial services into personal financial services. I recognise that those who run such businesses do not like filling in forms. Of course we want to see a reduction in regulation, and I understand people's complaints in that regard. Nevertheless, if we want to expand the economy, we come back to the major issue of skills shortages.

We should remember that this Government have made available the finance to expand small businesses. The investment in early years has been key to the economic well-being of families, particularly because it has enabled women to go out to work. One of the last things that my right hon. Friend the Secretary of State for Work and Pensions did before getting his current job was to visit University college Northampton, a higher education college in my constituency that will shortly get university status. The expansion of university places, and what that says about our attitude to skills, has been extremely important to the economy.

I want to highlight some of the wallet-to-purse measures that, although I previously identified such criticism with the Liberal Democrats, both Opposition parties have criticised—such as the new deal for lone parents, the pension credit and investment in child care, particularly the children's trust fund. The new deal for lone parents has been transformative, in that it has enabled some of the most excluded of unemployed people to return to work. It has allowed some of the women to whom I have spoken to get work, to provide a

role model for their children, and eventually to buy their own homes. Similar things can be said of the investment in child care.

The pension credit has its shortcomings, but anyone who tried to persuade a female pensioner—a lot of the recipients are indeed women—that they would be better off without their £5, £10 or £20 a week would receive a blunt suggestion about what to do with their argument. As we approach the election, it will be interesting to discover what such people have to say once it becomes clear that not only are the Conservatives taking a hostile attitude to many of the measures that provide equality for women—we are well used to their doing that—but the Liberal Democrats are doing the same.

I want to move on to a couple of the measures in the Queen's Speech. There is a child benefit Bill, which will provide for an extension of the education maintenance allowance. I suspect that it will be one of those measures, little heralded and little talked about in this place that will produce lasting benefits for many people. Support is already provided for more than 1,000 people in Northamptonshire, and the feedback that I receive from single parents who are struggling to ensure that their older children stay on at school rather than go out to work has been very positive. I am rather surprised that we have heard no comments about that from either the Liberal Democrats or the Conservatives. I quite understand that people may be waiting for Second Reading, but the fact remains that this provision has been piloted and is already out there, so I would have expected to hear some comments from the other two parties on the theory or practice of that support. The legislation will reach a particular section of the community and bring real benefits to my constituents. Not everyone among my constituents aspires to go to university—more's the pity, in some ways.

Mr. Willetts: I assure the hon. Lady that my hon. Friend the shadow Secretary of State for Education and Skills touched on the measure in his comments on the Queen's Speech, and welcomed the child benefit measures. His concern was with the introduction of new and higher charges for adult learners in further education colleges—another matter that we can debate further in the weeks ahead.

Ms Keeble: I am grateful to the hon. Gentleman for clarifying that point, and I wish that the Liberal Democrats would clarify their position, which their spokesperson today did not do.

Some of my colleagues have mentioned the consumer protection Bill, which will provide important safeguards for my constituents. People in Northampton carry high levels of credit. We all know that Christmas is coming, and this morning I was told by the housing and money advice centre, which provides an excellent service for my constituents, that on average people will spend about £800 in presents, about half of which is likely to be on credit. Consumer debt and the need for safeguards are important matters at this time. I welcome the fact that the Bill will make provision for much needed better regulation and raise the present £25,000 limit. On the subject of local debt, about half the people who had severe problems, with debts of about £9,000 or more, were not in work. In an area with relatively high levels of employment, that is quite surprising. One sure way to deal with debt problems is to deal with the problems of poverty and unemployment, and the Government are committed to doing so.

I greatly welcome the measures in the Queen's Speech, although there is always room for more to be done—not just in extra measures, but in speeding up those already in place. The ending of child poverty was mentioned earlier. I would greatly welcome that, as I would the speeding up of the extra safeguards for children, particularly in connection with housing. I am reminded that last Friday night I visited a constituent who lived with her five children in a single room in the basement of a bed-and-breakfast hostel, placed there by a Labour council—no, it was not a Labour council but a Conservative one. That was a Freudian slip. It used to be Labour, but is now Conservative and standards have deteriorated. For a woman with five children to live in a basement flat is not appropriate in 21st century Britain, and she was but one of three women who came to my advice surgery with that problem. I hope that we can speed up some of those measures.

I would also like to see improvements to pensions, as several of my hon. Friends have said. I know that my right hon. Friend the Secretary of State for Work and Pensions is very aware of the issues around women's pensions and the problems that women face as long as basic state pensions are closely linked to national insurance contributions. The issue of first-time buyers is also important.

The main thing that will safeguard the interests of my constituents is having a Labour Government, and the main threats to their interests are the two main Opposition parties. As always happens in debates on the economy, people focus on the big picture and the macro-economy, but for many of our constituents the little picture is the big picture. The £5, £10 or £20 in pension credit is what makes a big difference to their lives. Being able to get their children into nursery schools and the investment in the child trust fund will also transform the lives of my constituents. The education maintenance allowance, too, will help single parents who are struggling to ensure that their children stay on in school and get the qualifications that they need in an expanding economy.

I very much welcome the measures in the Gracious Speech and I look forward in particular to the two Bills that I have mentioned becoming law well before the magic date of 1 May next year. When that day comes, my constituents will have had their letters about the child trust fund, which the Conservatives think that they should not have, some of them will be receiving the education maintenance allowance, and they will all continue to see the benefits of having a Labour Government.

6.2 pm

Paul Farrelly (Newcastle-under-Lyme) (Lab): I wish to touch on three subjects that are fundamental to the Government's objective of building a stronger economy and an even fairer society—employment, training and opportunity for all. I also want to make some remarks about Britain's economic stability, because we have heard some wild and outrageous attacks on the competence and record of my right hon. Friend the Chancellor, not least from the shadow Chancellor, who is not in his place.

[Paul Farrelly]

The House has already been reminded that the right hon. Gentleman was such an embarrassment to the Conservatives at the last election that he had to go into hiding. What was his offence? He had accidentally blurted out the truth about £20 billion of cuts—a lower level of cuts than he now promises openly under the party's new regime.

Mr. Prisk: Did not the Gershon report recommend a reduction in expenditure of £20 billion?

Paul Farrelly: We will have to wait for the Gershon report and we will all welcome debate on the James report when it is published.

The Opposition need a history lesson on economic competence that stretches further back than the one that my right hon. Friend the Chancellor has already given them today. That is just as well, because this debate falls on an anniversary well worth remembering for my constituents. It is 20 years to the month that post-war unemployment peaked in Newcastle-under-Lyme. Today, after seven years of growth and stability under this Government, the number of people looking for work in my constituency stands at just over 700. Twenty years ago, the dole queue was longer by 4,500 people—six and a half times more people. That is a fair measure of how much outlook and opportunity have changed under a Labour Government.

Twenty years ago, north Staffordshire's oldest pottery firm had just bitten the dust. Elijah Cotton founded his firm in 1758, a year before Josiah Wedgwood started out on his own. However, Cotton's descendants lasted barely a year under Margaret Thatcher. We should remember that that industry was more than decimated as Geoffrey Howe unleashed raw, uneducated monetarism on this country.

Mr. Peter Atkinson: Is the hon. Gentleman saying that, had there been a Labour Government 20 years ago, that pottery factory would still be open and that men would still be working in the coal mines in his constituency?

Paul Farrelly: I shall come on to the beneficial inheritance of oil, especially for the Conservative Government. To set the record straight, under Labour, from 1976 until the 1979 general election, unemployment fell. It continued to fall until just a few months into the Tory Government, from which point it rose, rose and rose again.

My right hon. Friend the Chancellor is fond of quoting the 15 per cent. level to which interest rates shot up during the second recession that the Tories unleashed on this country much later, in the 1990s. Today, as we know, rates are still below 5 per cent. Then, however, there was a worse bogey figure with which to scare the wee bairn: during the first savage downturn under Thatcher, rates reached 17 per cent. Sterling soared and yet more industry fell. By the time the monetarist experiment was killed off, quietly, during the Falklands war, one in six families in my area—north Staffordshire—had been hit by redundancy. There was no respite, however. Far from it. In 1985, the biggest mine in my area, Wolstanton—our super-pit, which we visited when I was at school there and which had the deepest shafts in western Europe—closed for good.

Let us compare that legacy with the current record. We have never had lower unemployment; we have never had more employment and regeneration. The unemployment figure for the whole country is 836,000—nearly half the total in 1997, when it was 1.6 million. Since 1997, the figure has fallen steadily. Under the Tories, when the Wolstanton pit closed, unemployment broke through the 3 million barrier for the first, but far from the last, time.

Early on, the Tories' record made a mockery of their infamous slogan, "Labour isn't working". Our record shows that people are working, businesses are working and Britain is working. Labour certainly is working.

As we heard earlier in the debate, we are educating and training, too, and what a record of Conservative failure we are trying to reverse on that score. Before the Tories got into power all those years ago, skills in the pottery industry in my area were supervised by the ceramics training board and pay negotiations were industry wide, but under the Tories there was no such thing as society. They swept all that away and it was every man for himself.

Members may not believe this, but at the Michelin factory in Stoke-on-Trent all those years ago, apprentices were given free milk, lunch tokens and sun-lamp sessions to keep them healthy. Remember what the Tories did to apprenticeships—they disappeared. I am not asking for the return of the sun-bed sessions—[HON. MEMBERS: "Oh, go on."] Some Front Benchers already benefit from them.

Over the past seven years, my right hon. Friend the Chancellor has been doing his level best to reverse that legacy of neglect in education, skills and training. When I made my maiden speech, I called for the pilot schemes for the education maintenance allowance to be extended to my town and nationwide. They have been extended. In Stoke-on-Trent, next-door to my constituency, the EMA has already led to more children from poorer backgrounds staying in education and training after the age of 16. In my constituency, our version—the Newcastle achievement scheme—is having similar positive effects that everyone can measure. Conservative cuts would, of course, sweep all those opportunities away.

In my area, the Ceramic Resource Centre, a partnership between the Ceramic and Allied Trades Union—the potteries trade union—the DTI and our regional development agency, is helping workers to retrain and find new jobs. It also helps to preserve valuable industrial skills that would otherwise be lost. Tory and—I am sorry to say—Liberal Democrat cuts would sweep that away, too.

In Newcastle, the new deal has helped nearly 2,000 people into work. Of those, more than 1,200 have permanent jobs as a result. As we have already heard, the Tories and the Lib Dems would scrap the new deal. The Chancellor has done all that while presiding over the longest sustained period of economic growth for two centuries. There has been no savage boom and bust, unlike the early '80s, the late '80s and the early '90s under the Tories and yet, despite that, and despite their record, they have the nerve to cast aspersions on our

competence, on the Chancellor's prudence and on his golden rule. Conveniently their memories fail them again.

Today, we should remember that we are not living in what should have been the heydays of the '80s and '90s, when the Government enjoyed a twin set of riches—booming tax receipts from North sea oil and untold billions from privatisation. Labour did not enjoy them in the 1970s either, when the country, like the international economy, was suffering oil shocks and when we were investing for the future in the North sea. Now, of course, we are having to prepare for a post-oil and gas economy too. But what did the Tories do with their one-off riches? Did they invest in education and skills? Did they invest in public services and the country's infrastructure? No. They blew it and threw it away.

I remember well—I was working for *The Observer* at the time—all the gloomy faces on the Tory Benches when the Government announced that they had raised £22.5 billion from the sale of the third generation of mobile telephone licences. That was worth three privatised BPs, five British Gases, two whole British Telecoms—worth as much, indeed, as was raised from the sale of the electricity, gas and water industries all put together under the Thatcher and Major Governments. And of course, unlike their sell-offs, it was not a botched sale below value. Great care was taken. Bidders went through a carefully crafted auction of 150 rounds. My right hon. and hon. Friends immersed themselves in the intricacies of game theory.

Now compare that care, competence and prudence with what went on before. I remember the privatisation of the National Bus Company in 1986. I remember it very well because I was working in the City at the time, with Barclays De Zoete Wedd, the bank charged with its sale. *[Interruption.]* I am not afraid to admit it. No sooner had Nicholas Ridley chopped the buses up into 90-odd pieces than the patchwork quilt was zipping itself up again as the first companies privatised started buying the rest, as we warned the Government that they would.

The Conservative Government ignored our advice too on insisting on clawbacks of the profit on the future sale of companies, which was standard procedure in the private sector. They ignored it, and what happened? Ten years later, they were at it again, breaking up British Rail, wrecking an industry, selling state assets at a discount to profiteers. They did not listen and they did not learn because they did not care. And here is the nub. How did they treat the money? Did they, like the Chancellor, treat it as a one-off to pay off debt, as any prudent household—in Grantham, for example—might be expected to do? No. Conservative Governments treated it as negative public expenditure. No wonder then, when the silver ran out, that the public finances were in such a mess. The Chancellor need take no lessons in competence and no lecturing from the Tories on his golden rule or his golden record.

I think that it was the last Chancellor but one, Mr. Norman Lamont, who said, quite callously, that high unemployment was a price worth paying for low inflation. Now we have record low inflation and record low unemployment. Of course, Lord Lamont's repertoire also includes the infamous, "Je ne regret rien", which he sang in his bath both before and after the pound was unceremoniously dumped out of the exchange rate mechanism. I gathered with others around the Reuters screen when I was working for Reuters, just as the Chancellor and the Prime Minister gathered around the Reuters screen at No. 10, and I remember that, when the interest rates had gone from 10 to 15 per cent., that was not the limit of it because overnight money rates trying to keep money in this country were reaching 70 per cent.—a far bigger bogey figure.

Mr. Prisk: I am enjoying the hon. Gentleman's sunlamp-lit contribution, but can he confirm what the Chancellor said earlier—that the Chancellor voted in favour of going into the ERM?

Paul Farrelly: Quite right. We are all committed to a stronger Europe, but we did not decide the level at which we entered the ERM, out of which we were then unceremoniously dumped. *[Interruption.]* I will say one thing to the hon. Gentleman. The Tories are nothing if not consistent: they learn nothing and they still regret nothing. The shadow Chancellor's promised tax cuts and massive spending cuts are the sort of fairy-tale accounting that we saw for 18 long years.

The Tories had a black Monday when their bubble burst in the 1980s. They had a black Wednesday when their reputation was ruined with the ERM fiasco in the 1990s. Some time very soon, they will have a black Thursday when the Government's economic and social achievements condemn them to a third successive defeat at the next general election.

Mr. Deputy Speaker (Sir Alan Haselhurst): I call Mr. Jim Cunningham.

Hon. Members: Hear, hear.

6.15 pm

Mr. Jim Cunningham (Coventry, South) (Lab): I did not know I was so popular.

It has been an enlightening afternoon listening to the Opposition. They said the Chancellor was ranting. I thought he said one or two interesting things. Very little has been said about how he has led the way on third world debt, which has been acknowledged internationally. He also touched on the new vaccine that will help people to combat AIDS in the third world. It was not all a rant; his speech contained some positive things. On the other hand, the shadow Chancellor never gave us any alternative. He said that we would all know what was going to happen a couple of months down the road. That was enlightening. So if anybody ranted, it was the shadow Chancellor.

The Liberal Democrats raised the issue of tax credits in terms of research and development. I do not know whether they know this, but research and development is a hefty cost in any industry. When that is linked to companies, and taking into consideration the input from universities—many of which are funded by research and development money—it is clear how vital it is to British industry. If we do not put money into research and development, we will lose out in trade, exports and balance of payments and we will have problems.

[Mr. Jim Cunningham]

The other thing that surprised me was that the Liberal Democrats did not offer a replacement. It is not good enough to say that the money will be taken anyway because it will be on offer. In fact, I and a number of others used to go with the trade union movement to lobby the Department of Trade and Industry under the Conservative Government to get money pumped into research and development. Anyone could see that if we did not do that, the country would run into serious problems. As time has proved, the current Goverament are having to put money into not only research and development, but technology education to teach people how to use that technology.

When I am talking about industry, it would be remiss of me not to mention the useful demonstration in Coventry on Saturday to show the feeling about Ford's arbitrary decision to close the Browns Lane plant. Ford entered into an agreement in 1998 that if the work force increased its productivity and quality, further investment would follow for new models to be built at that plant. It was used as an example up and down the country, certainly in Ford plants, as the road the labour force should go down to secure their future. What did they get in return? A slap in the face, because the factory is closing.

In debates on the economy, successive Governments have exhorted the labour force to increase quality and productivity. The Government encourage it, the workers do it and there are relevant orders, but the plant gets closed. What signal does that send to the labour force up and down the country? We know that we have to be competitive. We have to improve quality, technology and other things. I could not let that closure go without mentioning it. The year before, it was Massey Ferguson in Coventry. Under the previous Administration, it was the Standard motor car company.

My hon. Friend the Member for Ochil (Mr. O'Neill), the Chairman of the Trade and Industry Committee, mentioned Peugeot, which has a grant to use on development. We are waiting to see how that money will be used. We Members of the Parliament and the Government have to keep an eye on the companies. We must not forget that Ford got about £85 million in Government grants. It has been suggested that it would probably be cheaper to keep the Browns Lane plant open than to close it, but we have all heard that sort of suggestion. The company has given us all sorts of assurances about the Whitley plant, but if it has broken the assurances it gave us four or five years ago, why should we believe the company now? Ford tells us that it has exciting plans, but why should we believe the company when it has broken an agreement?

Like my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly), I remember when we joined the ERM and the consequences of doing so. I remember when interest rates went through the roof and when they changed three times in one day; that did not stabilise the money markets, did it? The Conservatives say that we will have to borrow as a result of the Chancellor's Budgets, but they forget that they borrowed £50 billion. Of every pound paid in interest, 50p came from the taxpayers' pocket. We should not let the Opposition get away with some of the things that they have said today.

Opposition Members have talked about old-age pensioners, but I remember coming down on a Friday morning trying to get winter chill payments passed. When the Conservatives were in Government, they blocked the measure time and again. I also remember the Conservatives increasing VAT on fuel; was that going to help pensioners? It was the Labour Government who reduced it. We have long memories. We know what the Conservatives are capable of doing in government and no matter how they try to dress it up, their past will come back to haunt them. I am sure that most of us remember negative equity; Opposition Members have talked about rising house prices today, but I am sure that most people would agree that negative equity is far worse.

Mr. Allan: Before the hon. Gentleman complains too loudly about negative equity, he should look at some of the forecasts that suggest that it might return in the near future.

Mr. Cunningham: I like to look on the bright side of life. Opposition Members are full of doom and gloom, but it is part of their job to exaggerate and twist figures.

The CSA has been mentioned, but I seem to remember that it was the Conservatives who introduced the Horizon project, which cost about £500 million and then cost about £90 million to put right. We should not let the Conservatives forget that they introduced some of the systems that we are suffering today. If we have problems, they are the ones who started them.

The Government have done some positive things. The introduction of the national minimum wage was a milestone in many ways and it has steadily been increased since its introduction. I do not think that employers see it as a fair rate; we can debate the proper level for the national minimum wage, but I do not think that employers use it as a benchmark. That was a red herring that someone introduced into the debate.

The Opposition failed to mention that although pensioners can now take their giro cheque to a post office and get it cashed, there is concern about bank charges. Ministers are aware of this, because we have raised it with them. Some banks are charging about £1.50 to cash a pension cheque, and I hope that my hon. Friends on the Treasury Bench will look into that.

The Opposition have not set out their policies. It is all very well for them to attack, but it is no use if they do not do so constructively, which involves saying what they would do. It was interesting to note the Opposition parties' proposals on assistance for small businesses. The Liberals want to abolish the Department of Trade and Industry and the Tories want to restrict its sphere of interest, yet both say that they want to help small businesses. Their proposals are a contradiction in terms: they want to help industry but to cut the means to do it. When the proposals are analysed by others outside the House, the problems will be seen.

Mr. John Taylor: Will the hon. Gentleman give way?

Mr. Cunningham: Yes. I always give way to the hon. Gentleman.

Mr. Taylor: I am grateful to the hon. Gentleman for his characteristic courtesy in giving way. May I suggest that there is not quite the anomaly that he suggests? One of the best ways of helping small businesses is to leave them alone.

Mr. Cunningham: I am sure that everybody would agree that we should leave them alone, but we must think about health and safety. There must be some regulations in place. There is an argument about red tape and regulation but we should not forget that health and safety issues are part of that. We will debate corporate manslaughter, for example, and it is clear that regulations have many meanings. We have minimum wage regulations. The Opposition raised the issue of regulations from Europe, and I remind them that when they were in government they brought in more regulations from Europe than any other Administration. They would deny that, but the Council of Ministers approved the regulations and read them into the British system—

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend referred to the need for improved health and safety. Does he agree that one of the welcome intentions flagged up in the Queen's Speech was the legislation relating to corporate manslaughter? If more attention had been given over many years to the highest of standards for health and safety, there would be less need to act on corporate manslaughter in cases where that has tragically been the position.

Mr. Cunningham: As someone who worked in industry, I always think that it is a tragedy when it is necessary to introduce legislation to get employers to act as good employers. They have a duty of care. For too long employers have been getting away with many things that they should not have been allowed to ignore.

I welcome the opportunity to take part in the debate. It has certainly been interesting to listen to the speeches of Opposition Members. They do not have any policies and want to postpone any answers to the questions that we put to them. If we were to listen to the main Opposition party, the Conservatives, we would be back to the days of boom and bust. So far, all we have had from the Opposition Benches is baloney.

6.27 pm

Mr. David Willetts (Havant) (Con): I begin by drawing the attention of the House to my entry in the Register of Members' Interests.

As we come to the end of the debate on the Queen's Speech, perhaps as well as covering some of the Bills that are in the speech I might ask about one or two Bills that are not in it. We are in a strange position because we have all the Bills that have been announced in the Queen's Speech but if there is an election next May, as we have been told, very few of them are likely to come into law. [HON. MEMBERS: "Who told you that?"] We know from Mrs. Blair. What greater authority could there be? There is also *The Sun*. If they agree, who are we to disagree? If we have Mr. Trevor Kavanagh and Mrs. Cherie Blair saying that it will be 5 May, I think we can work on the basis that that is quite likely.

A great deal of legislation has been announced in the Queen's Speech that may never have the force of law, but I wonder whether the Secretary of State could cast any light on a measure that might well enter into law though it was not referred to in the Queen's Speech: the judicial pensions Bill. For some strange reason it was not referred to but there was then a press release from the Lord Chancellor's Department announcing it. It appeared on the Lord Chancellor's website as an item of legislation, but it has since been removed.

I am perplexed as to the status of the Bill. As it has "pensions" in the title and as the Secretary of State has "pensions" in his title, there might be a chance that he can tell us what is happening. We would be interested to hear from him about the status of the Bill. We very much look forward to watching Labour Members walk through the Division Lobby to vote for judges to have a pension of more than £1.5 million. I am sure they will enjoy that. I should make it clear that we, the Opposition, believe in good pensions for the many, not just the few. We look forward to hearing the arguments that the Secretary of State and his Front-Bench colleagues advance for special arrangements for the few rather than the many. That is one piece of legislation that may or may not come into law. We hope that the Secretary of State will explain the position.

There is also the problem of age discrimination, to which the hon. Member for Wallasey (Angela Eagle) alluded. She set the Chamber alight with a reference to post- neo-classical endogenous growth theory, and went on to talk about the importance of tackling age discrimination following the European Union directive that was agreed several years ago. In a parliamentary answer on the subject—and I have checked this—the right hon. Member for Makerfield (Mr. McCartney), who used to be Minister for Pensions, said that legislation would be "forthcoming" in 2003. It has been forthcoming for an awfully long time, so it would be interesting to know from the Secretary of State for Work and Pensions what the timetable is. The Government have already failed to meet their objective of introducing draft legislation by the summer, so what is their position on age discrimination?

The Queen's Speech, of course, includes an Identity Cards Bill. My right hon. Friend the shadow Home Secretary has already asked some telling questions about ID cards that need to be answered. The hon. Member for Sheffield, Hallam (Mr. Allan) made some powerful points about the issue, drawing on his expertise in IT projects. The introduction of identity cards would involve a major Government IT project—indeed, it would be one of the biggest in the country. I was wondering which member of the Government would want to have a word with the Home Secretary about running such projects. Perhaps it would be the Secretary of State for Work and Pensions, who could say a quick word about his success with the Child Support Agency computers. Perhaps the Paymaster General would like to chip in with her success with child tax credits. We have two ideal witnesses to testify to the success of large-scale IT projects, and I am sure that the Home Secretary would be interested to hear exactly how

[Mr. David Willetts]

they have done it, and pick up tips from the CSA and child tax credit projects as he embarks on his even more ambitious project.

The Government believe that they need to tackle the problem of insecurity, and the Home Secretary claims that his measures will increase our security. The theme behind several interventions and speeches today, however, is insecurity in the economic arena. Financial insecurity is at least important as physical security, and is an equally niggling anxiety. The Chancellor's record has exposed the British economy and individuals in the country to a range of insecurities, including the balance of payments deficit, the budget deficit, and the problems of economic inactivity and insufficient savings. It is a pity that he is not in the Chamber. [HON. MEMBERS: "He has just arrived."] Ah, he has entered on cue, adding another touch of pantomime to the several that we have had in our debate. For example, his latest claim is that we are supposed to be responsible for £70 billion of cuts. As he becomes more desperate, so the figure grows absurdly large. His arguments, however, were demolished very effectively by my hon. Friends the Members for Hertford and Stortford (Mr. Prisk) and for Cotswold (Mr. Clifton-Brown).

As the Chancellor is here, let me talk about the four imbalances in our economy that are a threat to the security that we all want our fellow citizens to enjoy. First, the balance of payments deficit, as my hon. Friend the Member for Arundel and South Downs (Mr. Flight) skilfully pointed out, is a crucial piece of evidence in a modern global economy. It shows that our economy faces demand far in excess of its ability to match it with supply. Even if we do not have growing inflation, a growing balance of payments deficit is evidence of an imbalance, and the Chancellor clearly lost the exchange with my hon. Friend.

The second imbalance is the growing budget deficit. If the economy is doing so well, as the Chancellor claims, why is the deficit deteriorating steadily? Why, at this stage of the economic cycle, this year, can we see such a large fiscal deficit? It was disappointing that the Chancellor failed to engage with all the warnings that he was in danger of breaking his own golden rule. He seems to be in a world where we do not face any long-term fiscal problems as a result of his policies. Let me quote to him what he said on the "Today" programme on Monday 18 November. He said that

> "in the Euro area pensions expenditure is 10 per cent. of national income and is due to rise to 15 per cent. over the next 30 or 40 years. And that's why major reforms are taking place in pensions in Germany, France and elsewhere. But in Britain the picture is one where we have 5 per cent. of our national income spent on pensions. It is a perfectly sustainable position over the longer term."

Does the Chancellor really believe that with his pensions policies, public expenditure on pensions will be 5 per cent. of our national income from now till kingdom come? It is already higher than that. If he read the Turner commission report, which brings together fully all the different items of expenditure on pensions and includes not just the basic pension but expenditure on all the means-tested benefits for pensioners and public sector pensions, which he tries to hide away, he would see that the figure is already more than 6 per cent. and is forecast to rise still higher. With his policies, we are converging with Europe on one of the continent's worst problems—growing public expenditure on pensions. An earnings-linked pension credit going to three quarters of pensioners or more has not been factored into his calculations.

It is not just the flow of expenditure but the liability and the stock of debt that are problems. The Chancellor talks about how he has brought down the national debt, and we heard that again from the Labour Benches. A truer measure of the national debt would include the liability to pay public sector pensions in the future. If the cost of public sector pension promises is included, the true national debt has risen under the Government by 5 per cent. of gross domestic product, as the expensive promises to pay public sector pensions have racked up.

So we have problems on the balance of payments and on the fiscal policy. Let me speak briefly about unemployment and economic inactivity. We have heard from several Labour Members how unemployment has fallen, but more than half the fall in official unemployment has been offset by a rise in economic inactivity. There are more people who are economically inactive—out of the labour market—in Britain today than at any time for the past 20 years. People are being driven out of the labour market altogether. That is what is happening under this Government. The problem is affecting some of the groups that they claim to care about most.

I am sure the Chancellor is familiar with table 14 of the labour market statistics produced every month. The figures for economic activity and inactivity show that for people aged under 25, the total number who are either unemployed and not in full-time education or economically inactive and not in full-time education is 1.112 million. That is a higher number of young people who are not working, studying or training than when the Government came to office in 1997. That is a lost generation of more than a million young people.

The position is deteriorating. Despite everything we hear about the new deal for young people, the figures represent a deterioration on the position that the Government inherited. That is why we say that the new deal for young people is not working. We have heard in the past from the Secretary of State for Work and Pensions, and I must correct him. He has claimed:

> "We've virtually eradicated long-term youth unemployment".

Again, on the Government's own survey measure, the latest figures show that there are more than 150,000 young people aged 18 to 24 who have been unemployed for more than six months. There is a problem of young people who cannot find jobs, who are out of the labour market, who are not studying, training or working, and it is a pity that the Government do not engage with that, instead of endlessly repeating their mantras about the new deal.

Rob Marris: Will the hon. Gentleman switch focus to the first line of the amendment to which he has put his name, which discusses reducing regulation? He has had five hours to think up an answer to this: will he tell the House three regulations that he thinks should be revoked?

Mr. Willetts: We have made it clear that we will reverse many regulations. I will not fall for a desperate

attempt to divert me from my critique of this Government's failure to tackle inactivity and unemployment. I want to discuss the failure of the new deal for lone parents, which several hon. Members have discussed. The Chancellor may be one of the few people who reads with relish the evaluations of the schemes that he invents, but it is a pity that he does change his policies in the light of the evidence.

I shall quote an evaluation of lone parent work-focused interviews, which are an important part of the new deal for lone parents, published earlier this year. The research report by outside academics states:

"The Introduction of Lone Parent Work Focused Interviews brought about no detectable change in exit rates from Income Support for eligible new or repeat claimants".

That is the evidence about the failure of the Chancellor's schemes, which is why we are so sceptical.

Finally, I shall discuss the pensions crisis and the amount that we, as a nation, are saving. I pay tribute to the Secretary of State for Work and Pensions, who has taken a novel and refreshing approach to his job. He has given up defending Government policy, and I wonder whether the Chancellor knows exactly what his colleague gets up to. I am not sure that the Granita pact permits the Secretary of State to make these statements, because I thought that it meant that the Chancellor determines such matters.

On the pension credit, the Secretary of State has said:

"we should not talk in euphemisms. It is a means test."—[*Official Report*, 13 October 2004; Vol. 425, c. 302.]

and

"It would be crazy to say"—

that means-testing—

"did not act as a disincentive to some people."

At a conference, he admitted that the Government

"still has a take up problem on Pension Credit."

He has wholeheartedly endorsed all the arguments put by Conservative Members.

This is the Secretary of State's most ambitious statement of the lot:

"People feel there is no reward for playing by the rules, and one of the critical areas is pension provision. We have to bite the bullet and look at the state pension system, certainly for the longer term, so that if you do a lifetime's work, it will deliver a pension above the basic level of means-tested support."

That is it. We would not abolish the pension credit, but we want to see a pension with a value higher than that of means-tested support. We welcome the Secretary of State's conversion, but it would be great to hear the Chancellor endorse his colleague's analysis of what is wrong with our pensions system.

Conservative Members look forward to a constructive and reasonable debate about how we can gradually get pensioners off means-tested benefits, create incentives to save and tackle the problem of the 1.7 million pensioners who are entitled to pension credit but do not claim it. The objective should be to get a basic pension with a value higher than that of the pension credit, which is why we endorse the imaginative thoughts advanced by the Secretary of State for Work and Pensions. It is slightly unfortunate that those thoughts are not yet official Government policy, but given that the Chancellor is aware of his Secretary of State's strong views, it is only a matter of time.

6.43 pm

The Secretary of State for Work and Pensions (Alan Johnson): The debate has been interesting and informative. At the outset, we found out that the right hon. Member for West Dorset (Mr. Letwin), the shadow Chancellor, has been a long-time advocate of independence for the Bank of England setting interest rates—it was fascinating stuff. He presumably argued the case at dinner parties all over north or south London, and perhaps he grabbed strangers on long train journeys to tell them that it was the thing to do. When he entered the House as a Member of Parliament and went through the Lobby, however, he voted against independence for the Bank of England.

The Chancellor ate the shadow Chancellor alive, but left a little bit over for cold sandwiches tomorrow.

Mr. James Gray (North Wiltshire) (Con): Will the Secretary of State give way?

Alan Johnson: Not yet; I will later.

The hon. Member for Twickenham (Dr. Cable), who is just taking his seat, gave a winsome and ruminative little speech in which he acknowledged the success of our economic stewardship, but expressed scepticism, if not disparagement, about the research and development tax credit. He continued his party's vicious and sinister vendetta against the Department of Trade and Industry. He might like to know that when I was a Minister at the DTI and that policy first emerged, I went to tell my staff, because I thought that they should know about it. I said, "Look, if there's a Lib Dem Government you're going to lose your jobs." They took that as a guarantee of job security, which was not what I intended to convey.

My right hon. Friend the Member for Dumbarton (Mr. McFall) spoke eloquently about the need to meet the challenge of the huge investment in science and skills that is taking place in the Asian economies. He used his enormous expertise and experience in this field to warn us of some of the problems that we will face.

My right hon. Friend also talked about means-testing, comparing its use as a means of targeting pension credit with what went on under the previous Government—never mind going back to the '30s. Let me make this absolutely clear to the hon. Member for Havant (Mr. Willetts), because he invited me to do so. When we came into Government we found that 2.8 million pensioners were living in abject poverty. The Conservatives are experts on pensioner poverty, but unfortunately experts on creating, not alleviating, the problem. Those 2.8 million pensioners needed help and assistance immediately. The hon. Member for Havant argues, in effect, that we should have told them—many were in their eighties, and two thirds were women—that the problem with giving them the kind of income increase that they really needed was that it could create a savings disincentive in future. I find that argument incredible. In government we have tackled the real pensions crisis, and we should be proud that we have reduced absolute poverty for pensioners by two thirds and taken 1.8 million pensioners out of poverty.

I do not accept that a 32-year-old accountant in the City who is looking at a lump of money and deciding whether to go to Lanzarote for a fortnight, spend it on a new car or put it into a savings scheme says, "Hold on—

[Alan Johnson]

there's this thing called pension credit that may well affect my savings in years to come." In fact, it would be a good thing if people looked that far ahead.

Andrew Selous (South-West Bedfordshire) (Con) *rose—*

Alan Johnson: I will take interventions from Members who were in the Chamber during the debate.

I do not accept that we are looking at marginal tax rates of 40 per cent. Under the previous Government, the marginal tax rate on benefits was 100 per cent.—pound for pound withdrawal. But when we introduce a system whereby there is, for the first time, a 40p in the pound withdrawal rate so that people are not penalised for their savings, we are told that it is a tax. It is a strange tax that pays people money—an average of £41 a week with £1,000 arrears to 3.2 million pensioners—but it is certainly one of which we will be proud to take ownership.

Mr. Flight: May I point out to the Minister that our proposals do not involve abolishing the pension credit? How does he explain the fact that there has been a huge increase in the number of people without private sector pension savings? It has gone up to nearly 11.5 million people—virtually half the labour force—and has risen very substantially since the pension credit.

Alan Johnson: I shall deal with that shortly. The hon. Gentleman made a thoughtful contribution and I shall tackle his point. Let me address his first point. The policy of Her Majesty's official Opposition is to restore the earnings link. Several hon. Members said that we should accept that, if we are to work, perhaps in a bipartisan way, genuinely to tackle the problems that the Pensions Commission set out, we must ensure that pensions are fair, equitable, attack pensioner poverty and sustainable, not only now but in future.

At the beginning of the debate on the Queen's Speech, my right hon. Friend the Member for Newport, East (Alan Howarth) intervened on the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) to say that Conservative policy on restoring the earnings link would mean a commitment of £98 billion in 2050. The right hon. and learned Gentleman replied:

"I think that ... pensioners are more interested in the real difficulties that they face today than in what might happen in 2050."

I despair. If the Conservative party does not consider the sustainability of its policy, it betrays future generations of pensioners and taxpayers.

Of course, the Conservative party removed the link with earnings. The hon. Member for Havant said only two years ago that restoring the earnings link would be an expensive error, but more recently he said that withdrawing the link had been a mistake. However, when it was pointed out to the Leader of the Opposition that he was a member of the Cabinet when the earnings link was withdrawn, he said:

"It was the right thing to do then, and restoring the link is the right thing to do now."—[*Official Report*, 23 November 2004; Vol. 428, c. 17.]

When will it be the right time to break the link again? It is already unsustainable, not only in 2050 but in four years. There is a gap of £500 million in Conservative funding plans. Conservative Members say that they will sustain the link for four, not five years.

Mr. Willetts *rose—*

Alan Johnson: I shall let the hon. Gentleman explain his policy. However, I say to the hon. Member for Arundel and South Downs (Mr. Flight) that the Conservative party, on its figures, will send pensioners backwards from pensions of 20 per cent. of average earnings to pensions of 16 per cent. of average earnings.

Mr. Willetts: If the Secretary of State wants a rational debate on long-term costings, we need to know the Government's estimate of the long-term cost of increasing the pension credit by earnings from now to 2050. During that time, it will spread to more than three quarters of pensioners. Does not he accept that outside estimates of the cost reach £120 billion a year? That is why I said earlier that we need a grown-up recognition from the Chancellor of the cost of his policies. We could then have a rational debate.

Alan Johnson: That is fascinating. In the Queen's Speech debate a week ago, the Leader of the Opposition said that the important issue is what pensioners want now, not in the future. Today, the hon. Member for Havant says that what happens in future is important. We have said that we will link pension credit to earnings for this Parliament.

Mr. Willetts: Then?

Alan Johnson: The hon. Gentleman must wait and see what happens in future Parliaments, but we are committed to eradicating pensioner poverty. The Conservative party, having created that poverty, now espouses a policy whereby poorer pensioners will go backwards rather than forwards.

The hon. Member for Arundel and South Downs is one of a brigade of former shadow Chief Secretaries who have popped up today. He made a point about private pensions, which he repeated in his intervention. There are two points to make.

First, the hon. Gentleman tried to argue that the reforms to advance corporation tax created the problem. The Turner commission did not reach that conclusion. It pointed out, among other things, that in the 1980s, a Conservative Chancellor insisted that pension funds could not be funded by more than 5 per cent. above 100 per cent.—setting a 105 per cent. cap—and created a problem that forced pension funds to get rid of surpluses because they could not put any more money into the funds. That point was made earlier. The hon. Member for Arundel and South Downs, in seeking to use that argument, forgets that many companies during the 1980s—redundancies then and in the early

'90s were running at 16 for every 1,000 workers, whereas they now run at four for every 1,000—had to raid their pension funds to pay for early voluntary retirement. That is a major reason for the current problems.

The hon. Gentleman also talked about the wonderful world—the nirvana—in which we lived during the late '90s. The Turner report calls that a fool's paradise and makes it absolutely clear that these problems started in the early '80s. Anyone who thinks that we inherited a wonderful position for pensioners should remember that they were in abject poverty and that there was mis-selling of pensions. Pensions had gone up only once in 18 years. Why did they go up? They went up because the previous Government put VAT on fuel. To suggest that that was a wonderful world for pensioners is pretty perverse.

A good contribution was made by my hon. Friend the Member for Ochil (Mr. O'Neill), who raised the important point about the lack of trust in financial institutions, which is an issue that needs to be overcome. He also referred to the fragility of the engineering supply chain and the importance of retaining fiscal incentives.

The hon. Member for Gordon (Malcolm Bruce) has a fabulously named constituency; it seems that people are now naming their constituencies after my right hon. Friend the Chancellor. The hon. Gentleman spoke well about the need for further liberalisation of the European Union energy market and said that the Queen's Speech is an election gimmick. I concede that his party does not know much about Queen's Speeches, but it certainly is an expert on election gimmicks.

My right hon. Friend the Member for Llanelli (Denzil Davies) made an extremely important point about the Government's strong economic record.

When the hon. Member for Hertford and Stortford (Mr. Prisk) made his speech, my hon. Friend the Economic Secretary to the Treasury, who was sitting next to me, said that it showed what a loss the hon. Gentleman is to the Opposition Treasury team. He made a thoughtful speech and, although I do not agree with him, he is a doughty defender of small businesses.

We heard good contributions from my right hon. Friend the Member for Coatbridge and Chryston (Mr. Clarke) and from the hon. Member for Sheffield, Hallam (Mr. Allan), who made a good point about IT and spoke knowledgeably on the subject. In fact, he spoke so knowledgeably that I am thinking of hiring him to work with me at the Department for Work and Pensions.

Indeed, today, I sent an explanation of what happened last week to the hon. Member for Havant; it might be an inverted analogy for what is happening in today's Conservative party. We were doing a software upgrade and it all went wrong, but our mainframes were not affected. In the Letwinisation of the Conservative party, the Opposition are attempting a software upgrade, but unfortunately their mainframes have collapsed completely.

I am sorry that I cannot cover all the contributions made by right hon. and hon. Members in what has been an important, entertaining and interesting debate.

This Government have built a legislative programme that embraces the challenges of the future. It is built on the foundations of economic stability and prosperity; the longest period of sustained economic growth on record—growth every quarter since 1997; the lowest inflation and lowest sustained interest rates for 30 years; and unemployment at its lowest for a generation with 2 million more people in work since 1997. We all remember that Roger McGough turned a newspaper headline into a great three-line poem. The headline was, "Conservative Government Unemployment Figures"; the poem was, "Conservative Government. Unemployment? Figures."

I commend these measures to the House.

Question put, That the amendment be made:—

The House divided: Ayes 149, Noes 380.

Division No. 2] **[6.59**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Bacon, Richard
Baldry, Tony
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Campbell, Gregory *(E Lond'y)*
Cash, William
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cran, James *(Beverley)*
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*

Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Mr. Crispin Blunt and
Mr. Peter Atkinson

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baker, Norman
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beith, rh A. J.
Bennett, Andrew
Benton, Joe *(Bootle)*
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Brown, rh Gordon *(Dunfermline E)*
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnett, John
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Corston, rh Jean
Cotter, Brian
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningnam, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hancock, Mike
Hanson, David
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Keetch, Paul
Kemp, Fraser
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun

Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
Olner, Bill
O'Neill, Martin
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thurso, John
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Nick Ainger and Margaret Moran

Question accordingly negatived.

Amendment proposed: at the end of the Question, to add:

"but regret that the Gracious Speech contains no commitment to introduce legislation to clarify the responsibility of the Prime Minister to Parliament, particularly in relation to the prerogative powers and the role of Parliament in matters of war and peace; and call for a special Select Committee of the House to consider these matters."—*[Mr. Stunell.]*

Question put forthwith, pursuant to Standing Order No. 33 (Calling of amendments at end of debate), That the amendment be made:—

The House divided: Ayes 68, Noes 443.

Division No. 3] **[7.14 pm**

AYES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Bruce, Malcolm
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cotter, Brian
Davey, Edward *(Kingston)*
Donaldson, Jeffrey M.
Doughty, Sue
Ewing, Annabelle
Fisher, Mark
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hogg, rh Douglas
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Lamb, Norman
Laws, David *(Yeovil)*
Llwyd, Elfyn
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Rendel, David
Robertson, Angus *(Moray)*
Robinson, Peter *(Belfast E)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sedgemore, Brian
Shepherd, Richard
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Stunell, Andrew
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete

Tellers for the Ayes:
Richard Younger-Ross and Mr. Alan Reid

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Ainsworth, Peter *(E Surrey)*
Alexander, Douglas
Allen, Graham
Amess, David
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Arbuthnot, rh James
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Atkinson, Peter *(Hexham)*
Austin, John
Bacon, Richard
Bailey, Adrian
Baldry, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John

Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bennett, Andrew
Benton, Joe *(Bootle)*
Bercow, John
Beresford, Sir Paul
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunt, Crispin
Boateng, rh Paul
Borrow, David
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brady, Graham
Brazier, Julian
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Cameron, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cash, William
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chope, Christopher
Clapham, Michael
Clappison, James
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clifton-Brown, Geoffrey
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Collins, Tim
Colman, Tony
Connarty, Michael
Conway, Derek
Cormack, Sir Patrick
Corston, rh Jean
Cran, James *(Beverley)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curry, rh David
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dismore, Andrew
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Doran, Frank
Dorrell, rh Stephen
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Field, Mark *(Cities of London & Westminster)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flight, Howard
Flook, Adrian
Flynn, Paul *(Newport W)*
Follett, Barbara
Forth, rh Eric
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Fox, Dr. Liam
Francis, Dr. Hywel
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gillan, Mrs Cheryl
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Grieve, Dominic
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Gummer, rh John
Hall, Mike *(Weaver Vale)*
Hammond, Philip
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Hawkins, Nick
Heald, Oliver
Healey, John
Heathcoat-Amory, rh David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hendry, Charles
Hepburn, Stephen
Hermon, Lady
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hoban, Mark *(Fareham)*
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Horam, John *(Orpington)*
Howarth, George *(Knowsley N & Sefton E)*
Howarth, Gerald *(Aldershot)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hunter, Andrew
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jack, rh Michael
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Key, Robert *(Salisbury)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Laing, Mrs Eleanor
Lait, rh Mrs Jacqui
Lammy, David
Lansley, Andrew
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leigh, Edward
Lepper, David
Leslie, Christopher
Letwin, rh Oliver
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Lewis, Dr. Julian *(New Forest E)*
Liddell, rh Mrs Helen
Liddell-Grainger, Ian
Linton, Martin
Lloyd, Tony *(Manchester C)*
Loughton, Tim
Lucas, Ian *(Wrexham)*
Luff, Peter *(M-Worcs)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIntosh, Miss Anne
McIsaac, Shona
Mackay, rh Andrew
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McLoughlin, Patrick
McNulty, Tony
McWalter, Tony
Mahmood, Khalid
Malins, Humfrey
Mallaber, Judy
Mann, John *(Bassetlaw)*
Maples, John
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
May, rh Mrs Theresa
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Andrew *(Sutton Coldfield)*
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Moss, Malcolm
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Murrison, Dr. Andrew
Naysmith, Dr. Doug
Norman, Archie
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Stephen *(Eddisbury)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, George *(Tatton)*
Osborne, Sandra *(Ayr)*
Ottaway, Richard
Owen, Albert

Page, Richard
Paice, James
Paterson, Owen
Pearson, Ian
Perham, Linda
Picking, Anne
Pickles, Eric
Pickthall, Colin
Pike, Peter
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Portillo, rh Michael
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prisk, Mark *(Hertford)*
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rammell, Bill
Randall, John
Rapson, Syd
Redwood, rh John
Reed, Andy *(Loughborough)*
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, John *(Glasgow Anniesland)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Geoffrey *(Coventry NW)*
Roe, Dame Marion
Rosindell, Andrew
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sawford, Phil
Sayeed, Jonathan
Selous, Andrew
Sheerman, Barry
Shephard, rh Mrs Gillian
Sheridan, Jim
Shipley, Ms Debra
Simmonds, Mark
Simon, Siôn
Simpson, Keith *(M-Norfolk)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Soley, Clive
Southworth, Helen
Spellar, rh John
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Gary
Stuart, Ms Gisela
Sutcliffe, Gerry
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tami, Mark *(Alyn)*
Tapsell, Sir Peter
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Thomas, Gareth *(CWyd W)*
Thomas, Gareth *(Harrow W)*
Tipping, Paddy
Todd, Mark
Touhig, Don
Tredinnick, David
Trickett, Jon
Trimble, rh David
Truswell, Paul
Turner, Andrew *(Isle of Wight)*
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Viggers, Peter
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Waterson, Nigel
Watkinson, Angela
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Whittingdale, John
Wicks, Malcolm
Wiggin, Bill
Willetts, David
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Margaret Moran and Mr. Nick Ainger

Question accordingly negatived.

Main Question put:—

The House divided: Ayes 295, Noes 200.

Division No. 4] **[7.29 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bennett, Andrew
Benton, Joe *(Bootle)*
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Corston, rh Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpetrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian

Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
Olner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Harrow W)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. Nick Ainger and Margaret Moran

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Bacon, Richard
Baker, Norman
Baldry, Tony
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Calton, Mrs Patsy
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Djanogly, Jonathan
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian

Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Opik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Willetts, David
Williams, Hywel *(Caernarfon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Peter Atkinson and
Mr. Crispin Blunt

Question accordingly agreed to.

Resolved,

That an humble Address be presented to Her Majesty, as follows:

Most Gracious Sovereign.

We, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom and Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament.

To be presented by Privy Councillors or Members of Her Majesty's Household.

PETITIONS

Traveller Sites

7.40 pm

Mr. Bernard Jenkin (North Essex) (Con): It is my privilege and honour to present a petition bearing more than 1,000 names taken in my constituency. It expresses the anger and frustration that many people feel about the Government's disjointed policy on Travellers' sites and travelling people. The petition states:

To the House of Commons

The petition of residents of North Essex,

Declares that Colchester Borough Council and Essex County Council have been forced to consider locating permanent travellers' sites on greenfield areas—where no development would normally be allowed and which would damage the value of surrounding properties—because, in the absence of a designated site, travellers and others have acquired excessive rights to occupy and spoil private land in the area.

The petitioners further declare that Colchester Borough and Essex County Councils should reject proposals for a travellers' site at Severalls Lane or the Crown Interchange just north of Colchester.

The petitioners therefore request that the House of Commons calls upon the Deputy Prime Minister to introduce legislation to enable local councils to protect the interests of those they are elected to serve, including genuine travelling people, by transferring to local councils complete responsibility for Travellers and their activities within their local areas.

And the petitioners remain, etc.

To lie upon the Table.

Primary Schools (Stevenage)

7.41 pm

Barbara Follett (Stevenage) (Lab): It is my honour to present a petition on behalf of 11,000 residents of Stevenage who wish to express their anger and dismay at the actions taken by Conservative Hertfordshire county council to try to close four schools in the southern half of Stevenage.

The petition states:

To the House of Commons.

The Petition of residents of Stevenage,

Declares that the consultation document 'Raising achievement in Stevenage, reducing the Number of Primary Places' proposes the closure of Longmeadow Infant, Longmeadow Junior Burydale Junior and Shephall Green Infant and Nursery Schools and the establishment of a new school on the sites of Burydale and Longmeadow. The Petitioners reject this proposal on the grounds that the consultation process was flawed.

The Petitioners therefore request that the House of Commons urge the Secretary of State for Education and Skills to ensure that further consultation on the future of primary education in Stevenage—taking into account demographic projections and other options—is undertaken.

And the Petitioners remain, etc.

To lie upon the Table.

Coroners' Courts

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

7.43 pm

Mr. David Kidney (Stafford) (Lab): No one could reasonably say that coroners' courts are not important. When the Harry Stanley inquest said that Mr. Stanley was unlawfully killed, it threw into crisis the whole of the Metropolitan police's armed police response in London. When the coroner in the inquest on Joseph Scholes' death wrote to the Home Secretary requesting a public inquiry, it cast a spotlight on the dangers of suicide when we lock up children in detention. If our system for registration of deaths and coroners' investigations is inadequate, the impact can be severe. To illustrate, I pose this question: could we not have detected sooner the murderous activities of the general practitioner Harold Shipman? I add immediately that the third report of the Shipman inquiry made it clear that it was not the individuals working in the system who were to blame for Dr. Shipman's long run of murdering patients in Hyde, but the system itself.

I asked for this debate precisely because coroners' courts are important. Alongside the registration of deaths, they should provide a reliable system for collecting data on deaths and monitoring trends in deaths. They should provide an adequate investigation into suspicious deaths, to uncover wrongdoing or to provide reassurance as appropriate. They should provide also a thorough and sensitive service for the relatives of those who die suddenly and unexpectedly. Indeed, they should provide advice and guidance to us all on how to prevent avoidable deaths. They should provide the means of dealing with inquiries into mass deaths after major disasters.

The present system does not have the appearance of a modern and effective service able to respond to public concerns over deaths, whether of individuals or of groups, and to command public confidence. Nor does the Government's response to the reports that have exposed the failings of the present system and made recommendations for reform, which I shall come to, suggest that they are giving to the improvement of the system the priority that its importance demands.

In criticising the current state of the system for registering deaths, investigating them and holding inquests, I am not making any adverse judgment on the 120 or so coroners—their number fluctuates, but there are 23 full-timers—and their support staff and investigators. I am sure that most of them are hard-working and dedicated, but they are working with statutory powers and procedures that were established in a different era.

It is my case that there are serious and obvious flaws in the current arrangements, and that those have been drawn repeatedly to the Government's attention, yet the Government have not acted to put them right with the urgency that the situation requires. Action is required at two levels, legislative and administrative. I can understand that securing a slot in the Government's legislative programme may take time, but there is no reason why the urgency of the need for change cannot start to be met by administrative actions straightaway.

I move on to the reports that show the need for reform. I shall call the first one the Luce report, after Mr. Tom Luce, the former head of social care policy in the Department of Health, who chaired the review team for the report called "Death Certification and Investigation in England, Wales and Northern Ireland—The Report of a Fundamental Review 2003", Cm. 5831. At the front of the report is printed the review team's letter to the Home Office, dated 28 April 2003, which states:

> "During the last three-quarters of a century, the Government has twice commissioned reviews of these subjects, in 1936 and 1965. Very little happened in response to their reports. The services are showing the consequences of this neglect."

The first lines of the report read:

> "The systems in England, Wales and Northern Ireland for the certification of most deaths by doctors and the investigation of others by coroners have been seriously neglected over many decades. They must undergo radical change if they are to become fit for the purposes of a modern society and capable of meeting future challenges. The need for reform is widely recognised and supported."

I would add to that that there are other high-profile cases that demonstrate the need for an effective system to be in place. I have already mentioned the case of Harold Shipman, whose unlawful killings were counted in hundreds. To that I would add great disasters like the Bowbelle/Marchioness incident, and more recently the rail crashes at Ladbroke Grove and Potters Bar.

In addition to these obvious demands for a modern service there are linked issues demanding a strategic response from a modern coroner system. For example, article 2 of the European convention on human rights is about a state's obligation to protect the lives of its citizens, which the courts have ruled implies an obligation to investigate deaths. There is the White Paper entitled "Civil Registration: Vital Change", and registration changes are happening now. A more weighty inquiry is needed where there are deaths capable of causing serious damage to public confidence—for example, the death of the Government scientist, David Kelly. Perhaps not everyone appreciates this, but the Hutton inquiry into the allegations surrounding the death of David Kelly was also the inquest into his death, thanks to an addition to the Access to Justice Act 1999 that was well secured by my hon. Friend the Member for Hendon (Mr. Dismore).

Most recently, the inquiries into the Shipman deaths provide more evidence for my arguments. The third report surveyed the present state of the coroners service and described coroners' resources as varying widely. It mentioned that some coroners worked from home. It describes a situation in which there is virtually no training, and the training that is available is not compulsory. It says that coroners operate in isolation, and receive little advice or guidance. There is no leadership structure and no reasonable process for complaints and appeals. In fact, a coroner's inquest can be challenged only through judicial review. The Shipman inquiry said that coroners should have consistent quality standards, training, leadership, a wider range of investigative methods and greater powers.

As for handling of the reports in the media, an article in *The Guardian* on the Luce report carried the headline, "Coroners face big shake-up after 800 years". It said that the report recommended a package of sweeping

reforms—bereaved relatives would have much stronger rights at inquest, and coroners would be able to deliver fuller verdicts. It talked about the "forgotten" coroner service, and pointed out that it needed radical change after decades of neglect. My hon. Friend the Under-Secretary of State for the Home Department, the Member for Wythenshawe and Sale, East (Paul Goggins), who will respond to the debate tonight, is quoted as saying:

"The shortcomings in the current system have been increasingly evidenced and it is essential that we build an effective, supportive and transparent system that commands public confidence".

The Guardian began an article on the third report of the Shipman inquiry thus:

"All deaths, including those that do not appear suspicious, must be investigated to ensure that murders such as those committed by Britain's worst serial killer, Harold Shipman, do not go undetected".

Dame Janet Smith, who presided over the inquiry, identified an urgent need for a more focused, professional and consistent approach to coroners' investigations. She said:

"There must be radical reform and a complete break from the past, as to organisation, philosophy, sense of purpose and mode of operation".

In a joint statement, the Home Secretary and the Secretary of State for Health said that work was already under way to identify how best to reform the coroner system.

Eventually, in March this year the Home Office produced a position paper proposing a coherent system based on full-time coroners with legal qualifications, closely supported by appropriate medical expertise, together with tighter rules for death certification, notification of all deaths to coroners and stronger support for scrutinising cases and investigation where necessary. A coroner and burial team was set up. In a news release, the Minister said:

"The proposals outlined today will introduce a new system that will combine an independent check on all deaths and a professional oversight of death patterns with, for the majority of cases, the minimum of bureaucracy".

A BBC news report on the Home Office plans suggested that those changes had taken place. It said that all deaths would be referred to an independent medical examiner and that a wide-ranging review would result in the numbers falling from 127 part-time coroners to a total of 40 to 60 full-time coroners. Coroners have been handed new powers to seize documents, and the reforms will change the way in which verdicts are recorded, doing away with terms such as "suicide" and "misadventure" and replacing them with a short narrative account of the facts of the death.

The Minister was reported as saying that the proposals would prevent an individual doctor from being able to ensure that someone was buried without any further scrutiny within the system. He said that that was "a huge step forward". What has happened since March 2004, and what urgency has been ascribed to this policy area by the Home Office? In September the independent support group INQUEST described the position paper as "aspirational" and drew attention to the lack of clearly stated commitments. It expressed concern because any changes were expected to take place within existing budgets and without any new money. The Luce report, however, recommended a series of reforms which, it estimated, would cost an additional 10 per cent. over and above the current £70 million budget for coroners' courts.

Will the Minister explain what has been done since March 2004? Which of the proposals in the position paper have been put into practice? What is still to be done before new legislation is introduced? The Luce report helpfully includes a section on what can be done without waiting for a new Act of Parliament. NHS doctors could be allocated to work in an advisory capacity with the registration service and local coroners. The existing coroners' rules could be changed to reflect the recommendations on the outcome, conduct and scope of inquests. The registration service, the Home Office and the chief medical officers could give guidance on the use of autopsies. Here I interpose that in the third report of the Shipman inquiry, it is said that the immediate resort to autopsies by coroners is undesirable, and some coroners' autopsies are "seriously deficient".

As further examples of what can be done now, a new charter of standards of service to families could be produced. Training programmes for coroners' officers should be introduced with some support from central funds, and the development of new training arrangements for coroners themselves could be started. Informal piloting of death certification changes could be started. A new coronial council could be appointed on an informal basis and asked to oversee progress with the reforms. That is an excellent idea. The report states on page 219:

"All these changes could be made in advance of new legislation and all would be very worthwhile."

I am asking for reassurance. Will my hon. Friend the Minister reassure me and the public at large? I am talking about the relatives of those who die tragically in suspicious circumstances, in the custody of the state or in a terrible disaster; the technical and expert groups such as the Office for National Statistics, which collects and publishes the data on deaths, and the Health and Safety Executive, which has responsibility for preventing avoidable deaths at work; the organisations that work professionally with the coroners, such as doctors, police and prosecutors; and the media and all those who have a legitimate interest in the process and outcome of coroners' investigations?

When will we have a modern coronial jurisdiction with national coherence? Will we have a standing rules committee, a coronial council and an inspectorate? Will we have a nationally consistent complaints procedure, an appeals process and compulsory training? Can my hon. Friend tell me that defects in coroners' powers as identified in the reports that have been published will be remedied, and that in future coroners will not solely be reactive, but will be able to investigate any death or group of deaths on their own initiative, making recommendations that may avert further deaths from similar causes in future?

Can my hon. Friend tell me that in future, coroners will have the back-up that they need for expert medical input and effective investigations, and that families will by right have access to reports and to investigators, and that they will be accorded the assistance and the respect to which they are entitled throughout the investigative process, including at an inquest, if one is held? Will he

[Mr. David Kidney]

tell me when all this will happen? Can he tell me that that will be soon? It is urgent. Can he tell me that the media will be able to report those actions as fact, because they will be fact?

When my hon. Friend says that he remains committed to taking urgent action, when he reassures all those with an interest in the coroners' court system, especially the families of the deceased, the coroners and their staff, that he is constantly on their case, and when he says that he is determined to see through radical reform in a timely and cost-effective way, I will be satisfied that this debate is worth while, and that some good will come of it.

7.58 pm

Ross Cranston (Dudley, North) (Lab): I congratulate my hon. Friend the Member for Stafford (Mr. Kidney) on securing the debate and putting the case for reform of the coronial system in a thorough and persuasive way. There is one aspect that I shall mention briefly—the Luce recommendation about bringing the coronial courts into line with the ordinary courts system, where there is a structured system of appeal.

The issue was brought home to me about a year ago, when one of my constituents, a Methodist minister, was criticised by a coroner after a death outside his church. It is neither appropriate nor possible for me to go into the details, but when my constituent sought my advice, all I could say was that he could challenge the finding by judicial review, or possibly by getting the Attorney-General to support a High Court application. Neither course of action was practical, given the cost involved. Ultimately, the coroner was prepared to enter into correspondence with me, and at the end of the day my constituent and I felt that justice had been done. I urge my hon. Friend the Minister to recognise that this is an important issue, on which the agenda must move forward quickly.

7.59 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I congratulate my hon. Friend the Member for Stafford (Mr. Kidney) on obtaining this debate and giving us the opportunity to discuss the important issue of the reform of the coroner service. He is clearly knowledgeable about the issue and, as my hon. and learned Friend the Member for Dudley, North (Ross Cranston) pointed out, he spoke eloquently and persuasively. I also welcome my hon. and learned Friend's contribution to the debate.

I have been a Minister long enough now to have my earlier remarks quoted back at me. I have also been a Minister for long enough to know that it is a long way from a position paper to a fully reformed system. However, I agree that the issue is important. I reiterate the need diligently to follow through on it and again place on record my determination to do so.

The coroner's office and death certification are, thankfully, places and systems to which we do not often have to go. When we use them, we may be upset and distressed, which is all the more reason why the Government need to ensure that the systems are reliable and effective. As my hon. Friend the Member for Stafford said, the system goes back many hundreds of years. It functions as well as it does largely because of the dedication and professionalism of the staff involved. I assert that we owe it to them and the wider public to modernise the system so that it is fit for purpose and fully effective.

The Government set out our proposals for reform in the position paper that we issued in March this year. As we said then, our intention is to issue a White Paper early next year. The work undertaken by Dame Janet Smith, which is contained in her third report from the Shipman inquiry, and by Tom Luce, in the fundamental review he carried out on behalf of the Home Office, has been crucial in helping to inform and work out our proposals for the way forward. We need a system that is simple to understand and easy to run. We need to close any gaps that could be exploited by those who have criminal intent or who fail to provide proper care. In particular, we must do all we can to ensure that horrific crimes such as those carried out by Harold Shipman can never happen again.

To do that, we must connect a number of different but associated systems, such as the registration service and arrangements for forensic pathology. In addition, we will also need strong links between coroners and health services. It is essential that we learn from deaths of all kinds and use that knowledge to prevent avoidable and unnecessary deaths. We must also make sure that the public have a better understanding of how the system operates.

We plan to reform not only the coroner system, but the arrangements for death certification. New procedures to verify the fact of death will be introduced, and the system will be the same for all deaths, whether there is to be a cremation or a burial. We will also ensure much stronger medical oversight. The new system will mean that in future all deaths, whether or not they need to be reported to the coroner, will be reviewed by medically trained professionals based within the coroner's office.

Those trained doctors—in the position paper, we call them medical examiners—will review the medical certificates of the cause of death in all cases. They will have new powers to call for supporting documentation and make any inquiries that they see fit in order to satisfy themselves that each death is properly certified and that there is no reason for a coroner's investigation. They will also need to be able to review cases as quickly as possible, so that our new procedures do not lead to delay and additional distress for the bereaved.

Each medical examiner will be properly trained in death certification and will work full-time in fulfilling their duties. The checks that they make will be much more effective, and the availability of that additional medical expertise will assist lawyer coroners to interpret and understand the medical information about a death and the details of any medical treatment and procedures that the deceased may have been receiving prior to the death. All that will help coroners to decide what action they may need to take in each case. In turn, we expect that better medical information, and the greater competence and confidence it brings, to lead to a reduction in the number of post-mortem examinations.

Families will have a crucial role in this reformed process. I know, not least from the consultations we have carried out, just how important it is for families to

have an opportunity to provide information, to raise questions and to express their own views. Under our proposals, families will have new rights to receive information about a death and to challenge anything that seems to them to be wrong. Their views will also be taken into account when key decisions are taken about the investigation of a death. There will be new and more accessible opportunities to appeal such decisions. Although I cannot at this stage go into the details of that, I hope that my hon. and learned Friend the Member for Dudley, North will appreciate that we are committed to ensuring that families have more opportunities for redress.

Mr. Kidney: I thank my hon. Friend for all that he is saying. The main complaints from families concern great delays in getting an inquest at all and difficulties in getting access to the investigator's report to the coroner. Can those matters be dealt with without the need for legislation, and can my hon. Friend promise that they will be dealt with soon?

Paul Goggins: Later in my remarks I will show how, under plans to develop a family charter, we want to share more information with families. Of course, we want to speed up the inquest system, although in our current system it is hard to do that in cases where coroners have a backlog of cases, with all the difficulties that that entails. We need to carry out the fundamental reform, but there are things that we can do now and we will continue to do so.

Mr. John Burnett (Torridge and West Devon) (LD): I am grateful to the Minister and to the hon. Member for Stafford (Mr. Kidney).

In rural areas, there are sometimes very few suitable venues for coroners to hear their cases. Will the Minister lean on the Lord Chancellor and his Department when people who run the Crown courts, magistrates courts or county courts seek to oust a coroner from using a court although no suitable alternative accommodation is available?

Paul Goggins: I am aware that sometimes locating a suitable venue for an inquest can be problematic. That remains a responsibility for the local authority. None the less, in Government we do of course try to assist and support coroners where they have a particular difficulty. All they need do is approach us, and if we can help, we will.

As all Members have emphasised, we have much to learn from the experiences of families. Indeed, some of the most instructive and compelling evidence that I have received came during two discussions that I was fortunate enough to have with the families of Harold Shipman's victims—people who have more reason than most to know of the shortcomings of the present system and who expressed themselves to me with remarkable clarity and calmness given the circumstances. I am extremely grateful to my hon. Friend the Member for Stalybridge and Hyde (James Purnell) for arranging those important opportunities for me to meet them.

Under our proposals we will, for the first time, have a national system to oversee all deaths. In order to provide focus and direction for that new service, we will create a new post—a chief coroner, who will lead the service by setting and driving up professional standards, deploying coroners within the national service, and, where necessary, undertaking the most complex cases himself or herself. The chief coroner will also have statutory powers to give directions to coroners in the interests of consistency and good practice.

There will also be a chief medical adviser, who will have particular functions in relation to the medical examiners and will ensure that the new service has access to the best possible medical expertise.

The chief medical adviser will provide top level medical advice to the chief coroner and link the new service with the regional directors of public health, who will provide additional oversight and scrutiny.

As I said earlier, we plan to publish a White Paper early next year. That will set out the basis on which we intend to legislate—as soon as parliamentary time is available—for a unified and reformed system.

We are carefully considering the resources that we will need. My hon. Friend the Member for Stafford mentioned that. Our position paper expressed the hope that, in broad terms, the changes would be cost-neutral. Further detailed analysis suggests that there may be a need to identify further funding, over and above the blocks of funding that local authorities and the police allocate to the coroner service and coroners' officers. Given that those funding arrangements were designed to cope with around 200,000 deaths a year, while the new service will be required to deal with approximately 500,000, that should not be too surprising. We are, of course, examining the efficiency savings that will accrue.

We are also considering some of the payments made in the current system, including, for example, the £30 million paid privately to doctors for providing certificates prior to cremation, to ascertain whether some of that money could help to improve the scrutiny that families clearly expect. All that will be clearly set out in the White Paper.

As my hon. Friend said, we can do a great deal in advance of a fully reformed system and some of that work has already started. We are working closely with coroners to increase the focus of the service on bereaved families—many coroners already consult families as a routine part of their investigations. I am delighted with the way in which several coroners are taking that work forward. They are seriously considering the way in which families and others receive information about a death and how communications can be improved. I know that some coroners are reviewing the leaflets that they provide and are in discussion with groups and others who work with the bereaved to ascertain what improvements they could make.

In the longer term, building on such work, we will develop a family charter to set out the service standards that can be expected throughout England and Wales. We are also promoting the sharing of good practice. Using modern techniques developed by the Coroners Society of England and Wales, coroners are already making far more use of each other's experience. At the Home Office-funded training courses for coroners, we are making sure that sharing good practice is built into each course.

[Paul Goggins]

I pay tribute to the coroners for the way in which so many have made real strides in ensuring that their work and that of their staff meets the increasingly high standards that the public and central Government now expect. Working with local authority funders and local police forces, many coroners have made significant progress in their case management systems and their approach to inquests—especially those that take a long time to arrange—in reviewing their performance and making sure that they work closely with other local services. For example, many coroners have been actively reviewing the number of post mortems that they request, and others have been developing important new links with registrars and primary care trusts as well as with voluntary groups who can support the bereaved.

As I explained earlier, the next milestone in our programme is publication of a White Paper. That will set out the details of our reform programme. We will need primary legislation to give us the powers that we need and we will also need to develop the necessary professional leadership in the form of a chief coroner and a coroners council.

I reiterate the Government's full commitment to the delivery of fundamental coroner and death certification reform at the earliest opportunity—

The motion having been made after Seven o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at thirteen minutes past Eight o'clock.

House of Commons

Thursday 2 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION AND SKILLS

The Secretary of State was asked—

Enterprise Education

1. **Mr. Bob Blizzard** (Waveney) (Lab): What plans he has to develop enterprise education. [201227]

The Minister for Lifelong Learning, Further and Higher Education (Dr. Kim Howells): It is vital that we encourage young people to become more enterprising and to consider the possibility that with the right dedication and skills they could set up their own businesses. That is why, in September 2005, we will provide £60 million for enterprise education for all key stage 4 pupils. To help schools deliver that new entitlement, we have spent over £30 million on 195 Pathfinder projects involving more than 700 schools and funded an enterprise adviser service to help to prepare schools, especially in poorer areas, for that entitlement.

Mr. Blizzard: Will my hon. Friend join me in congratulating Lowestoft schools on winning the Enterprising Britain competition for the eastern region, and Hazel Johnson in particular on her dynamic leadership? With four enterprise advisers from his Department's Pathfinder project and another provided by Shell, enterprise education is inspiring young people in Lowestoft and bringing schools and business together, which we need if we are to regenerate the town. The funding, however, finishes this year, so will he study that success and maintain the funding by supporting the current schools bid to set up a community interest company in conjunction with another local company, Adnams?

Dr. Howells: I certainly join my hon. Friend in praising the work in Lowestoft, especially by Hazel Johnson. It has been a great achievement, and I am only too glad to look at the proposals from the town.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): One of the key components of enterprise education is a grasp of basic mathematics. Was it because the maths results in English schools in the programme for international student assessment 2003 were so poor that the Government were happy to accept the decision by the Organisation for Economic Co-operation and Development to exclude the figures for England from the international comparisons, even though the participation rate of 64 per cent. was higher than the 56 per cent. participation rate for the USA, whose figures were included, and the 61 per cent. participation rate in PISA 2000, the figures for which were accepted by the OECD?

Dr. Howells: As I understand it, the OECD has been complimentary about the fact that primary schools in this country have the best ever mathematics results, and we should celebrate that. The hon. Gentleman is right that we still have a long way to go, but we are making genuine progress.

Linda Perham (Ilford, North) (Lab): Does my hon. Friend accept the role of business education partnerships in promoting enterprise in schools? In my area, the Redbridge business education partnership does excellent work, and I have been pleased to support it over the years.

Dr. Howells: I am very much aware of the good work that my hon. Friend has done in and around Redbridge, and I am happy to endorse her point about business education partnerships, which are the way forward. Our hon. Friend the Member for Waveney (Mr. Blizzard) mentioned the involvement of Shell in Lowestoft, and the company is to be congratulated on showing the way forward. If we can inspire more young people through business education partnerships to consider setting up their own businesses, that will go a long way towards transforming the economy.

School Transport (Leicestershire)

2. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What recent representations he has received regarding the provision of school buses in Leicestershire. [201228]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): In addition to the valuable points made by my hon. Friend on Second Reading of the School Transport Bill, since August this year the Department has received one piece of correspondence on this issue.

David Taylor: Regular readers of the *Leicester Mercury* will know that our county has its share of overcrowding, antisocial behaviour and vandalism on school buses. Will the Minister ensure that the School Transport Bill, which was introduced in the House last week, includes measures to ensure that student journeys are free of danger, free of loutishness, free of damage and, most importantly, free of charge?

Mr. Twigg: I am not sure whether I can reassure my hon. Friend on his last point, but he is right to emphasise the importance of promoting positive behaviour on the school journey. We have said in the prospectus accompanying the Bill that the promotion of such behaviour is a necessary condition of any scheme by a pilot authority. More broadly, the promotion of

positive behaviour on the school run is at the heart of the work that we are doing with our colleagues in the Department for Transport on travelling to school.

Mr. Mark Hoban (Fareham) (Con): Will not the people of Leicestershire be angry that school buses that are currently free could cost parents £200 per child under the School Transport Bill? Will not they see that as another third-term tax rise aimed at filling the Chancellor's black hole?

Mr. Twigg: I am sorry that in the Chamber the hon. Gentleman is not following the constructive path that he followed in Committee when we considered the School Transport Bill, which will return to the House soon. As he knows, one in 10 children currently benefit from free school transport. The purpose of the Bill is to enable local communities, if they want to, to try new ways of providing school transport to more children. I believe we should be worried about the many, not the few. Once again, the hon. Gentleman is concerned only with the few, not the many.

Teachers (Malicious Allegations)

3. Tony Cunningham (Workington) (Lab): What steps he is taking to protect teachers from malicious allegations made against them by pupils. [201229]

The Minister for School Standards (Mr. David Miliband): In November my right hon. Friend the Secretary of State launched a consultation on a new process for dealing with allegations against teachers and school staff. The consultation covers the reduction of time scales, new procedures to improve the management of cases and, significantly, advice by the Association of Chief Police Officers that anyone under investigation should not be named until they are charged with an offence.

Tony Cunningham: I am sure my hon. Friend would agree that there should be zero tolerance of abuse in the classroom. Equally, there must be zero tolerance of malicious complaints against teachers. Will my hon. Friend assure the House that complaints will be dealt with speedily, and that firm action will be taken against those who make malicious complaints?

Mr. Miliband: As a former teacher, my hon. Friend speaks with real knowledge of the matter. He is right that the trauma of abuse of trust and of unfounded allegations need to be tackled. I am pleased that about 70 pr cent. of all cases are currently dealt with within three months, but we want to raise that figure to 95 per cent. because speed is of the essence. I remind the House that the sanctions on false and malicious allegations are extremely serious, including charges of perjury and perverting the course of justice.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Minister agree that the most important consideration is to preserve the anonymity of those charged? He referred to that in his answer. Will he assure the House that from now onwards, any teacher who is charged will have his or her anonymity preserved until we know that that man or woman is guilty?

Mr. Miliband: It is certainly our view that teachers should have their anonymity preserved until they are charged, if they are charged. I should point out that very few are charged; about 17 per cent. of all cases end in a prosecution. I am pleased that ACPO has issued new guidance to preserve anonymity. There is also the responsibility of the press in the matter. The Press Complaints Commission guidance is very clear about what those responsibilities are, and I would expect the press to follow that guidance.

Chris Bryant (Rhondda) (Lab): The Minister will know that it is not only in formal education that the poison of malicious allegations has been a terrible problem in recent years; it also occurs in informal education through the youth service. Will he ensure that the processes affecting teachers that he hopes to introduce in the next couple of years will also apply in the youth service?

Mr. Miliband: My hon. Friend raises a good point. When we speak of unfounded allegations and of anonymity, simply to speak of teachers is not sufficient, given the range of professionals who work with young people. The safeguards that we want for children and for staff should apply to all those who work with young people in and out of schools.

Rev. Martin Smyth (Belfast, South) (UUP): Significantly, in Portcullis House there is a conference dealing with false allegations of abuse and what has happened in the courts over the years. We welcome the improvements and the commitment from police officers, but will the Minister consult his colleagues throughout Government so that legislation might be brought in to safeguard children and teachers? It is important that in the youth service at large, those who devote themselves to teaching can be protected, as well as those whom they teach.

Mr. Miliband: The House knows that the hon. Gentleman has a long and distinguished record in campaigning on these issues and bringing attention to them. I am happy to say that there is proper consultation right across the United Kingdom on the issue. It is important, as my right hon. Friend the Secretary of State has pointed out, that the Bichard inquiry referred to matters in this area, and we will respond to that shortly. I hope we will help to provide some of the reassurance that the hon. Gentleman seeks.

Mr. Tim Collins (Westmorland and Lonsdale) (Con): What the Minister said about speeding up trials is welcome, and his remarks about the importance of preserving anonymity will also be welcomed by many teacher unions and their representatives. But he knows that they want more than simple guidance from ACPO and exhortations to the media from the Minister, so why will he not act on what the teacher unions have specifically requested: legislation to guarantee anonymity in those circumstances?

Mr. Miliband: The teacher unions have actually said that they want to see how the new ACPO guidance works, because this is an area where there are difficult issues. My hon. Friend the Member for Rhondda (Chris

Bryant) referred to adults who do not have teaching status but work with young people none the less. We want to ensure that the guidance works, and I hope that we can count on the hon. Gentleman's support in ensuring that it does.

Mr. Collins: The Minister will know that we of course hope that guidance works, but he will also know that many teachers have been in extraordinary distress because their details have been published in the local media, placed there either by people in schools or by the police. He will know that a head teacher committed suicide this year in the Isle of Wight because his details were released in that way.

May I press the Minister again to say why he will not legislate? My party is committed to support legislation on this matter. We will support any legislation that this Government introduce. If they continue to refuse to introduce that legislation, we will introduce it in a teacher protection Bill in the first Queen's Speech of the next Conservative Government.

Mr. Miliband: It is very sad that the hon. Gentleman has sought to make a party political issue of this matter, but I cannot let it pass. His right hon. Friend the Member for Wokingham (Mr. Redwood) said that, under a Conservative Government:

"In the first hour, ministers will explain to officials that we are not in the business of passing 4,000 new laws a year."

I urge the hon. Gentleman to look at what his right hon. Friend is saying. This area requires careful application of the law and due diligence in every case. I think that the trauma both of abuse of trust and of abuse of teachers needs to be dealt with in a serious way by this House, and not in a posturing way.

Employer Training Pilots

4. **Mr. Siôn Simon** (Birmingham, Erdington) (Lab): What assessment he has made of the national employer training pilots. [201230]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis): An evaluation of the initial six pilots published in November 2003 showed a high level of employer satisfaction with particular value being placed on the flexible and responsive delivery of training in the workplace.

Mr. Simon: I thank the Minister for that answer, and I invite him to join me in commending the Birmingham and Solihull employer training pilot, one of the six initial pilots and, I think, one of the most successful; thousands of people employed by hundreds of employers were trained. Training for small businesses in particular can be a problem and a drain, and it is really difficult. What else will the Government continue to do to help?

Mr. Lewis: I congratulate my hon. Friend on his support for the pilots in the Birmingham and Solihull area, which are among the best in the country, as he would expect me to say at the Dispatch Box. The pilots are demonstrating a number of elements in terms of attracting employers and small and medium-sized enterprises in particular to invest in training. We are reaching employers who would have been reluctant to train in the past and getting to employees who lack basic skills or level 2 qualifications and who would not feel able in ordinary circumstances to go back to education. We are removing the bureaucracy and complexity of accessing training, particularly for small businesses. We are also bringing employers and trade unions together at the workplace to improve employment relations. We see that approach to encouraging employers to invest in the training of their work forces as central to a future demand-led training system.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): We are generally supportive of the pilots and work-based training, but there is huge confusion among employers and in the further education sector about the future. Now that the windfall levy, which paid for most of the initial work, has gone, will the Minister confirm that future funding will come out of Learning and Skills Council adult budgets? What proportion of the learning and skills budget will be devoted to the national employer training programme, and what effect will that have on FE budgets? Finally, on the point made by the hon. Member for Birmingham, Erdington (Mr. Simon), what compensation package has the Minister agreed with the Chancellor to support small employers in particular in releasing people for training?

Mr. Lewis: First, I think that the hon. Gentleman's party opposed the windfall levy, and we would not have had the employer training pilots if that policy had been followed. I thank him, however, for his genuine support of the principles underpinning the employer training pilots. On his substantive points, there are two issues. First, it has always been part of our vision that we need to re-engineer some of the existing money that we spend on training through the Learning and Skills Council, and move that money from the classroom to the workplace. As for the implications for colleges of further education, what we are seeing in the pilots is that many entrepreneurial colleges are now doing outreach work, going into workplaces, engaging with employers and providing the training in a customised, tailor-made way that meets the needs of the employer and the employee. I believe that further education has nothing to fear from the employer training programme. As for the final part of my answer, the hon. Gentleman will have to wait with bated breath for the statement on the pre-Budget report, which I think is about an hour away.

Mr. Bill Olner (Nuneaton) (Lab): I urge the Minister to go further, and implore him to ensure that there is plenty of training in schools. Sometimes young people miss a golden opportunity because they come to training late. I urge him to ensure that people go into not only further education colleges, but the classroom, so that we can get the right people in the skilled work force of the future.

Mr. Lewis: I agree entirely with my hon. Friend. All these policies bring the worlds of work and school closer together: specialist status for secondary schools; the new vocational pathways that we are developing; the flexible partnerships by which young people spend two days a week at school, two days a week at college and a day with local employers; enterprise education, which has

become a mainstream part of the curriculum; and the new 14 to 16 young apprenticeship. In the future, we want a dynamic, day-by-day relationship that ensures that the choices that young people make about their curriculum are linked to the labour market and are based on authentic, real life contact with the world of work.

Sure Start

5. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): What assessment she has made of the effects of Sure Start programmes on speech and language development. [201231]

The Minister for Children, Young People and Families (Margaret Hodge): The initial findings from the national evaluation of Sure Start's effect on children's speech and language development will be available in summer 2005. We know from individual Sure Start local programmes that the early support is having a positive impact. In one of the Stockport Sure Starts, for example, the number of children in reception classes with identified speech and language needs fell in successive years from 31 per cent. to 14 per cent. to 11 per cent. We also know from the comprehensive survey of more than 3,000 children published last week that two years of high-quality pre-school education boosts children's results at key stage 1 by four to six months.

Linda Gilroy: I thank my right hon. Friend for that response and for her work to ensure that children in the Keystone Sure Start in my constituency get a better start in life. What is she doing to ensure that children in other disadvantaged areas get such a good start and to mainstream the lessons learned from the Sure Start programmes?

Margaret Hodge: We are committed to mainstreaming all those Sure Start policies and programmes right across the country in every community. That is precisely why we have announced that we will develop 2,500 Sure Start children's centres by 2008. My hon. Friend must wait until after the pre-Budget report to see what further progress we can make in providing that revolution in children's services.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): My right hon. Friend knows that the Education and Skills Committee has taken evidence showing what a good investment early years intervention is. Will she examine the evidence that we received from the Social Market Foundation on Monday this week, which suggests that some Sure Start programmes are much more effective than others? Will she examine that evidence and make sure that good practice is spread as rapidly as possible, because the money should be spent wisely and effectively?

Margaret Hodge: My hon. Friend makes a good point. In the early days of evolving the Sure Start programmes, we enabled local Sure Start programmes to develop at their own pace and with their own priorities. We are now learning what works. As we develop Sure Start children's centres across the country, we will build on best practice to ensure that every family and every child in every community benefits from the Labour Government's investment in early years.

International Development

6. **Ms Sally Keeble** (Northampton, North) (Lab): What steps he is taking to promote the understanding of international development in schools. [201232]

The Secretary of State for Education and Skills (Mr. Charles Clarke): On 15 November this year, I launched the Department for Education and Skills international strategy, called "Putting the world in world-class education". It makes clear my Department's aim to ensure a strong international dimension across our education system, which we intend to achieve by building on the good work already being done in many schools by the British Council, the Department for International Development and voluntary organisations. We have also developed the Global Gateway, which is a new international website to allow schools across the world to engage in creative partnerships and develop mutual understanding.

Ms Keeble: I am grateful to my right hon. Friend for that answer. Will he join me in congratulating the 25 schools in my constituency that have been studying the plight of HIV/AIDS orphans in Kenya and preparing Christmas parcels of toys and school equipment for them? Will he join me in paying tribute to Kappa Packaging, the local firm that made the boxes, and to DHL, which is flying all 1,800 of them to Kenya? Does he agree that such work done by schools and backed by businesses is the way to build the kind of understanding that we need in future to tackle international problems?

Mr. Clarke: I very strongly commend the schools and organisations supporting the Kenya project in my hon. Friend's constituency. She has described that work to me, and it is genuinely impressive and exciting. Such work with Kenya fits absolutely with the Commission for Africa and the Government's focus, through our G8 presidency, on promoting Africa and how we can work together in so many ways. Education is the key to contesting HIV/AIDS in sub-Saharan Africa, and the kind of work in Northampton that my hon. Friend can happily represent is inspirational.

Mr. Nigel Evans (Ribble Valley) (Con): In my estimation, young people really are interested in international development and want to study it; many do so in their own private time with youth groups, church groups and various other organisations. I therefore encourage as much as possible the wider accessibility of learning about international development. I ask the Secretary of State look for ways further to assist young people in their gap years after school to enable them to go abroad to give assistance in the third and developing worlds, as Prince Harry did in Lesotho although clearly many of our young people do not have access to the resources that he has. Will the Secretary of State ensure that young people who want to go abroad are not prevented from doing so merely by lack of resources?

Mr. Clarke: The hon. Gentleman is entirely correct, and we are considering volunteering in the gap year in the

way that he described. The Russell commission, in particular, is examining it and will make recommendations. The hon. Gentleman's point—I am delighted that it has all-party support—is fundamentally true. Young people know that they are growing up in an international, global world; they understand our interdependence and want to contribute to solving the problems of the world.

Mr. David Drew (Stroud) (Lab/Co-op): Will my right hon. Friend commend Ross Workman, the head of Nailsworth school in my constituency, who has established very close links with Uganda? Does my right hon. Friend agree that we should permit teachers, particularly head teachers, to go out and see different parts of the world, especially Africa, ensure that funding is in place and bring back teachers from those countries so that they can share in the developed world's education system and learn from what we do here?

Mr. Clarke: My hon. Friend is correct. I strongly commend the schools in his constituency that are doing this work. I have seen outstanding examples of such work, which is facilitated by the Global Gateway. I had a video conference with a school in Lagos, Nigeria that is working with a school in east London. It is exhilarating to see how people can begin to understand issues in this way and I commend it most strongly.

Judy Mallaber (Amber Valley) (Lab): A few months ago I had a wonderful series of visits to primary schools to discuss the international campaign on the 100 million children around the world who do not go to school. In view of the statement by the Department for International Development that educating girls is the single most effective measure in tackling international poverty, will my right hon. Friend take the opportunity of that Department's forthcoming document on the subject to raise it more often in schools to promote greater understanding among our schoolchildren and to gain still further support for the international campaign on the efforts to educate girls around the world?

Mr. Clarke: My hon. Friend is absolutely right. Yes, we will take that opportunity. We are working very closely with the Department for International Development. Incidentally, through campaigns such as Comic Relief, with its focus on the G8 presidency this year and the importance of Africa, we have already had initial discussions about how we can develop this and take it forward in a much stronger way. Returning to the comments of the hon. Member for Ribble Valley (Mr. Evans), the fact is that there is a desire among young people in schools and colleges to get involved in this matter, and we have to enlist that.

Sex Education

7. **Sir Nicholas Winterton** (Macclesfield) (Con): What guidance he has issued to schools on the teaching of sexual health and the prevention of sexually transmitted infections. [201233]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): Our sex and relationship guidance issued to all schools in July 2000 requires schools to teach about sexual health and sexually transmitted infections. Teaching strategies should include helping pupils clarify their knowledge of sexually transmitted infections.

Sir Nicholas Winterton: With one in eight young women in this country infected with chlamydia, and with a huge increase in the incidence of syphilis and gonorrhoea, will the Government carefully consider the example of the Ugandan Government, who have promoted the ABC campaign to highlight abstinence and faithfulness in sexual relationships? That campaign has resulted in a 75 per cent. reduction especially in HIV infection among 15 to 19-year-olds. Cannot we learn something from a developing country in that instance?

Mr. Twigg: Obviously I am happy to consider all the evidence from other countries about what works and what does not. The research evidence about abstinence-only education in the United States suggests that it is not effective on its own, although it can be one element of a package of measures to teach young people about sex and relationships. I am happy to examine the specific evidence from Uganda that the hon. Gentleman has drawn to the House's attention.

Jonathan Shaw (Chatham and Aylesford) (Lab): Is not there a parallel between the development of the Sure Start programmes that have local autonomy and the teenage pregnancy strategies? Although they build on professional integration and working with the community, is not it important to share good practice to get the best out of the investment that we have made, as well as clear guidelines? If specific teenage pregnancy strategies work, other people should be told about them. If people do not want to find out, guidelines should be issued.

Mr. Twigg: My hon. Friend is right. In the past two years, there has been a disappointing, if small, increase in teenage conceptions, although there has been a significant fall, especially in conceptions among under-16s, across the four years of the strategy. We are now doing precisely what my hon. Friend suggests and focusing our attention especially on the hot spots—wards in the country that have particularly high levels of teenage pregnancy. Something like 50 per cent. of teenage conceptions happen in one in five local government wards. I am prepared to consider the available guidance in the way in which my hon. Friend suggests.

Mr. Graham Allen (Nottingham, North) (Lab): Will my hon. Friend ensure that any guidance that he issues is flexible so that it is relevant to areas of chronic educational under-attainment such my constituency? I recently had a letter from a primary head teacher, who said that, at 10 and 11, the sexual education that the youngsters receive is irrelevant because they know far more than what is being taught. That is a sad fact to relate to my hon. Friend. Will he ensure that we do not have a one-size-fits-all programme and that people are allowed the flexibility to meet the needs of their circumstances?

Mr. Twigg: My hon. Friend is right. Flexibility is critical and it is vital that we learn from best practice in different schools and different communities. It is also important that teachers and others who work with young people in our schools have the confidence to address those issues. Evidence shows that teachers sometimes lack that confidence. We place great emphasis on continuing professional development for teachers so that they can deliver sex and relationships education with confidence in the classroom.

Primary School Funding

8. **Paddy Tipping** (Sherwood) (Lab): What the average spending is per primary school pupil in England in the current financial year. [201234]

The Secretary of State for Education and Skills (Mr. Charles Clarke): Average revenue spending from the schools budget in 2004–05 is £3,120 per maintained primary school pupil. As part of our package to restore stability to school funding, we guaranteed all schools an increase in their funding this year of at least 4 per cent. per pupil. More than two thirds of schools received an increase above the guarantee and the remaining third, an increase in line with the guarantee.

Paddy Tipping: Is my right hon. Friend in a position to compare that impressive figure with that in, for example, the financial year 1996–97? If he could do that, would he find that primary school budgets—for example at the Annie Holgate infant school, which he has visited in Nottinghamshire—have doubled?

Mr. Clarke: I am not in a position to make the exact comparison but I can give the comparison in real terms with the year 1997–98. In Nottinghamshire, the total recurrent funding for pupils aged three to 19 increased by £760 per pupil in real terms since 1997–98, with the effect that my hon. Friend described. Anybody who goes into schools would have to acknowledge the massive increase in resources—capital spending as well as revenue spending—that drives up educational standards. That is a major dividing line between the Government and the Government whom we succeeded. I hope that everyone will bear that in mind when considering the choices that they have to make.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Secretary of State explain why a primary school child in Nottingham gets more money than a primary school child in Derbyshire?

Mr. Graham Allen (Nottingham, North) (Lab): They have good MPs.

Mr. Clarke: One of my colleagues suggests from a sedentary position that the reason is the quality of the Member of Parliament, but I am sure that that cannot be part of the explanation in any respect whatever. The fact is that different children have different needs in different parts of the country. But in Derbyshire, Nottingham and every part of the country, there has been a massive increase in resources in every school, for every child. That is something of which this Government are rightly proud.

Mrs. Anne Campbell (Cambridge) (Lab): My schools in Cambridge are extremely grateful for the extra money that has been received throughout this Government. May I point out to my right hon. Friend— *[Interruption.]*

Mr. Speaker: Order. The hon. Lady is addressing the House.

Mrs. Campbell: May I point out to my right hon. Friend that Cambridgeshire county council is still not receiving the amount of funding that it was led to expect in 2002 that it would receive, which means that schools, in some cases, are still underfunded, even though funding has improved so much since 1997? I hope that he will join me in making representations to the Office of the Deputy Prime Minister on the need to increase their funding in line with what they would expect to receive.

Mr. Clarke: First, there is an announcement later on these matters, after the pre-Budget report. Obviously, my hon. Friend is right to make the case for Cambridgeshire as she does. In relation to Cambridgeshire, it is very important that schools there work well with the local authority, as there have sometimes been issues that have not been as straightforward as they might seem; I urge them to do that. In addition, I acknowledge her point that the increase in spending since 1997 in Cambridgeshire has been dramatic, and is raising significantly standards in schools in Cambridgeshire.

Level 3 Entitlement

9. **Ross Cranston** (Dudley, North) (Lab): What assessment he has made of level 3 entitlement provision. [201235]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis): We set out in the skills strategy the ways in which we propose to improve opportunities at level 3 for adults, targeting support to meet regional and sectoral skill needs. We are maintaining fee remission for those on low incomes. For 16 to 19-year- olds, those who are able to benefit can pursue study through to level 3 achievement, through academic or vocational study in schools, colleges or apprenticeships.

Ross Cranston: May I ask how we make significant progress at level 2 and basic skills level so that we have the base to move on to level 3 attainment? In addition, may I ask him about a problem raised with me by Dudley college about funding? Will funding for level 2 crowd out funding for level 3 and, in particular, might employers be dissuaded from funding level 3 attainment?

Mr. Lewis: First, my hon. and learned Friend is right to make the point that we need to support progression all the way from basic skills to level 3. We were proud to announce only two weeks ago that we hit our target, so that 750,000 adults who did not have basic literacy, numeracy and language skills before we came to power have achieved those skills in the past few months, which

is a major achievement. At the moment, we are trialling our level 2 entitlement in two regions—the north-east and the south-east—with a view to rolling that out across the country. We have already spoken this morning about employer training pilots.

We are also committed to ensuring that where there is market failure in regions or sectors of the economy, we would be willing to consider extending level 2 entitlement to 100 per cent. subsidy for level 3. But as a matter of principle, in relation to achieving level 3 qualifications, it is reasonable to expect, on the whole, a greater contribution from employers and individuals because, at that level, they have a direct gain and benefit. In relation to where we put the bulk of the Government's resources, it will go unashamedly into basic skills and level 2 qualifications. In terms of the needs of the economy, level 3 and higher qualifications are equally important, but we will expect a greater contribution from employers and individuals at that higher level.

Skills Gap

10. **Mr. Eric Illsley** (Barnsley, Central) (Lab): What steps he is taking to close the skills gap. [201236]

The Minister for Lifelong Learning, Further and Higher Education (Dr. Kim Howells): In July 2003 my right hon. Friend the Secretary of State launched the skills strategy White Paper. Since then we have made significant progress, setting the foundation for future activity. There are 20 sector skills councils in place, over 12,500 employers and 80,000 employees benefit from employer training pilots, since 2001 over 750,000 learners have achieved a skills for life qualification, and over 620,000 more adults are qualified to at least NVQ level 2 or its equivalent.

Mr. Illsley: At a recent event in my constituency hosted by the local chamber of commerce, we heard encouraging news about the initiatives that my hon. Friend has mentioned. However, one issue that was raised was the lack of basic skills among some school leavers and other young people going into the world of work. The situation is a little worse in my area, because for the first time for ages we have full employment. Will my hon. Friend bear it in mind that we need to encourage better numeracy and literacy among young people going into employment?

Dr. Howells: I agree that that is vital. I have visited some wonderful colleges of further education where 14-year-olds are at last waking up to learning. That is long overdue. Those young people have either excluded themselves or been excluded from school, or else school simply did not work for them. It is amazing to see them working on automobiles, welding or electronics.

Those young people do not talk of basic skills or core skills but of reading, writing and arithmetic. I have made a point of asking them what they think of having to do all that. They say—this is a wonderful thing—"We do not like it, but if we did not do it they would not let us in here." That is a great trick, and it just might work. If so, we will see skills start to increase to the benefit of everyone, not least the economy.

Charles Hendry (Wealden) (Con): Does the Minister agree that if we are to close the skills gap, it is vital for young people to be aware of the employment and career paths that are open to them and of what is required to gain access to those paths? Does he accept that while accessible careers advice from universities is fundamental, it is being compromised by being mixed up with other advice for young people through the Connexions service? Will he consider removing careers advice from Connexions, so that young people can be guaranteed the independent careers advice that they so badly need?

Dr. Howells: I understand that we are reviewing all that and will produce a Green Paper. The hon. Gentleman is right to raise the issue. I am amazed at the number of agencies out there and I have been trying to draw a map of them. I think that people are often confused by the sheer wealth of advice. We need to make the system much simpler, and I think that the review will be an interesting exercise.

Tony Lloyd (Manchester, Central) (Lab): I agree that genuinely exciting things are happening in further education and in skills training generally, but our hon. Friend the Under-Secretary of State for Education and Skills mentioned market failure, and we know that there are bad and indifferent employers, and freeloading employers, who will not shoulder the burden of upskilling their work forces. It is vital for the country's future that we ensure that all involved play an active and proper part. Will my hon. Friend continue to monitor the skills gap, and ensure that the possibility of introducing an element of compulsion where necessary will not be ignored?

Dr. Howells: We have been developing sector skills councils to drive forward that agenda. I certainly do not want public money to go to companies that do not have an agreement with a sector skills council to ensure that it is used properly, that good education and training are being provided and that that is seen as a vital part of economic development in every part of the country.

Educational Psychologists

11. **Mr. David Heath** (Somerton and Frome) (LD): When he will announce his decision in respect of the future training of educational psychologists. [201238]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): Educational psychologists play an important role in supporting children with special educational needs and behavioural, emotional and social difficulties. Their future training will need to reflect the changing role of the work force involved in children's services, and we will publish a consultation paper on this in January. We are also planning a review of the functions of EPs, which we aim to complete by the end of 2005.

Mr. Heath: That is a very disappointing reply. When I had an Adjournment debate on the subject six months ago, which the hon. Gentleman answered, we had already had the consultation and agreed the general shape of educational psychologists' training. The view

was taken that we should move to three-year postgraduate training instead of the current teaching qualification. The problem is that many of the people leaving university and who are still engaged in such education do not know what they should do with their future careers and on what course they should enrol. It seems unfair that the Government should shilly-shally on this issue, if we are to have a properly motivated educational psychologist caucus in future to do the job that we want. Will the Minister please try to reach a decision, and to make sure that the people whom we want to train as educational psychologists know what qualifications they should have?

Mr. Twigg: I am sorry to have disappointed the hon. Gentleman, and I do want to acknowledge the interest that he has shown in this issue by securing the Adjournment debate to which he referred. We are absolutely determined to get this right, and it is clear that a great deal is changing in respect of children's services and some other services provided through schools. We want to ensure that the review of the role of educational psychologists is absolutely part of that wider review of children's services, so that the particular needs of the children with whom EPs work are properly met. That is the purpose of the review.

Children's Commissioner for England

12. **Mr. Win Griffiths** (Bridgend) (Lab): When he last met his counterpart in the National Assembly for Wales Government to discuss the role of the Children's Commissioner for England in Wales. [201239]

The Minister for Children, Young People and Families (Margaret Hodge): I had contact with various representatives of the National Assembly for Wales during the passage of the Children Bill in 2004, including the First Minister and the Minister for Health and Social Services. Discussions have also been held with the Minister for Education and Lifelong Learning, the latest of which was on Monday.

Mr. Griffiths: I thank my right hon. Friend for that reply. She will know that during the Children Bill's legislative passage, the concern was expressed that problems could arise if the commissioner for England carries out his duties in Wales while the commissioner for Wales continues to have a role in Wales. I urge my right hon. Friend to do everything possible to ensure a seamless service for children in Wales, and to ensure that there will be no confusion between the work of the Children's Commissioner for Wales, and that of the commissioner for England when operating in Wales.

Margaret Hodge: I am aware of these concerns, which have been expressed by my hon. Friend and others on several occasions. I hope that he shares my delight at the Children Bill's having become an Act. We have advertised the post of the first children's commissioner for England, and we hope to appoint someone shortly after Christmas. I am sure that the new commissioner will want to meet the commissioners in the other countries and to ensure a seamless service for children, wherever they live.

Adam Price (East Carmarthen and Dinefwr) (PC): Is it realistic to expect vulnerable children to know the difference between devolved responsibilities and those that are not? Surely a better solution would be a single commissioner—a single port of call—as suggested by the Welsh Affairs Committee and the National Assembly for Wales.

Margaret Hodge: All children will be competent and able to ensure that their rights and concerns are expressed to wherever is appropriate. We will ensure, and all the commissioners will doubtless want to work together to ensure, that children's aspirations, needs, priorities and concerns are heard loud and clear in this Chamber, as well as in other areas of public life.

Julie Morgan (Cardiff, North) (Lab): I am very pleased that my right hon. Friend has advertised the post of children's commissioner for England. Has she discussed with officials in Wales how the Children's Commissioner for Wales was appointed? She will doubtless be aware that children were involved in the advertisement and shortlisting, and in the actual appointment of that post.

Margaret Hodge: My hon. Friend will be pleased to hear that we have ensured that children in England are involved in the job specification of the children's commissioner for England, and in the advertisement design. Indeed, they will themselves be interviewing candidates.

We are determined that the commissioner will be a powerful champion of children and I am sure that we will hear the voice of children loud and clear once the post is filled.

Mathematics Teaching

14. **Dr. Vincent Cable** (Twickenham) (LD): If he will make a statement on the progress made in implementing the recommendations of Professor Adrian Smith's report regarding mathematics teaching. [201241]

The Secretary of State for Education and Skills (Mr. Charles Clarke): We continue to make good progress in taking forward the measures for mathematics teaching announced on 28 June. In particular, on 9 December, I will be inviting expressions of interest from organisations to create and run the national centre for excellence in the teaching of mathematics. Advertising has begun to promote increases in training bursaries and golden hellos from September 2006. There has also been a welcome increase of 4 per cent. this year in recruitment to mainstream teacher training courses in mathematics.

Dr. Cable: Does the Secretary of State recall Professor Smith's words that there was

"a dire, catastrophic, crisis-level shortage of specialist maths teachers"?

Does he also recall that in an Adjournment debate six months ago, I was told that the Government were considering writing off the debts of maths and science teachers? How far have the Government got with that initiative and other inducements to maths teaching?

Mr. Clarke: As I have already said, we have already started advertising to promote increases in bursaries and golden hellos for the next academic year. The strong point that I would like to make is that Professor Adrian Smith and my recently appointed chief adviser, Professor Celia Hoyles—an outstanding individual in the subject—would both acknowledge that we are working extremely expeditiously to deal with the matter. I am committed to increasing the number of mathematics teachers, and the Government have a strong record on such matters.

SOLICITOR-GENERAL

The Solicitor-General was asked—

Crown Prosecution Service (IT Systems)

19. **Mr. David Kidney** (Stafford) (Lab): What assessment she has made of the effectiveness of the IT systems available to the Crown Prosecution Service. [201247]

The Solicitor-General (Ms Harriet Harman): I have kept a close eye on the development of the Crown Prosecution Service IT system, which is called Compass. My assessment is that it helps with the timely and efficient management of cases by the CPS and helps it account to the House for what it does. More generally, the criminal justice system IT offers the prospect of better communication between the police, the CPS, courts and defence lawyers and of keeping the victim and witnesses informed of what is happening in cases in which they are involved.

Mr. Kidney: I thank my right hon. and learned Friend for that reply. It was the Glidewell report that recommended modern IT systems for prosecutors and we surely have here a public sector IT system that has been introduced successfully. We should all be pleased about that. Is my right hon. and learned Friend aware that in Staffordshire, as a result of new electronic systems, the CPS is more effective, more accurate in the advice that it gives, delivers a faster service and is well placed to do a good job in respect of electronic links with the police and the courts?

The Solicitor-General: I am sure that the Crown Prosecution Service in Staffordshire will warmly appreciate my hon. Friend's comments, but he is inviting me to tempt fate by telling the House that it is probably the only computer system in government that is working properly. There has been a good deal of investment—£56 million over the next 10 years—and the prosecution system has gone from a largely paperwork system to one that had three computers on each prosecutor's desk and now to one single system that is joined up with the rest of the criminal justice system.

Mr. Graham Allen (Nottingham, North) (Lab): Will the Solicitor-General commend the work of Nottinghamshire Crown Prosecution Service and its chief prosecutor, Kate Carty, in introducing information technology systems? Will she also ensure that excellent IT is complementary to, and not a substitute for, the softer skills of local prosecutors meeting police officers and the local community informally to deal with misunderstandings and undertake a process of mutual education?

The Solicitor General: My hon. Friend is right and I thank him for his comments on the workings of the CPS. Of course it is important that people communicate not only through IT but in person and that the CPS work closely not only with the police and the courts but with the local community and MP. I welcome the involvement that he seeks with the CPS, which is after all an accountable service, although it works independently.

Serious Organised Crime Agency

20. **Hugh Bayley** (City of York) (Lab): What relationship the Serious Fraud Office will have with the Serious Organised Crime Agency. [201248]

The Solicitor-General: The Serious Organised Crime Agency will bring together the National Crime Squad, the National Criminal Intelligence Service and the drug trafficking investigative and intelligence work of Customs and Excise into a single agency to lead the fight against organised crime. The Serious Fraud Office will continue to investigate and prosecute serious and complex fraud. The Serious Organised Crime Agency will offer support to the SFO in its investigations and the SFO will advise SOCA.

Hugh Bayley: I am grateful to my right hon. and learned Friend for that answer. Unlike France and some other countries that have mounted successful prosecutions, as they are obliged to do under the Organisation for Economic Co-operation and Development convention against international bribery, the United Kingdom has yet to do so. The Serious Fraud Office has expressed concern that it does not have sufficient resources to investigate these complex cases abroad, but it is important to investigate them because they undermine development in so many developing countries and those responsible for taking bribes internationally—corrupt politicians and officials—use the same money-laundering channels as organised crime. Will SOCA be able to provide support to the SFO to investigate some of these cases and secure prosecutions?

The Solicitor-General: Yes, it will. I agree with my hon. Friend about the corrosive effect of corruption in developing countries and that we have to do what we can to tackle those giving and taking bribes. We are working closely with the international community. The SFO's budget rose to £23 million and will increase again to £35 million. That will enable it to increase its staff to 300, which will include lawyers and accountants.

Mr. John Burnett (Torridge and West Devon) (LD): Two of the most important weapons in the fight against crime are intelligence and co-ordination. Will the right hon. and learned Lady give the House the three most

compelling reasons why the investigations arm of the SFO is not to be merged into the Serious Organised Crime Agency?

The Solicitor-General: I think that they will work together, but the work of the SFO involves a prosecution process, while that of the Serious Organised Crime Agency is largely investigative. The SFO will work closely with SOCA, but it will continue to prosecute, just as Customs and the CPS will continue to prosecute when information comes before them from SOCA.

Fraud Prosecutions

21. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What plans she has to ensure effective prosecutions of those who commit fraud against small enterprises. [201249]

The Solicitor-General: Effective prosecution of fraud against small business depends on good police investigation and evidence gathering, and close working between police and prosecutors. It is also important for small business to do what it can to protect itself against fraud. Both the Home Office and the Department of Trade and Industry have advice on their websites about how to recognise fraudulent approaches.

Mr. Bellingham: I thank the right hon. and learned Lady for that reply. Is she aware that there has been a significant increase in the number of small businesses that have fallen foul of so-called phishing scams, in which the sender of the e-mail tries to get their banking password, and of scams from countries such as Nigeria, in which the sender promises a commission on money that is wired to the recipient? What is she doing to try to protect small businesses from such scams?

The Solicitor-General: I am aware of those attempted scams. The hon. Gentleman has raised them and brought them to the attention of the authorities. I thank him for doing that because it helps warn small businesses of the problem. I would say to small businesses, and everybody who sees offers on the internet—*[Interruption.]*

Mr. Speaker: Order. These are very important matters. The House must come to order.

The Solicitor-General: I would say to small businesses that they cannot get something for nothing and that if they see on the internet offers of huge sums without having to do anything, such offers are probably a scam. I am sure that the hon. Gentleman will welcome the new guidance on policing priorities for fraud cases that the Home Office sent out, which says that, even if the sum involved is small, if the effect on the small business victim is large, it should be a priority for police investigation and prosecution.

Extradition

22. **Mr. David Heath** (Somerton and Frome) (LD): What guidance is given to the Crown Prosecution Service on the consideration to be given to requests for extradition by foreign Governments in determining whether to prosecute an individual in the United Kingdom. [201250]

The Solicitor-General: The Crown Prosecution Service follows the guidance given in the code for Crown prosecutors when deciding whether to instigate or continue a prosecution. If a request for extradition is received in respect of someone against whom a prosecution is under way, the prosecutor will consider whether the public interest is best served by continuing with the proceedings here or discontinuing proceedings in favour of allowing extradition.

Mr. Heath: Does the Solicitor-General see any problem where there is a grossly unbalanced extradition arrangement such as we currently have with the United States of America, which has not even been ratified by the US Congress but nevertheless binds this country to extradite suspects without prima facie evidence? Is she content that that process might be used in circumstances in which a crime had been committed in Britain or upon British citizens and no prosecution had been undertaken by the CPS, but someone stood trial for it under American jurisdiction?

The Solicitor-General: The hon. Gentleman is under a misapprehension. The extradition system is not unbalanced. It is for us to decide how we deal with requests for extradition. We have made those decisions and debated them in this House during proceedings on the Extradition Act 2003. Those who were charged to put into effect that legislation—the staff of the CPS—act wholly independently, they act in the public interest and without reference to policy, let alone foreign policy matters. The hon. Gentleman alleged that extradition could take place without prima facie evidence, but evidence was put before the Bow Street magistrates court in the case in October to which he refers. The district judge decided that there was sufficient evidence to send it to the Home Secretary who will consider extradition.

Pre-Budget Report

12.31 pm

The Chancellor of the Exchequer (Mr. Gordon Brown): At the core of this pre-Budget report is the belief that the Britain of long-term economic strength will be the Britain that at a time of rapid economic change and uncertainty locks in our economic stability for the long-term; the Britain that, as by 2015 Asia acquires a growing share of low-cost production, resolves to invest in high-value-added, high-technology manufacturing and services, and achieves world leadership in science and technology; and the Britain that, with enterprise and high-skilled jobs now the key to long-term prosperity, takes the tough decisions to achieve American levels of business creation and has, at every level, the best educated and most flexible work force in the world. In other words, it is a Britain of opportunity for all that, with this pre-Budget report's long-term measures to support families, ensures that every child and young person has the best start in life.

I turn first to the measures to entrench stability. In last year's Budget I forecast growth for this year of between 3 and 3½ per cent. When I made our forecast, the Leader of the Opposition said that it was not just wrong but a deliberate misrepresentation of Britain's economic position and that not to meet it would destroy credibility. I can report today to the House that growth this year will be, just as I forecast, above 3 per cent.—3½ per cent. In other words, Britain will extend the longest period of uninterrupted growth in the industrial history of our country.

Let me give the House the detailed figures. Even after the doubling of oil prices, inflation this year is 1¼ per cent. In any other decade, a 100 per cent. increase in oil prices, a 50 per cent. increase in industrial materials prices and a 70 per cent. increase in metal prices would have led to British inflation and British instability. But with continued and necessary discipline among wage bargainers in the private and public sector and with the resilience of the monetary and fiscal framework, inflation is expected to be just 1.75 per cent. next year and 2 per cent. in the years to follow.

All policy makers will keep a close eye on continuing risks from global trade imbalances, from exchange rate movements and from an uneven world recovery, but with manufacturing output growing this year and next, British business investment is also expected to rise—this year by 5¾ per cent. and next year by 4 to 4½ per cent.

With the expected moderation of house price inflation now under way and as export and industrial production strengthen, domestic demand, which has been growing by 4 per cent. this year, is expected to grow by 3 to 3½ per cent. in 2005; and we expect consumption to grow by 3¼ per cent. this year and by 2¼ to 2¾ per cent. in 2005.

Overall domestic investment we expect to grow next year by 6¾ to 7¼ per cent. We expect exports to rise in line with world trade at more than 6 per cent. and, with inflation—as I have said—below its target, growth overall is projected for 2005 at 3 to 3½ per cent., in line with the average growth of G7 countries.

We will remain vigilant to inflationary pressures, both globally and in Britain; but it is the success of the Bank of England's forward looking approach that is the key to sustaining growth with low inflation, just as since 1997 it has maintained both inflation and interest rates at historic low levels. Thepre-Budget report shows that since 1997 interest rates have averaged 5.3 per cent.—half the 10.4 per cent. average from 1979 to 1997. Mortgage rates have averaged 6.1 per cent since 1997, almost half the 11.4 per cent. average from 1979 to 1997.

Since 1997, Britain has 1.2 million additional home owners, and as we take forward the Barker review and the Deputy Prime Minister publishes his five-year housing and sustainable communities strategy, we will also pilot mixed communities in deprived estates and, therefore, provide further support for first-time buyers in our country.

Since 1997, mortgage rates have been lower than in any seven-year period since the 1960s. Interest rates have been lower than in any seven-year period since the early 1960s. Inflation has been lower than in any seven-year period since the 1930s. Employment has been higher than in any seven-year period since records began.

Let me sum up for the benefit of the House.

"Inflation is low. Unemployment is low. We're growing faster than many other European countries."

That is not, Mr. Speaker, exaggerated gloating, but the words of the Leader of the Opposition, speaking to an employers federation only two weeks ago.

The strength of our economy is matched by the strength that comes from the decisions we made after 1997 to cut our national debt. Yesterday, I was able to announce £520 million more for the special reserve for Iraq and our international obligations; and I thank our armed forces for their dedication and their courage. Having since 11 September doubled the budget to 2008 for security at home, I am also releasing today a further £105 million for necessary security measures to counter terrorism, to enhance surveillance at our ports and to improve civil resilience.

The pre-Budget report also sets out detailed savings achieved of £2 billion in procurement, an additional one third of a billion saved in NHS drugs procurement and, on target, the reduction of the first 9,000 civil service posts, as we implement the Gershon principles, a £21 billion efficiency saving that we have achieved while at the same time accepting his recommendation that to go beyond that figure of £21 billion could put the delivery of front-line services at risk.

I can also announce the relocation of 1,230 Ministry of Defence posts from the south-east to Yorkshire; 2,300 Department for Work and Pensions posts to Liverpool, Wrexham and Newcastle; 600 from the Office for National Statistics to Wales; and 220 from the Revenue and Customs to Cardiff, Liverpool, Bournemouth, Truro and Manchester. Those are further steps on the way to a total, by 2010, of 20,000 civil service jobs relocated to our regions.

Sir Michael Lyons is also setting out today departmental guidelines for the disposal by 2010 of £30 billion of public assets. And because there is scope for further rationalisation of public sector spectrum, I have asked Professor Martin Cave to lead an audit of public sector spectrum with the aim of releasing the maximum amount of spectrum to the market.

[Mr. Gordon Brown]

Lower debt has meant that debt interest payments each year are £4 billion less than in 1997 and because we have more people in work than other countries—75 per cent. of adults in work in Britain, compared with 71 per cent., in the United States, 69 per cent. in Japan and 65 per cent. in Germany and France—social security bills for unemployment are also down by £4 billion a year since 1997.

Having previously set both the fiscal numbers and the detailed spending plans for the years 2005–08, the public finance projections I have set out today are based on our cautious view of trend growth in the years to 2010 and on public spending rising from £579 billion in 2007–08, to £606 billion in 2008–09 and then to £634 billion in 2009–10.

When, in the Budget, I estimated borrowing for the year to April 2004 at £37.5 billion, some external commentators suggested that that was an underestimate. At the same point in the economic cycle 10 years ago, the equivalent figure was £90 billion, but I can report that our final outturn for the year to April is not £37.5 billion; it is £35 billion. And even after taking into account additional expenditure on defence and security, and other decisions that I will announce today, including on fuel duties and council tax, the cash figures for net borrowing for this year will fall to £34 billion, and in future years, fall further to £33 billion, falling again to £29 billion, then falling to £28 billion, £24 billion and £22 billion.

The deficit in 2004 is 3.9 per cent. of GDP in Germany, 3.7 per cent. in France, 4.4 per cent. in America and 6.5 per cent. in Japan. In Britain, the figure is 2.9 per cent., and in future years, it will fall to 2.7, 2.2, 2 and 1.6 per cent., falling to 1.5 per cent. of GDP. For those who take an interest in these matters, it is well within the Maastricht criteria of the European Union.

Our first fiscal rule is to balance the current budget over the economic cycle. For the years to 2009–10, the current balance is minus £13 billion, minus £7 billion, then plus £1 billion, plus £4 billion, plus £9 billion and plus £12 billion. So we are meeting our first fiscal rule in this economic cycle, and we will meet it in the next economic cycle, too.

Our second rule is our sustainable investment rule—that we should borrow for investment, while keeping debt at a low and sustainable level. Because of the world downturn, debt has now risen to 45 per cent. of national income in France, 48 per cent. in America, 55 per cent. in Germany and 85 per cent. in Japan, but in Britain this year, our debt is 34.3 per cent. of our national income. In future years, it will be 35, 36, 36, 37 and 37 per cent., meeting at every point our rule that debt should be kept below 40 per cent. of national income.

So with our deficits lower than our competitors' and lower than in past decades, and with our debt lower than our competitors' and lower than in past decades, we are meeting both our fiscal rules: in this cycle, our first rule, with a margin of £8 billion and our second rule, with a margin of £59 billion, and we are therefore on course to meet both our rules in this cycle and in the next cycle, too.

The measures that I now announce for this pre-Budget report are informed by the Treasury's assessment, published today, of long-term global economic challenges to 2015. To succeed in the global economy, Britain should build on our strengths—our stability, our scientific genius and our world-class universities and our global reach—with a concerted national mission to invest long term and establish world leadership in science, education and skills, and enterprise.

To build on our new 10-year science framework and the £2.5 billion investment in science and to make Britain the best place for research and development, we will continue our reforms to re-examine the R and D tax credit for mid-sized science-based firms; to remove tax barriers to the formation of university spin-off companies; and to pilot a matched-funding scheme to help universities to build up their resources through new endowments. To benchmark progress in raising business R and D, we will establish an industry-led science forum chaired by the chief executive of AstraZeneca, Sir Tom McKillop, and as part of their £100 million technology investment programme, the northern regional development agencies are together announcing that they will promote science cities for the north, starting with Manchester, Newcastle and then York.

By 2015, Asia will be responsible for as much as 25 per cent. of world trade, yet, today, only 1 per cent. of British exports go to India and only 1 per cent. of our exports go to China. So having set an objective to build trade links with Asia that match those that we have with America and Europe, we propose that the China-UK financial dialogue now expand its role, with enhanced private sector participation, and that the new UK-India dialogue is also broadened to include private business. And a new Asia taskforce will bring together experts to focus on boosting British exports to, and investment in, Asian countries in the years to come.

In the years to 2015, the greatest number of new jobs will come from a larger number of small businesses, and that is why we must achieve American rates of business creation and success.

For long-term investments, I have already reduced capital gains tax from 40p to 10p. I have cut corporation tax from 33p to 30p and cut small business tax from 23p to 19p. We will legislate for tax relief for the renovation of empty business premises in our 2,000 enterprise areas, and through deregulation and self-certification of business angels we will remove barriers to high net-worth investors, enabling them to invest directly in small businesses. We will align the tax treatment of leasing with other forms of finance. For new and ambitious start-ups and high-growth businesses, we have asked the development agencies to make available in every region tailored coaching and support. Building on the success of Britain's first ever national enterprise week, detailed guidance is being issued for schools on the content of enterprise lessons.

In recent Budgets, we have removed the independent audit requirement on small firms, introduced a simplified VAT flat-rate payment scheme, and I am today publishing the interim report of Philip Hampton on rationalising inspection and enforcement regimes. Having concluded that outside high-risk areas, the regulatory focus should be on advice, not inspection,

and that data-sharing should avoid duplication of requirements on business, his final report will include recommendations to reform the regulators charged with inspection and enforcement and to reform the penalty regimes.

In parallel, the new executive chairman of the Inland Revenue and Customs and Excise, David Varney, is also today announcing the creation of a small business unit, consulting on the scope for a single tax return that would bring together all taxes, and setting as his long-term objective a single account for payments by business.

I am also announcing further detailed reforms that include deregulation in the financial services industry and common commencement dates from 2005 for all new health and safety, company and consumer legislation. Building on what the Foreign Secretary has already announced, he is setting out new rules guiding implementation of European Union regulations.

In the coming decades, as populations age and the dependency ratio grows, the most successful economies will be those that encourage the maximum number of people of working age into the labour market. Alongside greater local and regional pay flexibility, the Secretary of State for Work and Pensions and I agree that it is time to do more to attract into the work force incapacity benefit recipients with the capacity to work and lone parents who at the moment are not able to work.

By extending our successful in-work credit, 250,000 lone parents throughout our country will be offered a £40 a week—that is £2,000 a year—first-year return-to-work bonus. Incapacity benefit claimants, under the successful pathways to work scheme, will have a £40 a week return-to-work credit allied to rehabilitation help, which has been the most effective way of helping incapacity benefit claimants into work. This will now cover a third of the country, on the road to making this a nationwide offer. We will build on successful experience by also locating employment advisers in GPs' surgeries. We are allocating today £30 million more to expand the numbers who can benefit from the new deal for disabled people.

To make work pay, I am also raising the national minimum income guarantee for a single earner couple with one child to a guaranteed income in work of £258 a week, and a lone parent working part-time with one child on the minimum income guarantee will receive £199 a week, the equivalent in work of £12 an hour.

With unemployment among ethnic minorities still twice that of the rest of the population, and the proportion in work just 59 per cent., I have asked the National Employment Panel, working with the Ethnic Minority Business Forum, to report by Budget time on measures to address what is a waste of potential by encouraging employment, self-employment and the growth of small businesses.

Because of the environmental challenges that all nations confront, our 2005 G8 presidency is going to give priority to climate change. It is the view of this Government that all industrialised nations—from the smallest to the largest—must accept their responsibilities and each must bear its share of the burden in reducing greenhouse gas emissions.

Oil prices have declined from the peak of $50 a barrel, and today are $42. They are well above the long-run average of $23, and they make promotion of energy efficiency and alternative lower carbon sources of energy far more urgent. For Britain's part, the Secretary of State for Environment, Food and Rural Affairs is going to review the innovative technologies and policies that can deliver that step change in energy efficiency. As a first step, she is announcing today measures to accelerate innovation in energy efficient technologies, with the creation of a development fund of £20 million managed by the Carbon Trust.

It is our policy that, each year, fuel duties should rise at least in line with inflation as we seek to meet our targets for reducing polluting emissions and fund our public services. But this financial year, because of the sustained volatility in the oil market, I propose to match the freeze in car vehicle licence duty with a continuation of the freeze on the main road fuel duties. While we will not set a duty differential this year for sulphur-free fuels, we will go ahead with the 20p per litre lower duty differential for bioethanol on 1 January 2005, matching the equivalent differential for biodiesel. Because of oils fraud and the tax evasion that has resulted from the lower rate of duty for rebated oils, it is not right to delay the planned increase on this duty, but I will set it not at the expected 2.4p per litre but at just 1p a litre.

Further anti-avoidance measures published in detail today include action against avoidance on contrived remuneration arrangements, on financial and international transactions, on VAT and on the abuse of the 1992 film tax legislation.

The limit on the value of overseas purchases from outside the European Union, brought back into this country through customs duty and tax free, has been set by the European Union at £145, excluding alcohol, tobacco and perfume. I have written today to the European Commission and member states stating that this limit was last revised in 1994, is now out of date and that we should now raise it.

With the Commission for Africa reporting next year and with the focus for our G8 presidency on debt relief and development, the Secretary of State for International Development and I have written to G8 Finance Ministers saying that our priorities for 2005 will be to institute the international finance facility; 100 per cent. multilateral debt relief; to develop the development round in trade; and, as the second largest donor in the fight against HIV/AIDS, to maximise efforts to develop an infrastructure for co-ordinating research for a cure for AIDS, increase funding for AIDS research and develop innovative advance purchasing agreements for drugs for both AIDS and malaria—Britain making its G8 presidency count to meet the needs of the developing world.

Also, 2005 is the year of the volunteer. To encourage voluntary work, the Home Secretary and I are ready to take forward the Russell commission's proposals for a national youth volunteering and community service. I will report back in the Budget.

The long-term review of English local government finance under Sir Michael Lyons will report next year, but it is also right to take action where there are immediate pressures this year. In order that English council tax rises will be substantially below last year's

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5.9 per cent., I am able to release the following: an extra £125 million resources for England, alongside £521 million reallocated to local councils from Government Departments and a further one third of a billion reallocated from the reduction in ring-fencing and other obligations—in total £1 billion to reduce pressures on the council tax. The Minister for Local and Regional Government will later this afternoon give full details, including on the position of pensioners.

Since 1997, 1 million pensioners have been lifted out of poverty. Raising the basic state pension by earnings would have provided an average of £5 a week more for the poorest pensioners. But the pension credit and our other measures have ensured that many are over £40 a week better off. I can confirm that, next year and in the spending round, the pension credit will rise faster than inflation—by average earnings—meeting our obligation to take hundreds of thousands of pensioners out of poverty in this country.

To help savers, it is right to extend the tax free advantages for the first £7,000 of savings—£3,000 for the cash component—in individual savings accounts each year. So I am consulting, prior to the Budget, on extending the ISA limit for another five years to 2009. We will proceed from April with the low cost savings and investment products recommended by the Sandler report, and we will now extend our savings gateway—the scheme where the Government match the savings of low-income families—to a wider range of income groups.

Two million families still have no bank account. It costs them more to pay their bills, credit costs more and it makes it harder for them to do many things, including, on some occasions, getting a job. I can announce that the banks and Government have agreed to work together to reduce by half the number of families without bank accounts. To expedite this, we are setting aside £120 million to tackle financial exclusion, including more face-to-face money advice, supporting local citizens advice bureaux, support for not-for-profit lenders and with the possible extension of the community investment tax relief.

Our child trust fund will build savings and wealth for every child in the country. In addition to the £250 and £500 down payments that families will receive early next year, we will now consult on extending the child trust fund so that, at the age of seven, we add to the £250 and £500 with another £250 and another £500 for the poorest child in poverty. I hope that, given the long-term commitment that this proposal involves to invest in every child in our country, every political party in the House will now support the child trust fund.

It is because of sustained growth and, after 1997, the prudent reduction of debt and debt interest payments that we can make extra resources today available to local authorities, we can meet the costs of Iraq and the fight against terrorism, we can freeze fuel duties to deal with the impact of the oil price rise, do more to equip the country for the challenges of the long term and are still able to meet all our fiscal rules, with levels of debt and deficit below all our main competitors.

Within the overall fiscal figures, I am now also able to move forward our long-term agenda for opportunity for all: to make Britain ready to meet the global challenge by moving people from low-skilled jobs to high-skilled jobs, with a new programme to improve skills and employment in our country and to ensure opportunity for every child while meeting the demands of modern family life—a 10-year child care strategy for Britain.

Since 1997, with education maintenance allowances, modern apprenticeships and the new deal, our priority has been to ensure that no teenager in the United Kingdom after 16 should be outside employment, training or education. With the Queen's Speech legislation to extend benefits to teenagers staying on in unwaged training as well as in college or school, we are removing from teenagers the remaining financial barriers so that every young person can stay on in education or training after 16 to get the qualifications that they need.

But we know also that 80 per cent. of the 2015 work force have already left school and are in the world of work, and it is their skill levels and their qualifications that will, over the next decade, determine the prosperity of our country. So a policy of opportunity for all must provide opportunity for those who have missed out and who should, in the economic interests of the country, have a second chance.

Today 30 per cent. of employees have very low skills or no skills at all. We have, unfortunately, the highest proportion of unskilled of any major European Union country. The unskilled worker is four times less likely to be offered training in work than the highly qualified. For decades, low skills have been an Achilles heel of Britain as a modern economy and the post-war laissez-faire training system has not, and will not, meet the skills needs of our future.

Learning from successful training policies among our European competitors and building on the 100,000 individual success stories of those given time off for training through what have been called the employer training pilots in Britain—the majority who have benefited from them are women, the majority of them have no prior skills and the vast majority of them successfully attain their qualifications—we are able to announce today their roll-out to the whole country, creating for the first time in Britain a national employer training programme, with employers recognising their responsibilities to offer time off, employees recognising their responsibilities to take up the opportunities and the Government recognising our responsibilities to play a part in funding the training.

Since the Budget, lower spending on unemployment has released resources, which means that, together with additional money reallocated by the Secretary of State for Education and Skills, the funds are now available for every employer to make an offer to every adult employee without skills. In future, every adult who has missed out at school will have the funds and the opportunity to acquire skills, starting with a level 2 qualification equivalent to GCSEs at A to C, through time off, free training provision and the help on offer from employers.

With that national employer training programme, combined with the new deal for skills, the offer is, for every adult without skills, in or out of work, a skills check-up and free training provision to achieve level 2 qualifications. And to extend this offer more widely to the unskilled out of work and on benefit who, up until

now have been debarred from training by the 16-hour rule, we propose to pilot an additional £10 a week learning allowance.

Britain's future as a productive nation depends on a shared determination, from parents and teachers to management and trade unionists, that the acquisition of skills by all and their continuous upgrading is a shared national purpose. In furtherance of this, the Secretary of State for Education and Skills and I have asked the chairman of the National Employment Panel, Sandy Leitch, to build on today's decisions, report on the long-term skills needs for intermediate and degree level skills in the economy, and work with employers throughout the country to ensure that every employee is offered those new opportunities.

The successful economies and societies of the next 20 years—*[Interruption.]* They have some rethinking to do. The successful economies and societies of the next 20 years will also invest in the potential of all children. We want to transform the way parents are enabled to balance work and family life. A long-term strategy for children and child care starts from recognising two facts of modern life: that the life chances of children are critically determined by the care, support and education they can receive in the years before five as well as after five; and that while 50 years ago fewer than a third of married women were working, today over two thirds of two-parent families have two earners striving to balance the needs of work and family life. The Government's response to this new reality must start from the enduring principles of the Beveridge report: that the family is the bedrock of society; that nothing should be done to remove from parents their responsibilities to their children; and that it is in the national interest to help parents meet their responsibilities.

As part of the new 10-year framework that we are announcing today, the Government set out and make the choice to allocate funds for new reforms in the coming Parliament. First, parents should be able to stay at home longer when their child is born and have the means to do so; secondly, parents should enjoy more flexibility in the workplace when their child is young; thirdly, parents should be guaranteed more accessible, affordable and safe child care while they are at work; and, fourthly, at all times their children, no matter what their background, should enjoy the highest-quality education and care—a welfare state that is truly family-friendly for the first time in its history.

The first choice that parents want is more choice to stay at home. Building on the extension of maternity leave from 18 to 26 weeks, the increase in maternity pay from £56 a week to more than £100, and the introduction of two weeks' paid paternity leave already in this Parliament, we will for the first time respond to the case made to us for greater choice, and we will make paid maternity leave transferable from mothers to fathers. Parents want more flexibility to be with their children not just in the infant years but as their children grow up, so the Secretary of State for Trade and Industry will consult on extending what has been the successful right to request flexible working, which has already helped 800,000 parents, to parents of older children, again creating more choice and more flexibility for today's parents.

Secondly, having taken the best educational advice about the learning needs of children, and building on the successful introduction of free nursery education this year for three and four-year-olds, the Secretary of State for Education and Skills and the Minister for Children, Young People and Families will, from April 2007, extend our free nursery education to 15 hours a week, as we move towards our long-term goal of 20 hours of free nursery care for 38 weeks a year for every three and four-year-old child.

Thirdly, improvements in the availability, affordability and quality of pre-school and after-school child care are indeed required to meet the needs of working parents struggling to balance the demands of employment and of family life, so the Secretary of State for Education and Skills is today setting aside additional resources to enable schools to remain open from 8 am to 6 pm and to improve the quality and career prospects of those who undertake child care. It is right that parents make a contribution towards out-of-school child care costs, but it is also right, in the interests of both the economy and parents, that we do more for all parents. From April, employers will be able to offer employees, right up the income range, £50 a week extra for child care free of any tax or national insurance. For those on lower and middle incomes we will raise and extend the child care tax credit. It will cover up to 80 per cent. of child care costs, up to £170 a week for the first child and £300 for two or more children, benefiting families on incomes up to £59,000 a year. For a two-earner household on median earnings of £34,000 with typical child care costs, it will be worth an extra £700 a year.

Our fourth goal is that every child should have the best start in life. There are now 600 Sure Start children's centres, and anyone who has visited them knows that they provide not just children's services but a great focus for community life. By 2008, instead of 600 centres we plan 2,500; and today I can go further and announce that by 2010 in England alone there will be 3,500—one for every community, and on average five children's centres in every constituency in the country. As a result of these announcements there will be another 1 million new child care places by 2010. That is a commitment to children and child care worth in total £600 million more by 2007–08—money that could not be delivered if public spending plans were cut by £35 billion.

I have one further announcement to make for families. So that mothers and fathers can spend more time at home with their young children, I am today allocating £285 million, so that from April 2007 we will extend paid maternity leave. Instead of the four and a half months maximum in 1997, it will rise from six months today to nine months, and we will set a goal of an entire year of paid maternity leave. I can also announce that where the maximum maternity pay and child benefits for mothers at home with their first baby in 1997 was just £2,610 for the first year, it will rise by 2007 to £8,300. Even after inflation that is £5,000 more—the most generous maternity support and support for young children ever in the history of our country.

A society is judged by its generosity to its children and the elderly, who have served the community all their lives. I can also announce that next year, at a cost of an additional £260 million, for those over 70 we will add to the winter fuel payment with an additional

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£50 payment. Pensioners aged over 70 will receive a total of £250, and pensioners over 80 will receive a total of £350.

Stability is the foundation; more investment, not less; now and into the next Parliament; opportunity not just for some but for all and a progressive Britain we can be proud of. I commend this statement to the House.

Mr. Oliver Letwin (West Dorset) (Con): The Chancellor seems to have noticed that the Prime Minister's friend, Commissioner Mandelson, recently warned him against "exaggerated gloating", but he does not appear to have heeded the advice. He prefers to slide over inconvenient facts. He did not take much time discussing the figures for current borrowing, and he did not take much time discussing the golden rule either—and no wonder: it has been alchemy in reverse, and the golden rule has turned to dross in his hands. The golden rule was meant to be a guarantee that the Chancellor would borrow only to invest—all talk: he is borrowing to spend. His current borrowing for the first seven months is almost twice as high as his last prediction for the year as a whole, and he has just announced borrowing of £170 billion over six years. Why do the ITEM Club and the Institute for Fiscal Studies say that he has a black hole in his finances of £10 billion? Why do the International Monetary Fund and the National Institute of Economic and Social Research say that he has a £12 billion black hole? Why do the CBI, the Organisation for Economic Co-operation and Development, the British Chambers of Commerce and the all the rest say that, on his spending plans, he will have to raise taxes? Why do 20 of the 21 economists on the Treasury's own panel say the same? Does not the Chancellor feel a little isolated?

The fact is that the tide is going out on the Chancellor's credibility. The tragedy is that the Chancellor is spending, borrowing and taxing so much because he is not getting value for taxpayers' money. He says that he has a plan to cut waste. Whose waste? It is his waste. We have paid all the taxes. Where has all the money gone?

This is the Chancellor—*[Interruption.]*

Mr. Speaker: Order. Let the right hon. Gentleman speak.

Mr. Letwin: This is the Chancellor who paid for £1,000 chairs for Ministry of Defence civil servants, each of which would have paid for three flak jackets for soldiers serving in Iraq. That is not the holy grail of value for money. He is not Sir Lancelot, he is Sir Wastealot. The Chancellor's plans to save money are like his promise to borrow only for investment—all talk.

Last year, the Chancellor's plan for cutting bureaucracy increased civil service numbers by 12,000. This year, he is doing even better. In just five months, in just one newspaper, his bureaucracies advertised 4,000 new jobs. That is a salary cost of more than £150 million. Talking of advertising, is the right hon. Gentleman proud of having increased the Government's advertising budget by £100 million? That is 17,000 heart bypass operations. And that is not the only thing he has increased. He has increased the number of tax collectors twice as fast as the number of nurses; he has increased the number of bureaucrats and support staff in education twice as fast as the number of teachers; and he has increased the bill for management consultants by £1 billion a year.

The Chancellor says that Britain is working, but it is the bureaucrats, the administrators and the management consultants who are at work. Our public services are not working. After 66 stealth tax rises, why are there 1 million people on hospital waiting lists? Taxes have gone up by £5,000 per year per family in Britain, so why are 5,000 people a year dying from infections picked up in dirty hospital wards? These are fundamental failures of public service delivery. The Chancellor cannot mask them by making grand speeches about the long-term future of the economy, particularly when he himself is jeopardising that future with his taxes and regulations.

Our friend, Commissioner Mandelson, wants to know why our productivity is not better, and the commissioner is right to ask that question, because the Chancellor has presided over an economy whose productivity growth rate has dropped by a third, an economy that has slipped from fourth to eleventh in international competitiveness, and an economy that has grown more slowly than that of any other major English-speaking country. The Chancellor cannot make up for his failures of public service delivery by parading new schemes. His pledges to pensioners and council tax payers today will not make up for 70 per cent. increases—*[Interruption.]*

Mr. Speaker: Order. If the hon. Member for South Shields (Mr. Miliband) wants to carry on a conversation, he should go outside the Chamber. As a Minister, he should know better.

Mr. Letwin: I am grateful, Mr. Speaker, but I fear that the irritation of those on the Government Benches may grow. Labour Members do not want to hear it, but the plans announced today will not make up for the 70 per cent. increase in council tax that have driven many pensioners to despair. The Chancellor's plans for financial exclusion cannot make up for the fact that the savings ratio has dropped by a third.

The Chancellor's grand statements about science will not make up for the fact that 100 university science departments have closed. His scheme for child care will not make up for the lack of discipline in schools. The Chancellor's plans for training will not make up for the fact that one child in three leaves primary school without being able to write properly. The Chancellor's plans for academic research will not make up for the damage he caused when he created the rules that he is now abolishing.

The country faces great challenges in the years ahead, not least from the emerging economies of the sub-continent and the far east. We have the capacity as a country to meet those challenges, but we will not succeed if we are held back by failed schemes, fat government and excessive regulation. We will not succeed if economic growth is siphoned off to pay for bloated bureaucracy that fails to give value for money.

The long and the short of it is that the Chancellor's failure to give Britain's taxpayers value for money will be the terrible legacy of this Government.

Mr. Brown: Why did not the shadow Chancellor tell us the truth? He said on the radio this morning that his plans involve £35 billion of cuts in public spending. Why does he not tell us that the dividing line between his party and ours is that even if he sacked every civil servant in the land he would still have to find £20 billion in public spending cuts before there was even a hint of a tax cut for Opposition Members? Why does he not admit that his policies involve a £1.8 billion cut in transport, a £4.8 billion cut in local government, a £1.6 billion cut in the Home Office and an £800 million cut in international development?

Sooner or later, Opposition Members will have to face up to the statements being made by the shadow Chancellor, who, while he speaks in the House about waste, bureaucracy and administration, is committing his party in every constituency to sack nurses, teachers, child care workers and home helps.

We will not take lectures on bureaucracy and waste from the shadow Chancellor, the architect of the poll tax. That was the biggest single administrative cost to the country—£7 billion for poll tax registration officers, poll tax collection officers, poll tax repayment officers and poll tax compliance officers. The shadow Chancellor is still proud of the poll tax, which was an administrative nightmare.

As for the economy, does not the right hon. Gentleman accept that productivity is rising, not falling, and that we have closed the gap with Japan, and are closing the gap with Germany and France? Even his shadow Minister for deregulation, in a statement made to private businesses, praises this country and says:

"Places like . . . the UK . . . attract because their tax rates for business are low."

So why should we take lectures on the economy from a shadow Chancellor who was an adviser to a Government who had 15 per cent. interest rates, 10 per cent. inflation, 1.25 million people in negative equity, and who caused two of the worst recessions to hit our country?

When the shadow Chancellor speaks about nurses and doctors in the national health service and compares them with tax inspectors, does he not know that 70,000 people in total were employed in the Inland Revenue, and the increased number of nurses alone under this Government is 79,000, and that there are 20,000 more doctors in the NHS? Again, we will take no lectures from the shadow Chancellor about front-line public services and their improvement. He ought to tell us the truth—that the cuts that he proposes are not in administration, but go right to the heart of public services, and that he has always believed in privatising health and education. Conservative Members should go back to their constituencies and think again.

Dr. Vincent Cable (Twickenham) (LD): Last week, the Prime Minister gave us the politics of fear, and this week the Chancellor has given us the economics of complacency. I have always been happy to acknowledge the contribution that the Chancellor has made to economic stability and steady growth, although an awful lot of people who have been caught up in the boom-and-bust cycle in the housing market or in unrepayable debt and collapsing pension funds would be less charitable than I am. It is now clear, however, that there is an additional problem in relation to the Budget. All the independent forecasters say that there is a deficit; it might be a small deficit, but there is a consensus. The Chancellor says that there is not, so who are we to believe?

There is an issue of credibility and trust, and we cannot have a continuation of a situation in which the Chancellor sets his own tests and then marks them. What we need is the equivalent of a thorough Ofsted inspection of the Government's accounts. The Chancellor already agrees that the National Audit Office should examine some of his Budget assumptions. Why does he not agree to let all of them be examined and to see whether the golden rule has been met, and thereby re-establish some credibility? What has he got to hide?

It is clear that there are some serious loose ends in Government public spending. The Chancellor has confirmed that he is providing an extra £500 million for the war in Iraq. The total cost to the British taxpayer of the successful first Gulf war was £500 million—the same sum—and 80 per cent. of the costs were fully paid by grateful European and Arab allies. The current war has cost seven times as much—£3.5 billion—and is growing at £125 million a month, with no end in sight. If the forces are to stay in Iraq until the beginning of 2006, as the Prime Minister said, will the Chancellor confirm that that will cost an additional £1 billion, which he will have to find?

What about the identity card? Its cost was originally put at £3 billion. On Tuesday, the Home Office said that the card was going to cost £5.5 billion. Yesterday, the Prime Minister did not know. Can the Chancellor tell us how much it will cost and who will pay the cost overrun?

It is because the budget is tight that we simply cannot afford a reckless George Bush-style tax-cutting spree of the kind that the Conservatives have trailed in the *Daily Express*. I am told that the proposals were considered so implausible that more cerebral and moderate newspapers such as *The Sun* and the *Daily Mail* would not even publish them, but since the proposals are essentially about titillation rather than satisfaction, it is perhaps appropriate that they have found a home in Mr. Desmond's publications.

On taxation, what is required is simpler and fairer taxation. The Chancellor has endlessly tinkered, and has created a complete mess as a result. There is a very revealing table in the Adair Turner report on pensions showing that 40 per cent. of all pensioners are now paying a marginal tax rate of more than 50 per cent. Some 1.5 million hard-working families are now paying a marginal tax rate of more than 60 per cent. The Government criticise the Liberal Democrats because we propose that very rich people should pay a marginal tax rate of only 50 per cent. So why does the Chancellor think that this situation is tolerable for millions of pensioners and hard-working families?

While I am on the issue of unfair tax, let me conclude with this question. The Chancellor said today that he has found £500 million to cut the growth of council tax rates. Has he dropped his proposal from last year to compensate pensioners with a £100 payment towards

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their council tax? Will he also say where he got the £500 million from? Is it true, as is reported, that cuts are now having to be made in the education and health budget in order to fund that increase? Would it not be much more sensible to deal with this grossly unfair and regressive tax by getting rid of it altogether and replacing it with a tax based on ability to pay?

Mr. Brown: Let us be clear on where we agree. As the shadow Chancellor told the "Today" programme:

"The Government's introduced a very good system of independent management and monetary policy . . . They've also introduced some very sensible rules for taxation and which relating to d.bt and the deficit and they've largely stuck by them."

I hope that he will accept that, on debt and deficit, the credibility of this Government and the figures that he was contesting today are well established over many years.

As for the hon. Gentleman's next point about the costs that have to be met, he will know that there is a reserve, and it is the reserve from which we pay for Iraq. As far as identity cards are concerned, the Prime Minister announced the figures yesterday. On the pensioners winter allowance, I have announced the figures today; £250 will be the payment for over-70 households, and it will be £350 for over-80s.

What the shadow Chancellor does not seem to understand is that it is because we rejected the other policy proposals that he put forward that we now have a successful economy capable of creating growth and generating revenues. It is because we rejected his policy to abolish the new deal that we have cut unemployment, so the bills from unemployment are down by more than £3 billion a year. It is because we did not accept his proposals to raise the national debt in our early years that we have reduced it and the bills from interest payments are down £4 billion a year. It is because we are generating growth, not by following his policies, but by following our policies, that more people are in work, there is more growth in the economy, businesses are investing and we are therefore generating the revenues to pay for our public services. It is for that reason that we are both meeting our fiscal rules and able to sustain the public spending commitments that we made.

I suggest that the Liberals need to do some thinking at this stage as well. Yesterday, I pointed out that the hon. Gentleman said that he was going to fix the share of public spending in national income at 2003–04 levels—41 per cent. If he were to do that, he would have to cut public spending by £10 billion now. Yesterday, he conceded to go half way in that direction, and said that he would have to cut public spending by £5 billion. Will he be honest enough to tell every constituency in the country about the £5 billion of cuts that a Liberal party election manifesto should be making?

Mr. John McFall (Dumbarton) (Lab/Co-op): I welcome the assurance that the Chancellor has given that the fiscal rules will be observed. No doubt, we will have further questioning on that in the Treasury Committee on 15 December. The child care and family policies that he has introduced are particularly welcome. Surely, as a result, no child in any of our constituencies will be left behind.

On financial exclusion, the £120 million is most welcome for families who are both socially and financially excluded. Will the Chancellor indicate how the banks and not-for-profit organisations such as credit unions are going about this business? Does it not make it even more essential that the consumer credit Bill is implemented in the next few months?

Mr. Brown: I am grateful to the Chairman of the Select Committee, who has taken a big interest in this issue. Of course, he has been meeting the banks and financial institutions to look at issues of financial inclusion. The £120 million is precisely to do what he wants done—provide better advice to people; help people escape the loan sharks and others who have been charging interest rates that are too high; and create a range of potential providers of low-interest loans and credit for people from low-income families. I hope that he will be able to work with citizens advice bureaux and other organisations, which I think will welcome this new package for financial inclusion. I thank the banks for co-operating in what is a joint effort to persuade more people to open bank accounts and get the benefits that come from having a bank account, and not to be dependent on private and sometimes unsavoury loan agencies. I shall write to him about his first point. The important point is that we welcome the work of the Select Committee on financial inclusion.

Mr. Kenneth Clarke (Rushcliffe) (Con): The Chancellor introduced the institution of pre-Budget reports. Is it really sensible to turn it into this annual ritual whereby he comes along with a string of detailed policy announcements about education, health and other domestic areas that he would like to have more charge of and produces a great deal of political rhetoric about Conservative Governments of the 1980s and about what Conservatives might do if they came into power now in order to obscure discussion of the mounting problem of the public finances, which are his principal responsibility? Does he accept that, if his critics are right—there are now myriad critics—that public spending is rising at an unsustainable level, that tax revenues are failing to meet his forecasts year in, year out and that public borrowing figures are getting more and more worrying as the situation deteriorates, this not only challenges his ingenuity in trying to demonstrate how he is meeting his fiscal rules but poses a very real and growing threat to the future health of the British economy, which somebody will have to deal with if he continues to be in denial about it for very much longer?

Mr. Brown: I have a great deal of respect for the former Chancellor, but I remind him of what he said in *The Mail on Sunday* on 21 June 1998:

"Our gloomy Chancellor is going to bust our economy without any risk of a boom coming first. I have been forecasting doom and gloom for the British economy in my column in Financial Mail for most of the past year".

He has been predicting exactly what he said today for almost every year since 1997.

The former Chancellor is not the only one who has come to the House to make announcements on health, education and other matters. He said that he would not have frozen public spending for the first two years, but

we did, and I hope that he agrees that we have been raising public expenditure and getting it to the vital public services. He should support our policies, against Conservative Front Benchers.

Mr. Martin O'Neill (Ochil) (Lab): I congratulate my right hon. Friend on today's statement. Does he agree that many so-called forecasters have been mis-selling pensions and other financial services for a long time, and that they are as bad at selling as they are at forecasting? Although it is worth while and important to look towards international challenges from India and China, we have serious industrial challenges at home. He has correctly identified that those industrial challenges are not having a dramatic impact on inflation; none the less they impact on a number of businesses that depend on energy. Now that the emissions trading scheme is coming into play, will he re-examine the climate change levy, in order to reduce the burden on energy-based industries in this country and to allow businesses that are alive, well and working at the moment to survive?

Mr. Brown: I am grateful to my hon. Friend, who chairs the Trade and Industry Committee. I know that his work is part of his determination to ensure the future strength of British manufacturing industry. As he knows, we have frozen the climate change levy and look forward to the successful working of the emissions trading scheme. At the same time, he must recognise that when we introduced the climate change levy, it was part of a package agreed with business and the Government following the Marshall review. We cut national insurance for employers at the same time as we introduced the climate change levy. If we are to secure changes in both energy efficiency and the reduction of emissions, we must move forward with measures such as the climate change levy. I hope that my hon. Friend will continue to support the climate change levy, which is essential for a balanced policy for both the environment and the economy.

Sir Peter Tapsell (Louth and Horncastle) (Con): When the Chancellor was calculating the figures for his statement, did he remember that when he sold more than half of this country's gold reserves, I repeatedly warned him that he was selling at the bottom of the market? Now that the price of gold has risen by about $200 an ounce, will he apologise for costing the British taxpayer some £1.5 billion by not accepting my warnings?

Mr. Brown: I do not accept that point. The previous Government, who failed to balance our reserves by making the gold sales a lot earlier, should take responsibility. It is right to have a proper balance in our reserves, which we have now achieved. The hon. Gentleman will have noticed that every other major country, apart from America, has been involved in gold sales. That includes France, which has announced gold sales in the past few months. I have always been willing to listen to the hon. Gentleman's advice, but whether it is on the Bank of England or on public expenditure, his record shows that he invariably gets things wrong.

Hugh Bayley (City of York) (Lab): I congratulate the Chancellor on his long-term commitment to science and technology, on which this country's future prosperity and global competitiveness depends. Is he aware that York university now receives more research funding per academic than any other university in Britain? Will he tell us a little more about what York's designation as a science city will mean when it comes into force?

Mr. Brown: I am grateful to my hon. Friend, who has taken a huge interest in York's future economy, and I have worked with him on a number of related issues. The northern regional development agencies, One NorthEast, the Northwest Development Agency and Yorkshire Forward, have formed a partnership. As part of their new investment in technology, they are announcing today that they want to designate as science cities those cities and towns that have a cluster of scientific research and business research expertise, and a major interest, through universities and colleges, in the knowledge economy, and to invest more in their future development. That is in tune with what has been happening in the United States of America.

The Kok report, which was published in the past few days for the European Union, recommends the creation of science and technology cities throughout the EU. The northern development agencies are leading the way. I hope that through working with them, the specific proposals for York will expand science and technology-related jobs and ensure the long-term future of my hon. Friend's local economy.

Mr. Alex Salmond (Banff and Buchan) (SNP): Will the Chancellor think about Scotland for a second? That would be a good idea, because burgeoning oil revenues are needed to pay for the Prime Minister's wars and the Home Secretary's identity cards. Will he explain why his boasts about the performance of the UK economy are not matched by the performance of the Scottish economy, where unemployment is significantly higher and growth is significantly lower? The Scottish economy even went into technical recession in 2001 and 2002. Who is responsible for that failure? Is it the Chancellor, or the hapless Scottish Executive?

Mr. Brown: The hon. Gentleman has predicted doom and gloom for the Scottish economy at every point since 1997. He must face up to the fact that employment, growth and living standards in Scotland are up, that more people own their homes in Scotland, that more people in Scotland are getting skills, and that more are going to universities and colleges. That is the result not of Scottish National party policy, but of the Labour Administration in the Scottish Parliament and the Labour Administration in the UK.

John McDonnell (Hayes and Harlington) (Lab): I congratulate the Chancellor on his child care policies, which are affecting all our constituencies, and welcome their extension today. To afford those policies, it is critical to maximise our revenue income, so I ask the Chancellor to re-examine his proposal to cut 16,500 jobs within Customs and Excise and the Revenue. Individual customs officers now bring in £12.9 million per post. Surely this is not the time to cut those posts.

Mr. Brown: I respect the work of customs officers and Inland Revenue officials and pay tribute to their work securing our ports and, along with Inland Revenue inspectors and tax collectors, ensuring that revenue flows to the Exchequer. Partly because of new technology, however, David Varney's proposals to bring together the Inland Revenue and Customs and Excise will cut the gross number of jobs by 16,000. By redeploying some of the people in the Inland Revenue and Customs and Excise, the final figure will be 13,500. That decision is right, because it means that more resources will go to other front-line public services.

I hope that my hon. Friend understands that as we expand health, education and the other public services, it is necessary, where new technology gives us the opportunity to do so, to change employment patterns. Although the Gershon proposal of 84,000 jobs is a very big number, it is a necessary means by which we can build a modern set of public services and get the resources to the front line.

Mr. Edward Leigh (Gainsborough) (Con): Will the extra money to support local government come from health and education? In order to resolve the debate on whether, as the Institute for Fiscal Studies and the International Monetary Fund claim, a structural black hole of up to £10 billion exists, is the Chancellor prepared to commission the National Audit Office to audit his assumptions?

Mr. Brown: First, I have just explained to the Liberal shadow Chancellor why our public finances can not only sustain the public expenditure to which we are committed, but meet our fiscal rules. That is because we have cut employment and debt interest payments are substantially below their 1997 level. Because growth and rising employment are generating revenues, we can meet our public expenditure commitments and our fiscal rules. The hon. Gentleman should be satisfied that the figures that I am giving him on the future development of the economy are accurate and right. On the NAO, this Government, more than any other Government, have opened up the management and scrutiny of economic policy. However, decisions on taxation and public spending are rightly decisions for Parliament. The Government make a recommendation and Parliament decides. As for the hon. Gentleman's question about local government, we have to ensure that social services, education and health departments get the money that is necessary at the front line. That is the reason for our decisions.

Mrs. Anne Campbell (Cambridge) (Lab): As the representative of a famous science city, I warmly welcome the continuing and increased investment in science. I also welcome the Chancellor's announced intention to remove tax barriers to spin-offs, which is an important move. Has he made any assessment of what it would mean to have a £500 million cut to business support in the Department of Trade and Industry budget?

Mr. Brown: I have seen recommendations from the Conservative Opposition; one of the people on the James review said that it would not matter if research councils were abolished in their entirety. That type of thinking does huge damage not only to the future of our country but to the morale of the scientific community. I wish that we could achieve an all-party consensus on the development of science, support for the research councils and support for the innovation and technology changes for which the DTI is responsible, some of which were announced today.

As for university spin-off companies, I hope that my hon. Friend will find that our detailed proposals solve a problem for scientists with shares in companies that are created as a result of university spin-offs. We are determined that companies that spin off from universities are given the best support possible because they, like many other companies that are starting up, are important to the long-term economic health of my hon. Friend's city—Cambridge—and the economy as a whole.

Mr. David Trimble (Upper Bann) (UUP): With regard to fuel, the Chancellor mentioned fraud involving rebated oils. As he will know, in Northern Ireland that fraud puts tens of millions of pounds a year into the hands of paramilitary organisations. Could not he make that fraud much more difficult by ending the rebates and instead allowing people such as farmers to reclaim the tax on the fuel? That would not eliminate the fraud but would make it much more difficult, which might be helpful.

Also in relation to Northern Ireland, the Chancellor will have noticed that the number of adults who are in employment there is significantly below the UK level. He said that 75 per cent. of adults were in employment, but the percentage is much lower—in the mid-60s—in Northern Ireland. Is not part of the reason for that differential the fact that several of the Chancellor's measures to encourage people into work are not being fully applied in Northern Ireland? Will he consider that, especially with regard to the new measures that he mentioned?

As for the right hon. Gentleman's very interesting ideas for children, particularly with regard to nursery schools, will he have a word with his right hon. Friend the Secretary of State for Northern Ireland to persuade him to follow the same policies there?

Mr. Brown: I am grateful to the right hon. Gentleman, and I shall be happy to meet him to talk about customs duties in Northern Ireland. We have stepped up the activities of Customs in dealing with this pernicious fraud, which has lost substantial sums of money and in some cases, as he alleged, helped forces that support terrorism.

As for the right hon. Gentleman's point about employment, the new deal is designed to raise the level of employment, and I am happy to work with him and others to see what we can do to make it more effective in Northern Ireland. That could form part of the meeting that we have on these issues.

As for children's services, I hope that everyone now recognises the importance that is attached, not only by the Government but by people who have looked at all these issues, to the education, care and support of the under-fives in particular. That is why we are making today's proposals.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I welcome the Chancellor's new announcements about additional support for science in the north, although I am disappointed that at this first stage Liverpool has not been designated as a science city. Can the Chancellor assure me that the high-level scientific research at Liverpool university will be supported, including its joint projects with the Daresbury laboratory?

Mr. Brown: I am grateful to my hon. Friend, who takes a huge interest in the economy of Liverpool and has been promoting several initiatives to make it stronger. I believe that Liverpool university is now the biggest single employer in Liverpool; that shows its importance to the city and its future. Liverpool is the culture city of the future and may over time become a science city as well. I am very happy to meet my hon. Friend and her colleagues to discuss what we can do to promote economic development in Liverpool in that way.

Mr. David Heathcoat-Amory (Wells) (Con): As always, the figures that the Chancellor did not talk about tell the real story about the risks to the economy. Since he has persistently underestimated the size of Government borrowing, and since tax receipts this year are coming in very much lower than his estimates at the time of the Budget, can he tell whether that is because of forecasting errors by his Department, or political interference in those estimates? Either way, will he subject to independent audit the definition of his so-called golden rule, and the reasons for those very serious forecasting errors?

Mr. Brown: That is a bit rich, given that the right hon. Gentleman was a Minister in the Conservative Government. We have opened up the auditing of public spending and revenue assumptions far more widely than they were ever prepared to do, and called in the National Audit Office to help us, which the Conservatives never did. He tells us that we must do more in this regard, yet he was not prepared to do anything.

As for the position on revenues, the right hon. Gentleman will see in the published documents that, because of rising employment and growth in the economy, revenues from income tax and VAT have risen, and that in key areas revenues from corporation tax have risen according to forecast. We will have to consider other areas over the next few months. He will also find that, although the former shadow Chief Secretary said yesterday that the borrowing figures would be around £40 billion, if I remember him rightly, in fact they are below £35 billion, at £34 billion. The shadow Secretary of State for Work and Pensions said at the Dispatch Box yesterday that the borrowing figures would be deteriorating, but they are improving every year.

Mr. Michael Connarty (Falkirk, East) (Lab): I congratulate the Chancellor on his firm stewardship and enlightened redistributive policies. I also echo his comments about the Scottish National party's continuing pessimism on the Scottish economy, given that I am sure that the hon. Member for Banff and Buchan (Mr. Salmond) shares with me the lowest unemployment in his constituency for 25 years.

One of the problems in business start-up and development is that there is still a lack of free risk capital available to small companies. In my constituency, £50,000 has been applied for to develop an e-commerce project, and some nanotechnology projects require £3 million or £4 million. The trouble is that more money is spent on advice and bureaucrats than on freeing up risk capital for such enterprises. What might the Chancellor do to free up some of that capital for ventures that are of long-term benefit to the economy?

Mr. Brown: As my hon. Friend knows, regional venture capital funds have been set up throughout the United Kingdom. They are designed to encourage the provision of capital for new and dynamic businesses that are being created. That is a start, but there is a great deal more to do, because venture capital was previously aimed at support for management buy-outs rather than new ventures. I shall be happy to meet my hon. Friend to talk about the development of such industry in Scotland—and as for SNP Members, I think that the unemployment they are most worried about is the loss of their seats at the general election.

Mr. Michael Fallon (Sevenoaks) (Con): Will the Chancellor remind taxpayers that last time he talked about sustainable growth before the election, they were hit by an increase in national insurance contributions after the election? Will he come clean with the country and admit that all this borrowing and extra spending means that sooner or later taxes will have to go up?

Mr. Brown: Again, the hon. Gentleman, who sits on the Treasury Committee, has been predicting gloom and doom year in, year out since 1997. Does he not accept that cutting debt interest payments and unemployment, together with the high growth that has been sustained in the economy and high levels of employment, have enabled us to meet our fiscal rules and to provide the public finance necessary to deliver a high level of public services? The hon. Gentleman should be most worried about his shadow Chancellor's proposal to cut £35 billion from public spending.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): My right hon. Friend knows that the Secretary of State for Work and Pensions has a genuine problem because of the 60,000 people who lost out through the idiotic Pensions Act 1995, and that £400 million has been allocated over 20 years to deal with that. Will he confirm that he has the flexibility to act if more than 60,000 people have lost out through that poor legislation? If the average loss is greater than £3,000, does he have the scope to effect appropriate compensation for those people?

Mr. Brown: It is indeed a scandal that people who lost their jobs lost their pensions at the same time. We are the first Government to take action to deal with the problems of thousands of pensioners who, as my hon. Friend rightly said, were deprived of what they had saved, and lost both jobs and pensions. As he also said, the sum set aside is £400 million. He asked whether we would review the figure. We have committed ourselves

[Mr. Brown]

to doing that: after two or three years, we will review the arrangements. I assure my hon. Friend that the review will take place.

Mr. Michael Jack (Fylde) (Con): The Chancellor will be aware of the growing sense of insecurity in many families because they know that their endowment policies will not produce enough money to repay their mortgage, or that their money purchase pension will not give them the standard of living that they expected. The only announcement on long-term savings in the Chancellor's statement referred to individual savings accounts, which are not popular. Will he review the tax treatment of endowments and money purchase pensions to ascertain whether there is a way of leaving more of the investor's money in those funds, to work harder for the needs of those who want to save and thus meet their long-term objectives?

Mr. Brown: I would take the former Treasury Minister more seriously if he had not suggested that ISAs were a failure through unpopularity. More than 16 million people have an ISA. Surely all the protestations of doom and gloom that the Conservative party made when ISAs were introduced have been proved wrong. One in five people on low incomes, instead of one in seven, have ISAs. Twice as many young people under 25 have ISAs as had TESSAs and PEPs. The right hon. Gentleman should welcome, not belittle, the success of the ISA scheme. Of course I shall examine his comments on other matters, but he should know that the Turner commission is considering the future of pensions.

Chris McCafferty (Calder Valley) (Lab): On behalf of my constituents, I warmly congratulate my right hon. Friend on his investment in families, especially the extension in child care, the coming extension in paid maternity leave and, of course, the extra money for child care. I invite him to see for himself evidence of his investment in our future, and ask him to visit the brand-new children's centre in Elland in my constituency, which is due to open in January, and witness the best practice of the local Sure Start initiative. That has already made a considerable difference to local people.

Mr. Brown: I take that as an invitation to visit my hon. Friend's constituency, and I shall be happy to do that. By 2010 there will be 3,500 children's centres. I have visited many Sure Start centres. The more that is known about their success, the more people will want to support them. I believe that, over time, we might be able to persuade even our opponents that Sure Start is a good investment. Investment made before the age of five is crucial to determining a child's future, and it is important that the country begins to recognise the value of investments such as that in my hon. Friend's constituency.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Earlier, in answer to Conservative Front Benchers, the Chancellor rightly reminded the House about the disaster of the poll tax. Not only was it unfair, but it collapsed, partly because it involved an attempt to construct a register of the population, and where everyone lived, on a daily basis. Does the right hon. Gentleman recognise that many of our constituents, who are already suffering at the Government's hands through their handling of tax credits and the Child Support Agency computer system, will believe that the £5.5 billion that he is setting aside for identity cards would be better spent now on front-line security, to provide better security by having more police and better border controls?

Mr. Brown: The hon. Gentleman was giving a balanced account of events—before he started speaking about tax credits. Six million families have tax credits, and many millions more children benefit from them. Instead of opposing tax credits, why does the Liberal party not start supporting them? They are the main reason why millions of people are being taken out of poverty in this country.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. We must now move on.

Local Government Finance Settlement

1.54 pm

The Minister for Local and Regional Government (Mr. Nick Raynsford): With permission, Madam Deputy Speaker, I should like to make a statement about local authority revenue finance for England in 2005–06.

The settlement that I am announcing for 2005–06 will be the eighth successive one in which we have provided local government with grant increases above inflation. That is a real terms increase of 33 per cent. over the past eight years, which contrasts with a 7 per cent. real terms cut in the last four years of the previous Government.

Total support from Government grant and business rates in 2005–06 will be £60.1 billion. That is £3.5 billion, or 6.2 per cent., more than in 2004–05. It contrasts with a total of just £35.9 billion in 1997–98, in the last settlement announced by the Conservative party. The total of £60.1 billion includes £26.7 billion of revenue support grant, £18 billion of business rates, £4.3 billion in police grant and £11.1 billion in specific grants. Of those totals, £49 billion will be distributed by formula to local authorities—an increase of £2.6 billion, or 5.6 per cent. I shall announce the detailed allocations today.

The figures include the extra provision to help local government meet pressures at reasonable council tax cost that my right hon. Friend the Chancellor of the Exchequer announced earlier. They demonstrate the Government's continuing commitment to both local government and council tax payers.

I can confirm that we propose no changes in the grant distribution formulae for 2005–06. That is consistent with the formula freeze that we announced for three years from 2003–04. It provides councils with a measure of stability, which is essential for forward planning.

I have already referred to the totals available in specific grants. They perform a valuable role in, for example, targeting funds in a way that the main formula cannot. We are bringing forward the announcement of the allocation of many of those grants to help councils plan ahead with more confidence.

For several years, we have applied guaranteed minimum grant increases—floors—and upper limits on grant increases, known as ceilings, to help pay for floors. Floors are well accepted. Unlike the position when the Conservative party was in power, councils are no longer faced with losing grant from one year to the next. There is no wish to do away with the floor mechanism but there has been lively debate about how the cost of the floor is to be paid.

Let me be plain. The cost has to be found within the total of grant available, and it follows that if authorities that would otherwise receive less than the floor are to benefit from enhanced grants, the remaining authorities with larger grant increases must contribute.

Over recent years, we have operated a system of ceilings, putting a maximum limit on grant increases, thereby ensuring that those authorities due to receive the largest increases contributed most to the cost of the floors. However, I have been impressed by the arguments put by authorities, especially in areas with rapidly growing populations, that imposing a ceiling is especially hard on them as they are never likely to receive the additional grant that a rising population, and hence rising pressure on services, would otherwise provide for them. Having said that, exempting population growth areas from ceilings would not be the best approach, as it would be bedevilled by arguments about exactly where to draw the line.

I have therefore concluded that we should abolish the grant ceiling. Floors will be financed entirely by scaling back grant increase above the floor. All authorities above the floor will make a contribution, but none as great as the ceiling authorities used to make.

For 2005–06, the grant floors will be as follows: for authorities with education and social services responsibilities, 4 per cent.; for shire district councils, 2.5 per cent.; for fire authorities, 2.5 per cent.; and for police authorities, 3.75 per cent. For the third consecutive year, every authority in England will receive an above-inflation increase on a like for like basis.

As in previous years, we will adjust the floor scheme to provide support to authorities with increased levels of capital investment as a result of new capital allocations issued by the Government. We will also, this year, adjust the floor scheme to provide protection for councils that lose grant under the amending report for 2003–04.

We will, as we did last year, ensure that every authority with education responsibilities receives an increase in its formula grant at least as large as the increase in its schools formula spending share. Again, as last year, we will expect all authorities to pass their schools FSS increase on to their schools budget other than in wholly exceptional circumstances. We have adjusted the FSS totals within the planned total to reduce the pressure of passporting and to increase growth in the environmental, protective and cultural services block, in recognition of the importance of the local services covered by it.

We are rigorously applying the principle that, if Government policies impose new spending burdens on local government, Government will make provision to fund them.

The Government are more than doubling our contribution to the cost of local authorities' civil protection activities from 2005–06. That will significantly enhance the capacity of local authorities to respond to a wide range of emergencies, whether caused by natural disasters, accidents or terrorism.

We listen carefully to local authorities' views on the costs of implementing new initiatives and act on them where appropriate. In response to concerns expressed by local authorities on the fee levels of the new licensing scheme, my right hon. Friend the Secretary of State for Culture, Media and Sport has agreed a substantial increase in earlier estimates, and the latest proposals are now out to consultation. She has also given an undertaking that there will be an independent review 12 months after the new regime has become fully operational.

From April 2005, authorities will be given further opportunities to increase locally raised revenue through the local authority business growth incentives scheme. That allows authorities to retain a proportion of growth in business rate revenue, with total freedom to spend this on locally determined priorities. It comes on top of the substantial additional freedoms extended to local authorities, including the prudential borrowing regime.

[Mr. Nick Raynsford]

new freedoms to trade and to charge for discretionary services, and continued reduction in ring-fencing in 2005–06, which will see ring-fenced grants fall to below 9 per cent. as a proportion of overall Government grant, which is even better than I promised last year.

A number of councils have expressed concerns that they are facing a substantial increase in pension contributions. We have listened to their concerns, agreed to amend regulations to ease certain pressures and issued advice to enable them to manage the outcome of the 2004 actuarial revaluation in the most effective way over the next three years.

In common with the rest of the public sector, councils need to be remorseless in the pursuit of efficiency. Following the Gershon review, the Government have set a target across the whole of the public sector to deliver more than £20 billion of efficiency gains a year by 2007–08. Local government is expected to contribute significantly to that, delivering at least £6.45 billion of efficiency gains. However, we believe that higher gains are attainable by local authorities, and Departments will work in partnership with them to help to achieve maximum efficiencies. This is a win-win scenario, as efficiency gains will be retained locally and can be used for reinvestment in front-line services.

With substantial additional funding, real scope for efficiency gains and the additional flexibilities that I have outlined for councils, there is no excuse for authorities to set excessive increases in council tax. The average increase in council tax in 2004–05 was 5.9 per cent. Although that was less than half the previous year's increase, and the lowest in almost a decade, there is still considerable scope for authorities to do better. We expect to see substantially lower increases next year, with a national average increase of less than 5 per cent.

The Government used our reserve capping powers for the first time this year to deal with excessive increases. We will continue to use those powers to ensure that council tax payers do not face unacceptable increases. We are prepared to take even tougher action in 2005–06. That applies to all authorities, including police and fire authorities.

We will continue to support local authorities in promoting take-up of council tax benefit. We are including information about the benefit in this year's winter fuel payment letters, which go out to about 8 million households, and we are following that up with regional and national press advertising. We will also encourage local authorities to include clear information about council tax benefit with council tax bills and, where appropriate, a simple coupon to return indicating a wish to claim benefit. Looking ahead, my colleagues in the Department for Work and Pensions are developing proposals to streamline the claims process for pensioners when more than one benefit is claimed, so that they do not have to provide the same information twice.

As my right hon. Friend the Chancellor of the Exchequer has announced today, the Government will repeat next year our help for pensioners aged 70 or older, by giving them a £50 payment to help them with their council tax bills. The amount reflects the fact that we expect a substantially lower average increase in council tax next year.

The Government have demonstrated our continued commitment to local government. We have increased investment year on year: £24.2 billion since 1997–98, and a further £3.5 billion this year. We have ensured once again that every council has an above-average increase in formula grant. We have given councils more opportunity and flexibility to raise and deploy local resources to meet their priority needs. In return, we expect, and all taxpayers expect, that local government will continue to deliver improving services at an affordable cost. If they do not, we are prepared to take tougher capping action. I commend the settlement to the House.

Mr. Eric Pickles (Brentwood and Ongar) (Con): I thank the right hon. Gentleman for early sight of his statement and the accompanying documents. Such release of information is entirely typical of him, and it makes for much better debate.

Over the past four weeks, I have been due to share a platform with the right hon. Gentleman or other Ministers on no less than three occasions. Each time, the relevant Minister has cried off at the last minute, because of some reversal of the Government's fortunes, much to the disappointment of the audience and myself. Given the nature of the Chancellor's financial allocation to local government, I am sure that the whole House will share my relief in finding the Minister in his customary place today. Who would have blamed him if he had decided to absent himself? Indeed, the Deputy Prime Minister has sought to create as much physical distance as possible between himself and today's statement by travelling to China. That seems a little excessive, but it is no doubt a comfort to the great man.

This statement is nothing more than a poor attempt to paper over the cracks of a crumbling council tax policy, a fiddled financial settlement and an abandoned balance of funding strategy. It is a dawn raid masquerading as a strategy. So ill thought-out are the measures that they have provoked a senior Government official, in the pages of today's *Financial Times*, to use a four-letter word to describe the measures, and pejoratively to invite the Government to depart. I am sure that that anonymous mandarin, in both his choice of words and his sentiment, speaks for the whole nation—in spades.

The record clearly shows that the Opposition have been more accurate in predicting levels of council tax than the Government. The Government's winter boasts are soon drowned out by April misery for the taxpayer. I have with me a full list of the Labour Government's predictions on the adequacy of the settlement, and the folly that they produced. I shall let just one speak for the many. Last year, on the settlement, the Minister said:

"We have provided a good settlement, on the basis of which local authorities can plan for future improvements in services without unreasonable increases in council tax." —[*Official Report, House of Commons*, 19 November 2003; Vol. 413, c. 789.]

That settlement did not even have to wait until the spring to be proved inadequate. In a few short weeks, the Chancellor had to bung in an extra £340 million. What is the status of that £340 million? Has it been carried forward to next year? If so, given that £350 million relates to ring-fencing, the Chancellor's £1 billion bung begins to look very small—it begins to look like about £250 million.

Last year, because of the Government's insistence on passing on increases to schools—which they are repeating this year—14 local authorities were left with no additional money for their other services. Will that be repeated next year, and how many councils will be affected? The Minister can talk all he likes about floors and ceilings, but he cannot hide the fact that under his Government council tax has gone through the roof. Further unbearable increases are in the pipeline as a direct result of this settlement.

In its small print, the July review predicted that the locally financed council tax element of local government would increase from £18.6 billion in 2004 to £19.8 billion. That represents an increase of 6.7 per cent., or three times the rate of inflation. Will the Minister confirm that on page 209 of the Chancellor's pre-Budget report, issued today, council tax receipts are projected to soar by £1.6 billion? Will he confirm that page 23 forecasts inflation at 1.75 per cent.? We are looking at an increase in council tax receipts over four times the rate of inflation.

The change in council tax receipts clearly mirrors the increase in council tax demand. Since 1997, receipts have risen by 80 per cent., and in England council tax has risen by 70 per cent. The figures clearly marry.

The settlement does not seem to recognise the unavoidable pressure on local authorities. The Local Government Association has measured it at about £1 billion. Let us examine three pressure areas. The Minister referred to certain pressures on pensions. His solution is to try and put it off for a couple of years, but how are local authorities to manage with pension costs due to rise next year by an extra £300 million and the year after by an extra £900 million? Pressure from the growth in waste levels, waste taxation and waste legislation will cause costs to escalate from £225 million this year to £480 million next year.

Do the Government really want Hampshire to raise council tax by £4 million, Devon by £4.4 million or Tandridge by 2.2 per cent.? Perhaps they do, as much of the money will go straight back to them.

There will also be more children receiving social care. The Children Act 2004 places additional burdens on authorities. Why are the Government not making adequate plans to meet the growth in children's services with an increase from £94 million next year to £587 million in 2007?

Local government leaders have long argued that the retail prices index is an inappropriate measure to gauge local costs. On 24 June, the Local Government Association met the Chief Secretary to the Treasury, who agreed to start work on a price index for local government. What progress has been made so far?

Then there is the question of the census. The amending revenue support grant report for 2003–04 was published on 18 November, but the issuing of the report for 2004–05 has been postponed until next year to ensure that all possible revisions of the data used in the 2004–05 settlement will be included.

The House will rejoice at the recognition of the disservice done to the Manchester and the restoration of its missing citizens. They will receive an extra £7.8 million. Other areas are less fortunate, however. Worcestershire will lose £1 million, and Norfolk nearly £500,000. The South Yorkshire police authority will lose nearly £1 million. Worst of all, Surrey will lose £2.3 million. On 25 November, the leader of its county council wrote this to the Minister:

> "Under your proposals, Surrey stands to lose £2.23 million in respect of 2003–04, a greater loss than any other council in the country . . . Why should the people of Surrey pay for a mistake made by central Government?"

The hon. Member for Manchester, Blackley (Mr. Stringer) put it more robustly when he suggested earlier this year that the national statistician could not count up to 60 million.

What justification can there be for asking council tax payers to pick up the tab for central Government's own blunders? Every year Labour promises a generous funding settlement for local councils, yet every year under this Government council tax has soared by three times the rate of inflation. This year the average council tax bill in England is over £1,000, an increase of 70 per cent. or almost £500 since Labour came into office. That is equivalent to almost £100 a month from people's take-home pay or pensions.

The reason is simple: the Government have chosen to use the council tax for a purpose for which it was never intended. They have transferred burdens and duties to local authorities without resources. The council tax has become their stealth tax of choice.

The Minister knows that what he has announced today will store up massive council tax increases for the future. His strategy for the council tax is now in tatters; all that remains is for the electorate finally to bury it in May.

Mr. Raynsford: It was interesting that the hon. Gentleman managed to keep a straight face during some of his remarks. He remembers what life was like when his party was in government. He remembers the settlements that Conservative Members announced from this side of the Chamber. Those settlements did not give grant increases to local government; in some years they actually cut grant, and in no year did they match inflation. I do not know how he has the cheek to attack a Government who have provided huge increases.

Let me remind the hon. Gentleman of the figures. In the 1997–98 settlement, the last that his party presented to the House, £35.9 billion was given to local government. This year's total is £60.1 billion. That is thanks to a Government who have been increasing funding, supporting local government and listening to local government, and who are taking action to tackle the problem of authorities—and some Tory authorities have a poor reputation in this regard—that are charging too much council tax. We have made it very clear that we will use tough capping powers to deal with authorities that increase council tax unduly.

Last year, Labour authorities increased council tax by 4.7 per cent., Tory authorities by 5.4 per cent. and Liberal Democrat authorities—I concede to the hon. Gentleman that their record is the worst—by 6 per cent. If Tory and Liberal Democrat councils had matched the performance of Labour councils, council tax increases last year would not have been 5.9 per cent.: they would have been below 5 per cent., a target that I would expect most sensible people to endorse.

The hon. Gentleman did not have the gall to admit that his own county of Essex is looking forward to an extremely good settlement—a 6 per cent. increase in its

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grant in the coming year. I am sure that when he talks to Lord Hanningfield, he will be able to discuss all the things that Essex county council will now be able to do thanks to the generosity of a Labour Government. That is nothing like what the council experienced under a Conservative Government.

The hon. Gentleman asked about the status of last year's £340 million increase by the Chancellor. It should be seen in the context of our £3.5 billion increase in total spending in the current year: that is £3.5 billion, not £340 million.

The hon. Gentleman asked a very interesting question about the consequences that would appear in next year's settlement. I think that most Members expect a general election between now and then. It was interesting to note his tacit concession that his party did not have a prayer—that it did not have a chance of winning the election, and expected to remain in opposition with no influence on next year's settlement. I must tell him that his party, were it to come to office, would not offer a £3.5 billion increase. It has said quite openly, and the shadow Chancellor has said it repeatedly, that it would freeze local government expenditure. That would be a recipe first for cuts in services, and secondly for massive council tax increases. That is what the Conservative party stands for.

The 6.7 per cent. figure that the hon. Gentleman cited—probably not he but his researchers had delved into the more obscure aspects of the Red Book and other documents—fails to take account of the increase in council tax, so in any case it is not an accurate projection, but if he were to redo it on the basis of today's settlement, the figure would be 3.6 per cent. The Red Book is a reflection of historical patterns of council tax increases, and as further reductions in council tax levels occur as a result of this settlement, we will see a further reduction in the projection.

On pensions, we have already taken action to ease pressures in the coming year, and as the hon. Gentleman should surely be aware, we are already consulting on longer-term changes to enable local government to meet its responsibilities under the local government pension scheme, while at the same time not facing unreasonable costs.

On pressures on social care, the hon. Gentleman obviously has not looked at the details. Otherwise, he would know that the children's services that he claims we are underfunding will receive a 7.6 per cent. increase in resources in the coming year, which is well above the average.

I remind the hon. Gentleman that local government asked us to do an amending report if it turned out that the census figures had to be adjusted, and that Conservative authorities such as Westminster were in the forefront of asking for such a report. Local government knows that such a report does not put in additional money; it simply amends a previous settlement in the light of changed figures, so if authorities such as Manchester deserve an increase because former census projections underestimated their population levels, it is of course right and proper that there be an amending report, which means that there must be an adjustment for everyone. That is the inevitable consequence, and that is what local government as a whole asked us to do.

Finally, although the hon. Gentleman did the best job that he possibly could in the circumstances, he knows in his heart that this is a good settlement for local government, which provides the basis for local authorities to continue to deliver improved services with no need for large council tax increases.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. We have other business before the House later today, so may I ask Members to be brief in their questions and responses?

Mr. Edward Davey (Kingston and Surbiton) (LD): I thank the Minister for the statement, but I hope that his answers now will shed rather more light on what is actually planned. He suggested that there was new money for councils and for police and fire authorities, so that they can keep council tax down, but is it not true that, far from there being significant new money from the Treasury, most of this cash is coming from cuts elsewhere? Will he now list the cuts being made to fund this attempt to massage council tax downwards before the election?

Is it not true that Departments from education to environment are the losers? For example, is it not true that cash has been found by reducing recycling? Every year we see a last-minute attempt by Ministers to patch the council tax problem. Does that not show a Government in permanent crisis over the unfair council tax? When will they act for the long term, scrap council tax and stop resorting to short-term panic measures?

The Minister will doubtless claim that the extra money is not a pre-election fix. If so, can he confirm that it is permanent and not a repeat of last year's one-off grant? Does he accept that, even if Ministers succeed in manipulating council tax rises lower than last year's, such rises are likely to be higher than inflation? Can he confirm that an average council tax increase of 5 per cent. will be nearly four times the inflation rate used today by the Chancellor? If so, what will he say to pensioners on fixed incomes whose pensions go up only by the rate of inflation? Can he confirm that all pensioners' council tax bills will rise by £50 a year at the very least? Will he also admit that by forcing councils into one-off raids of reserves and into putting off resolving issues such as pension liabilities, Ministers are merely scheduling a massive council tax rise for after the election? Is this not the calm before the storm?

The Government know that the council tax system is in a mess; they wasted 15 months on the balance of funding review just to confirm that fact. Now, they have asked Sir Michael Lyons to sort out that mess, but by December next year—after the election. Why, then, will the Minister not admit that this statement and the Lyons review are simply stop-gap holding measures to get Ministers through the election before they tell us what they really think—if they win?

We have heard today that the Government plan to reform council tax benefit to increase take-up, but do they really expect the House to believe that an

advertising campaign will make any significant difference? Some 40 per cent. of pensioners fail to claim the Government's pension credit, even though many millions have been spent on advertising it. Does the Minister really believe that council tax benefit take-up will be any better than that for the pension credit?

Will the Minister also explain why county councils in particular are being hit by this settlement? Why did he take the perverse decision to use 1991 census data for the 2005–06 grant? He knows that using 13-year-old data cost the counties more than £100 million, thereby adding 2 per cent. to their council tax bills. Why has he done that?

On the police settlement, of which we do not know the full details, does the Minister realise that pressure on police authorities from the rising pension bill is likely to make that settlement at best a standstill, and for authorities on the floor, a recipe for front-line cuts? Given the priority of law and order, can he not ensure that police authorities know his capping criteria in advance?

Can the Minister also explain why he continues to favour businesses over pensioners? He has given businesses certainty in respect of the revaluation of non-domestic rates by capping increases. Why has he made no such commitment to fairness in the forthcoming council tax revaluation? Is it not true that lurking behind this statement is the huge threat of council tax revaluation? Why do the Government refuse to say how such revaluation will work before the election? Does the Welsh experience not show that millions of taxpayers will experience massive rises in their council tax bills if revaluation goes ahead?

This is a pay now, pay more later settlement. Ministers have put off difficult decisions and are hoping for calm before a post-election storm, yet the council tax is so unfair that the storm is closing fast.

Mr. Raynsford: I have to laugh at the Liberal Democrats' efforts to present this as a bad settlement.

The hon. Gentleman asked a perfectly fair question about the extra money. Some £637 million of additional money has been secured through discussion with the relevant Departments, all of which have an interest in good local government delivering services, be they health or education services, as my right hon. Friend the Chancellor rightly emphasised. There has been a cross-Government response to ensure that local government has the means to deliver the services that are needed, without an adverse impact on council tax. I would have expected him to welcome the additional money—totalling approximately £1 billion—and measures to ease pressures on local government.

The hon. Gentleman asked a number of specific questions. He said that the council tax is unfair and asked why we are not scrapping it. The Liberal Democrats are extraordinary on council tax. Their proposal would inevitably produce a massive increase in bureaucracy. They want separate local income tax rates for each local authority in the country, which would entail not only a huge increase in bureaucracy but huge pressure on the Inland Revenue. The document in which they announced that proposal also states that in order to make savings,

"we will scale back the running costs of the Inland Revenue by . . . reducing the number of local tax offices."

Their own left hand does not know what the right is doing. That shows the attention that we should give to their entirely unconvincing approach to local income tax.

The hon. Gentleman clearly did not listen to what I said about measures to ensure that pensioners receive the help to which they are entitled. My colleagues in the Department for Work and Pensions are looking at specific ways of simplifying the process through which pensioners receive the benefit, in order to avoid the need for duplicate claims.

The hon. Gentleman says that the county councils will be hit, but he clearly has not looked at the figures. How is it, therefore, that Cambridgeshire is receiving an increase of more than 11 per cent., and Wiltshire a 9.4 per cent. increase? Such huge increases would have been unthinkable when the Conservatives were in government. Why does he not talk to his colleagues in Milton Keynes? Its Liberal Democrat-controlled authority is receiving a grant increase of more than 11 per cent. because of this Labour Government. He ought to give some credit where credit is due.

The hon. Gentleman asked about the settlement for police authorities. He will know that, as always on these occasions, it is announced separately by my colleagues in the Home Office.

On capping, we made it clear that we will apply capping principles across all groups of authorities and that there will be no exceptions.

The hon. Gentleman's final point was about revaluation and I must tell him that he should not draw any conclusions from the Welsh example, because it was decided in Wales to add an additional band at the top, but not at the bottom. Inevitably, that influenced the outcome in respect of the revaluation. There is no question of any commitment to a revaluation on that basis in England, so the hon. Gentleman should draw no conclusions whatever from what happened in Wales.

Andrew Bennett (Denton and Reddish) (Lab): I congratulate my right hon. Friend on securing a very good settlement indeed. I also congratulate him on the £50 for pensioners and on the take-up campaign that will be run. Will he recognise, however, that many pensioners had difficulty paying this year's bills, as they are cash-poor while being capital-rich? Is it not time that we put in place in this country an equity release scheme to enable pensioners, who in many cases have seen huge increases in the value of their properties, to free up some of that money to pay their council tax bills?

Mr. Raynsford: First, I thank my hon. Friend, the well known and experienced Chairman of the Select Committee who knows a great deal about these issues, for his kind comments on the settlement. He has better experience of what a good, as against a bad, settlement is. He will be pleased to know that his own authorities, Stockport and Tameside, are receiving grants increases of 5 and 4.9 per cent. respectively.

My hon. Friend asked about the position of pensioners who are capital-rich but asset-poor. He raises an important issue, which I know is being looked into carefully by the Lyons review. Sir Michael Lyons is an expert in this field and we believe that it is right for the complex issues of local government finance to be

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considered very carefully before decisions are taken. I have the utmost confidence in Sir Michael Lyons and his ability to produce sensible suggestions to tackle the real problem that my hon. Friend has identified.

Alistair Burt (North-East Bedfordshire) (Con): Does the Minister realise that constituents will see the Government's further attempts to provide specific moneys to relieve council tax pressure at the expense of cuts in health and education as underpinned by a sense of guilt for the pressures they have placed on counties such as Bedfordshire? In recent years, that county council has suffered from extra costs, increased burdens from Government pressures, the transfer of moneys away from the shire counties to other places and problems stemming from the inability to use appropriate census data. Does the Minister not expect constituents to recognise cheats when they see them?

Mr. Raynsford: I would expect the hon. Gentleman to recognise that his own county of Bedfordshire has received a 6.5 per cent. increase—*[Interruption.]* I would also suggest that the hon. Gentleman moderates his language in future—*[Interruption.]*

Madam Deputy Speaker: Order. The hon. Member for North-East Bedfordshire (Alistair Burt) might want to rethink his statement.

Alistair Burt: I would not want to apply that statement to any Government Members, Madam Deputy Speaker. I was referring to the process by which this extra payment has been arrived at—through cuts in other budgets—and I stand by what I said earlier.

Mr. Raynsford: I regret, Madam Deputy Speaker, that the hon. Gentleman has not seen fit to withdraw an allegation that is wholly unfounded and does no justice to a settlement that has given his county a 6.5 per cent. grant increase. Most balanced Members of Parliament would acknowledge and recognise that. I tell the hon. Gentleman as I have told others that the Government have discussed the best ways to ensure that local government is properly financed in the years ahead and, more particularly, for the year 2005–06. We have done so on the basis of ensuring additional funding for local government, but without the threatened cuts that the hon. Gentleman talks about in other service areas. This is all about improving the delivery of services by local government, which impacts on all Government Departments—particularly the Department for Education and Skills and the Department of Health, because we hold education and social services very dear indeed.

Mr. Bill O'Brien (Normanton) (Lab): I congratulate my right hon. Friend on his continuing support for local government. I would like to draw to his attention two sectors where pressures can be felt. The first is environmental protection and cultural services, for which the recycling of material and waste management are important and the second is health and social care. Local government is looking for additional support in those respects and I hope that my right hon. Friend will continue to give his support to those units. Will he also take note of police service demands for additional funding to meet their commitments?

Mr. Raynsford: My hon. Friend has taken a close and long-term interest in local government funding and particularly advocated the interests of the special interest group of municipal authorities. I am sure that he will be pleased to know that his own authority of Wakefield receives a 5.5 per cent. grant increase in this settlement. He asked about the EPCS settlement, which I know has been a matter of concern to many authorities. He will be pleased to know that, as a result of our work, we have increased the formula funding share provision for the EPCS block from £11.1 billion last year to £11.385 billion in the settlement for 2005–06—a 2.5 per cent. increase, which is much better than previously anticipated on the basis of the original spending review. We certainly recognise the importance of the EPCS block and the need for continuing investment in the matter of liveability.

Mr. Robert Walter (North Dorset) (Con): One of the major concerns of the two district councils in my constituency is the burden placed on them by central Government when they have to deliver certain services, but the Government do not provide them with enough money. The Minister mentioned the Licensing Act 2003, in respect of which the fee income will probably lead to a major shortfall. East Dorset district council recently raised with me the access to information policy, whereby it can recover only 10 per cent. of the cost of the information that it provides. The disabled facilities grant is another problem. The Government office for the south-west has made a blanket 2 per cent. cut this year and the council might also lose more than £100,000 in respect of the planning delivery grant. Can the Minister reassure council tax payers in my constituency that they will not be burdened with yet more Government expenditure in the name of the local authority?

Mr. Raynsford: Yes, I can. The hon. Gentleman raised four issues. On freedom of information, the Local Government Association suggested in its initial submission that there would be an extra cost to local government of £125 million. When we analysed the figures with the association, it transpired that it was talking about the total cost to the whole public sector and the actual cost to local government is very much less. Following discussions between my colleagues in the Department for Constitutional Affairs and the LGA, the actual cost to local government was agreed at well below £20 million. That is the informed decision about the actual burden and it is provided for in the settlement that I have announced today.

I have already referred to the significant increase in licensing fees, which are currently the subject of consultation, and to the pledge by my right hon. Friend the Secretary of State for Culture, Media and Sport that there will be an independent review in any case, after the first year of the scheme. On disabled facilities grants, the hon. Gentleman will know that they have increased enormously during the past eight years. The level of grant has almost doubled over that time.

On planning delivery grants and planning fees, when the hon. Gentleman looks at the fine detail, he will realise that the Government are acting to make it easier

for local authorities to deliver a good quality service and to receive support where they achieve the higher performance targets. The fees will also allow them to recover their costs, whereas there has been genuine concern in the past that that was not possible. On all the hon. Gentleman's points, there is a good news story and I hope that he will welcome his authority's 6.1 per cent. grant increase. Local government in Dorset will want to do its very best with the good settlement that it has received.

Mr. Tony Clarke (Northampton, South) (Lab): I listened carefully to my right hon. Friend's statement and he said that he had listened carefully and had been impressed by the arguments of authorities in areas with rapidly growing populations. Can he reconcile those comments with the fact that Northampton borough council, the largest district council in England and the town of his birth, has a settlement of 2.7 per cent.—just above the floor? Why then should I support his proposals? Why should I not object to his Department's proposals for an urban development corporation in that area, and why should not Northampton borough council withdraw its support on the same basis?

Mr. Raynsford: My hon. Friend will know that the settlement has given South Northamptonshire a significant increase of 8.3 per cent. as against the 2.7 per cent. increase for Northampton itself. That will reflect changes in demography and population, and it is right that those changes are taken into account. The position of all district councils is protected with a 2.5 per cent. floor so that all district councils have the means to deliver services with a settlement that is above the rate of inflation. My hon. Friend will no doubt want to welcome the fact that Northamptonshire county council has a 6.1 per cent. increase, which is a very good increase indeed.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): Is the Minister aware that in my constituency, which has one of the highest proportions of retired people, many pensioners are already finding the level of council tax unsustainable and many are forced to eat into their capital to pay it? What is contained in the announcement today that will result in a reduction in the council tax for the thousands of pensioners in Bognor Regis and Littlehampton who may not qualify for benefits but still cannot afford the tax even at its current rate and even with the promised £50 voucher?

Mr. Raynsford: I would have hoped that the hon. Gentleman had heard when he was listening to the earlier exchanges that decisions on council tax are taken by local authorities. Conservative authorities do not have a universally good record on that. We have seen higher average council tax increases from Conservative authorities than Labour authorities. Only the profligate Liberal Democrats exceed Conservative authorities in a tendency to push up council tax.

The settlement gives a good increase to all local authorities. They all have an above-inflation increase. The hon. Gentleman will have heard my comments to the hon. Member for North Dorset (Mr. Walter), who asked about action to tackle pressures on local government. This settlement involves not just increased funding for local government, but a series of measures designed to tackle the genuine pressures that local authorities face. In return, we expect authorities to budget prudently for low increases in council tax. We expect increases to be lower in the coming year than last year and to be below 5 per cent. in aggregate across the country.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I welcome the settlement that my right hon. Friend has announced, especially the £1 billion extra, which was precisely the figure that the now Conservative-led Local Government Association was asking for today. Will my right hon. Friend give me an assurance that if authorities such as mine in Sheffield can show in due course that they had substantial under-recording of the population on the census, as Manchester has proved, it will receive an increase in grant to reflect that fact?

Mr. Raynsford: I thank my hon. Friend for his kind remarks about the impact of the settlement and the fact that it meets the concerns that have been voiced by local government about the adequacy of what was expected before it was announced. As for the census, we can make only one amending report for any year. There is no question of reopening the 2003–04 settlement. We are still looking at the position in respect of 2004–05. It has always been our position that if the Office for National Statistics makes adjustments to population figures we are prepared to reflect them in the settlement so that authorities who have had their population under-enumerated can receive compensation.

Sir Patrick Cormack (South Staffordshire) (Con): Why does this genial and generally affable Minister not deliver a statement that the council tax payers of South Staffordshire and every other district in the country can understand? Why do we have this jargon-led nonsense of "pressure of passporting", "prudential borrowing regime", "ring-fencing" and the ghastly "win-win scenario"? Why does the Minister not speak English so that the people of this country can understand what he is saying?

Mr. Raynsford: If I may say to the genial gentleman, for whom I have a great deal of respect, his councils are in a win-win situation. South Staffordshire, in which I know that he takes a close interest, has a 9.6 per cent. increase in grant and Staffordshire county council a 5.3 per cent. increase. That is surely a cause for congratulation. I apologise to the hon. Gentleman that the technicalities of local government finance are such that a number of concepts such as floors, ceilings and passports are now common currency. I think that the hon. Gentleman will find that most of his local authority officials are familiar with that language. I hope that he will forgive me for using language which is relatively familiar in local government circles.

Judy Mallaber (Amber Valley) (Lab): The Conservative Leader of Amber Valley borough council has urged me to lobby Ministers about what he predicted would be a mere 0.66 per cent increase in funding. As I do not have the figures yet, can my hon. Friend reassure me that the increases for Amber Valley and Erewash, of which I also represent part, are far

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higher than that and that they follow increases for the past four years for Amber Valley of 6.5 per cent., 5.8 per cent., 12.5 per cent. and 3.7 per cent.? That contrasts with the projected cash freeze for two years that the shadow Chancellor proposes.

Mr. Raynsford: My hon. Friend makes a valid point. I am happy to give her that assurance. I am pleased to say that the percentage increase for the coming year for the three authorities in which she has an interest are 4.4 per cent. for Amber Valley, 6.9 per cent. for Erewash and 5.8 per cent. for Derbyshire county council. All those authorities will receive good increases that build on the good settlements in previous years.

Simon Hughes (Southwark, North and Bermondsey) (LD): May we take it that the legislative programme in the Queen's Speech means that the Government have no plans before the general election to change the method of collecting money in local government and that they continue to plan to go ahead with a revaluation of properties in England? What will the average effect on council tax bills be in Greater London and the south-east of England of that revaluation of property values?

Mr. Raynsford: I note that the hon. Gentleman wants to score points rather than show an interest in what the settlement means for his authority. Before I respond to his question, may I remind him of a point that he has chosen to ignore? Southwark council, with a Liberal Democrat leadership, receives a 7 per cent. increase in grant? I would have thought that he would at least acknowledge that the Government are doing well for his local authority. I am sure that the council tax payers in Southwark will be pleased to know that the Labour Government are supporting the area with a generous settlement.

The hon. Gentleman will know that local government finance is the subject of the Lyons inquiry. As I have made clear, we do not intend to make hasty decisions about complex issues. In the past, ill-thought-out and hasty decisions such as the introduction of the poll tax caused enormous difficulty. We will not make the mistake of rushing the implementation of ill-thought-out proposals such as local income tax, to which the hon. Gentleman's party is wedded and which would cause administrative chaos and have serious consequences for distribution. We will be careful to ensure that there is not the upheaval that would flow from the Liberal Democrats' proposals.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I thank my right hon. Friend the Minister for his statement. I welcome it and thank him for what appears to be a generous settlement for my borough of Sandwell. As the former finance chief of Sandwell under a Conservative Government, I can tell my right hon. Friend that I would have preferred to have to deal with the problem of real-terms growth under a Labour Government than with the real-terms cut that I had to deal with under the Conservative Government. Sandwell has historically been under-funded, so I welcome the removal of the ceilings in the grant.

My right hon. Friend will also be aware that there is an issue with the police grant. While I accept that the announcement of that grant will be made by the Home Office, can he reassure us that the same constructive principles that have underpinned this settlement are being actively considered by the Home Office for the west midlands police? We have had a win in Sandwell; we would like a win for the police and a true win-win situation.

Mr. Raynsford: I am happy to confirm that it is a win-win situation. Sandwell council receives an increase of 6.3 per cent. in its grant, which will enable it to continue to do good work while keeping the council tax down. I congratulate Sandwell on a low increase in council tax last year of just 1.9 per cent. Many other Labour councils secured low increases. I hope that other local authorities of different political persuasions will follow the good example set by Sandwell last year.

The police general grant will increase by about 4.8 per cent. and, with specific grants added on top, the total increase will be 5.1 per cent. So there is good funding for the police and for Sandwell council.

Sir George Young (North-West Hampshire) (Con): In recent weeks, Members on both sides of the House have told the Government that had they stuck with the indicative level of grant, council tax increases would have been unacceptable, and I welcome the fact that they have listened to those representations. Can the Minister shed some light on the third of a billion pounds for local government to which the Chancellor referred two hours ago? Can he confirm that that is not new money but simply the lifting of the ring fence from existing grants?

Mr. Raynsford: I can tell the right hon. Gentleman a little more about that and, as a former Minister who has carried these responsibilities, he will understand that, inevitably, there is a complex pattern of increased funding—some £637 million of increased funding has been provided—and measures to ease pressures. The areas in which pressures have been eased include pensions, which I have highlighted; the passporting obligation in relation to schools funding; the issue of waste management; and other similar issues. We have also introduced measures to enable local authorities to recover more of the costs of delivering certain services, such as planning fees, fees for the licensing function and the other points that the hon. Member for North Dorset (Mr. Walter) raised. It is a combination of those three elements that together ensure that the overall burden on local government has been eased by around £1 billion, which entirely meets the concerns expressed by local government that action should be taken to ease the pressures and enable authorities, in return, to make low council tax increases. I sincerely hope that they will keep their part of the bargain.

Hugh Bayley (City of York) (Lab): Earlier today the Chancellor said in his pre-Budget report that inflation was running at 1.25 per cent. Given that a floor of 4 per cent. has been established for unitary authorities such as the City of York, it is clear that the Government are giving substantially more than inflation to local authorities. Will my right hon. Friend confirm the

precise amount that the City of York will receive as an increase and state that there can be no possible excuse this year for the council to put an inflation-busting 8.5 per cent. on the council tax? On the expenditure side, does my right hon. Friend accept that there are particular cost pressures in places such as York because of its boom economy, which brings high salaries and high house prices? In the period between now and the review of the formula, those pressures need to be examined very closely by his Department through the area cost adjustment.

Mr. Raynsford: My hon. Friend makes a very good point. His local authority will receive a good increase of 5.1 per cent. and I hope that it will budget prudently. He reminds the House of the authority's record last year, when it came close to falling within the capping regime with an increase of 8.5 per cent. I hope that it will do better in the coming year, because it behoves all authorities—especially Liberal Democrat-controlled ones, which have the worst record on high council tax increases—to be much more careful in the future and to budget prudently in the interest of council tax payers, who are not amused by the unreasonably large increases that they have had to meet in the past.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): What is the main reason for the fact that the four predominantly rural districts in Northumberland have increases at or only just above the floor level, as some of them have had for year after year?

Mr. Raynsford: The right hon. Gentleman raises a fair question, but as we have just published the figures today I will need to look further at them to give him a precise explanation. The three rural Northumberland districts that he represents have increases of 2.7, 2.5 and 2.9 per cent., which are all above inflation and are not bad settlements by comparison with those in the past. I will have to look in detail at the explanation, which may be connected to demographic factors, as is often the case. He will also know that Northumberland county council has a good increase of 5.7 per cent. and I am sure that it will be able to operate well with that and set a low council tax increase.

Business of the House

2.54 pm

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 6 DECEMBER—Second Reading of the Railways Bill.

TUESDAY 7 DECEMBER—Second Reading of the Serious Organised Crime and Police Bill.

WEDNESDAY 8 DECEMBER—Second Reading of the Commissioners for Revenue and Customs Bill.

THURSDAY 9 DECEMBER—Estimates [1st Allotted Day]. There will be a debate on "management of information technology projects: making IT deliver for DWP customers", followed by a debate on secondary education: "Diversity of Provision and Secondary Education: School Admissions". Details will be given in the *Official Report*.

At 6pm the House will be asked to agree all outstanding estimates.

FRIDAY 10 DECEMBER—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 13 DECEMBER—Opposition Day [1st Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced, followed by Proceedings on the Consolidated Fund Bill.

TUESDAY 14 DECEMBER—Remaining stages of the Mental Capacity Bill.

WEDNESDAY 15 DECEMBER—A debate on "European Affairs" on a motion for the Adjournment of the House.

THURSDAY 16 DECEMBER—Remaining stages of the School Transport Bill.

FRIDAY 17 DECEMBER—The House will not be sitting.

The House may wish to be reminded that we will rise for the Christmas recess at the end of business on Tuesday 21 December and return on Monday 10 January.

I should like to inform the House that the business in Westminster Hall will be:

THURSDAY 9 DECEMBER—A debate on the report from the Treasury Committee on restoring confidence in long-term savings.

THURSDAY 16 DECEMBER—A debate on the twenty-sixth annual report from the House of Commons Commission.

Following are the details:

The 3rd report of Work and Pensions Committee, Session 2003–04 (HC311) and the Government's response to the 3rd report into Management of Information Technology Projects (2nd special report of Work and Pensions Committee, Session 2003–04) (HC1125)).

The 4th report of Education and Skills Committee, Session 2002–03 (HC94) and Government response to Secondary Education: Diversity of Provision (4th special report of the Education and Skills Committee, Session 2002–03 (HC1096)); and Secondary Education: School Admissions (4th report of Education and Skills Committee, Session 2003–04) (HC58)

[Mr. Peter Hain]

The list of estimates to be agreed are as follows:

Vote on account for House of Commons 2005–06 (HC1236); Vote on account for National Audit Office 2005–06 (HC1237); Vote on account for Electoral Commission 2005–06 (HC1238); Vote on account 2005–06 (HC16); Winter supplementary estimates and new estimates 2004–05 (HC1234)

Mr. Oliver Heald (North-East Hertfordshire) (Con): Although I thank the Leader of the House for the debate on European affairs, he will know that I have asked for a general foreign affairs debate to allow us to discuss the situation in Africa and the middle east. When may we have such a debate?

We all hope that an agreement will be reached in Northern Ireland. If so, can the Leader of the House assure us that there will be a full oral statement made to the House at the first available opportunity?

Turning to the accountability of Ministers, the Committee on Standards in Public Life recommended that the Opposition should be consulted about those conducting investigations into ministerial conduct. Why have the Government refused to consult the Opposition on that issue? May we have a debate about ministerial accountability and the independence of such inquiries? Do not the Government realise that by ignoring the advice of the Committee that they set up, they are giving those inquiries a bad name?

May we also have a statement about the granting of indefinite leave to remain to people working in this country? Andrew Walmsley, the former director of the nationality unit, with 37 years' experience in the Home Office, is quoted today as saying that he has

"never come across ... a case ... where somebody has been granted Indefinite Leave to Remain in the UK on the basis of them working here, but not having worked here for four years."

Given the implication of that for the inquiry into the Home Secretary's conduct, is not it vital that the position is clarified?

Will the Leader of the House widen out the subject of Thursday's estimates day? We all know about the failures of the Passport and Records Agency computer, the Child Support Agency computer, the national insurance computer and last week's disaster with the Department for Work and Pensions computers. Today it is reported that the national fingerprint computer system has suffered a huge crash, crippling many police investigations. Perhaps it is not by chance that the system is known as NAF, but does not it just sum up the incompetence of this Government? We have all these systems, but none of them works. How can the Leader of the House claim that we are safer under Labour—as he often does—if the police cannot even check a suspect's fingerprints?

Finally, how about having a debate on British retailing? It is bad enough that Christmas starts in October in many stores, but has the Leader of the House noticed that the January sales are now starting in the first week in December? Does not that show deep concern among retailers and is not the reason for it that the Chancellor's 66 tax rises are now biting hard into the earnings of ordinary people?

Mr. Hain: The last point comes from a supporter of a party that, in its last period in office, increased taxes repeatedly on all sectors of the population. We have brought taxes down for the lowest income families, with a 10p tax rate that has particularly benefited them, working tax credit and child tax credits, and a series of other measures, including the national minimum wage, to assist hard-working families. My right hon. Friend the Chancellor announced further measures today, many—if not all—of which would be cut under the extravagant £35 billion cuts programme announced by the shadow Chancellor earlier.

I apologise to Conservative Front Benchers, as I have been making the point that their cuts amount to £20 billion, whereas, according to the shadow Chancellor, they amount to £35 billion, and that does not include the extra spending of £15 billion to which he committed himself as a result of his shadow Cabinet colleagues' badgering, which suggests that there is a £50 billion black hole in Conservative finances.

The shadow Leader of the House requested a general foreign affairs debate on Africa and the middle east. As he will recall, only on Monday the Foreign Secretary made a statement on the middle east, which was well attended. Obviously, I would be as keen as anybody to have a debate on Africa, especially as it will be a priority measure for our presidency of the G8 next year, and we shall have a look to see what opportunity there is for that.

The hon. Gentleman requested an oral statement, should there be a settlement in Northern Ireland. Yes, of course we would want to do that and I shall ensure that arrangements are put in place.

In response to the request of the Committee on Standards in Public Life that the Opposition be consulted, the Government have made it clear that it must first be for the Prime Minister to decide whether an investigation is needed into a Minister whom the Prime Minister appointed. If the hon. Gentleman were ever in government again, he would acknowledge that that is a sensible approach. In addition, it is important to choose an independent person to conduct such an inquiry, and I think that has been done in absolutely the right way. On indefinite leave to remain, the hon. Gentleman will know that the inquiry established under Sir Alan Budd will look at all those matters and at the wider issues that might arise.

On extending—"widening out", as the hon. Gentleman put it—the estimates debate on Thursday, the subjects to be debated are chosen by the Liaison Committee. We cannot pre-empt that, so if the hon. Gentleman wants other subjects to be included, he should talk to the Chairman of the Committee.

On the fingerprints computer, this is the first service delivery problem of its kind that the national automated identification service has experienced in its six-year history. The issue has not affected forces' ability to arrest and charge criminals and our first priority has been to restore forces' access to the national database. There will then be a full lessons learned exercise to identify procedural and technical changes that will prevent that from happening again, but, as I said, this is

the first time such a thing has happened in six years, so I do not think that the hon. Gentleman is entitled to make a meal of it.

Mr. Paul Tyler (North Cornwall) (LD): Over the past hour it has become apparent that Members on both sides of the House are concerned about the police grant and the precept, and the gearing effect on council tax. We have not yet had a statement on that from the Home Office. When shall we have that statement and will the Leader of the House give us an absolute undertaking that there will be an opportunity for a separate vote on that extremely important issue?

In the Queen's Speech last week, the Government said:

"A Bill will be introduced to give effect to the Constitutional Treaty for the European Union, subject to a referendum."

When will the House get an opportunity to debate the Second Reading of that Bill? In the programme that he has just announced, a whole afternoon is devoted to European affairs, so why cannot we have that Second Reading debate then? Is he aware that the Chief Whip has apparently already announced that Second Reading will not be debated before Christmas? I have the greatest respect for the Chief Whip, whose powers of persuasion are famous—or infamous; indeed, last night, she managed to persuade Conservative Front Benchers to go into the Lobby with the Government to defend the Prime Minister and to say that he did not need to be more accountable to Parliament. That requires great powers of persuasion, but surely it is for the Leader of the House to decide and to announce to the House when business is to come before us, not the Chief Whip.

Will the Leader of the House confirm that if the Bill makes no progress in this place before Christmas, and if the Session is interrupted—perhaps next April—there is no way in which the Bill will reach the statute book in this Parliament? Will he give us an absolute undertaking about when he expects the Bill to progress through the two Houses? Does he accept that there is a suspicion that the Government want some other EU member state to kick it into touch before we even get it on to the field in the House and in this country?

Mr. Hain: We have made it clear—the Prime Minister has been crystal clear—that we will stage the referendum before the end of 2006, if we win the next general election. That is the deadline for ratification, and we are committed to it.

On the hon. Gentleman's question about announcements on the progress of the Bill, I announce to the House, as he properly says, what the business of the House is, and once I am ready to tell the House when the European Union Bill will come before us, I shall do so. I would treat with a large dose of salt anything coming out of the women's lobby, which is when that conversation apparently took place. I attended the women's lobby some time ago—delightful company and brilliant journalism, but attempting to get a story out of nothing is really the object of the exercise. I gather that the reporting of that issue came from the women's lobby. As I said, when I am ready to inform the House and the hon. Gentleman about the progress of the European Union Bill, I shall do so. He cannot make assumptions about the timing of the next general election. We want to get the Bill through when we can, and we will do so.

I shall certainly look into the hon. Gentleman's point about the police grant. I know that there is much concern about the police grant, which, as he knows, is always dealt with separately from the local government announcement. We shall look into the precise arrangements for that.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Will my right hon. Friend organise an early debate on the proposed improvements to the baby bond for seven-year-olds that the Chancellor mentioned in his statement today? I should certainly want to make the point that, as at the beginning of this year, more than 1,400 children in my constituency will benefit from the bond. It would also offer Members who do not support the bond and want to scrap the scheme an opportunity to explain whether it would be scrapped only for children at a future date, thus meaning that only a handful of children would benefit from it for only a small number of years, or whether they intend to take back from children's piggybanks the bonds that have already been given—snatching money back from children to pay for the expensive introduction of a unneeded local income tax.

Mr. Hain: My hon. Friend makes a telling and interesting point. Members who advocate the abolition of the child trust fund, especially those on the Liberal Democrat Benches, will have to answer a very important question for all the youngsters and the parents of children who will already have received the average bond of £250—£500 in the case of low-income families. The money will already be in those children's piggybanks. Will the Liberal Democrats raid them and send in robbers to take the money back, and will they deny youngsters the opportunity, when they reach the age of seven, to receive up to £500 in addition? There will be £1,000 sitting in the piggybanks of children in low-income families. That would be daylight robbery—or perhaps night-time robbery in the case of the Liberal Democrats.

Mr. Peter Luff (Mid-Worcestershire) (Con): As I understand it, the statement that we have just heard on local government finance marks the beginning of a consultation process. Given the growing importance and sensitivity attached to local government finance and council tax, will the Leader of the House arrange a debate, ahead of the final debate when we endorse the orders for the local government finance settlement, to enable the House to be consulted about the progress of local government finance settlement consultation? There is a ridiculous situation in Worcestershire, where there is a growing gap between us and our neighbours: the capping of the fire authority, the unreasonable settlement for West Mercia police authority, the unreasonable refusal to give us area cost adjustment and, this week, the announcement that we are to lose another £1 million just because the Government got their figures wrong and are taking the money back. We are beginning to ask what we have done to upset the Deputy Prime Minister or the Minister for Local and Regional Government. Could we be told, please?

Mr. Hain: I find it very difficult to follow the hon. Gentleman's point. The Chancellor has just announced an extra £1 billion of available funding to help local government ensure that council tax rises are low and that local government gets a decent deal.

Today's statement is the beginning of a process of engagement with local authorities on the final outturn of their provision. There will obviously be an opportunity to consult on that, and I shall consider the point that he made in respect of any follow-up.

Mr. Graham Allen (Nottingham, North) (Lab): The Leader of the House will realise that one of the most widely welcomed measures in the Queen's Speech, by all parties in the House, is the consumer credit Bill. It is nothing to do with credit cards; it is to do with stopping lenders levying extortionate rates of interest on individuals. One of my constituents borrowed £8,000 and has had to repay £120,000. Will my right hon. Friend ensure that the good will towards that measure that exists in all parties is not turned sour by the fact that the Bill is timetabled at a point at which it cannot be realised? Will he also acknowledge that he has received a letter today from more than 100 Members of Parliament from all parties, requesting that time be given for an early Second Reading of the Bill? This is a matter of concern to everyone. Will he ensure that it does not turn sour?

Mr. Hain: First, I am indeed aware of the letter that my hon. Friend and his colleagues have sent me, asking for progress on that Bill to be made as early as possible, and I understand the reasons. The Government are fulfilling a manifesto commitment to introduce a Bill to tackle the problem of rogue traders and loan sharks to bring to an end the appalling experience that his constituent and many of our constituents have endured. There is cross-party support for that principle, and I hope that the Bill will have cross-party support and that it will receive Royal Assent as early as possible. I cannot give him the date for Royal Assent, but I will certainly look at the Bill's likely timetabling to see what we can do.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Leader of the House look at the report of today's Education and Skills questions and arrange for the Secretary of State to make a statement to the House some time next week about his rather stupid comments? When I simply asked him why a primary school child in Derbyshire received less than a primary school child in Nottinghamshire, the Secretary of State said that that was because Nottinghamshire had better representation. Is that not an outrageous attack on the Secretary of State for Environment, Food and Rural Affairs, putting a new meaning on Cabinet collective responsibility, and on the hon. Member for Bolsover (Mr. Skinner) and the other six Labour MPs who represent Derbyshire constituencies?

Mr. Hain: I was going to say that, after the next general election, that would involve seven Labour Members of Parliament. I would have thought that the last thing to do was to call my right hon. Friend the Secretary of State for Education and Skills stupid and to criticise him for making a stupid statement. He has presided over increasing school standards, the recruitment of more teachers and classroom assistants, more modern schools, the refurbishment of schools, the opening of new schools and more IT equipment, including in Derbyshire. He can be proud of that, and the hon. Gentleman should withdraw his outrageous accusation.

Julie Morgan (Cardiff, North) (Lab): Will my right hon. Friend arrange an early debate on private companies and their social responsibilities? Is he aware that Western Power Distribution has written to members of the public in my constituency about stopping access to the Llanishen reservoir from 1 January 2005? In a meeting that I had with Western Power Distribution's representatives, they said that that is for pipe maintenance, but they also said that they will give no commitment to reopen Llanishen reservoir to the public. The area has been used for decades by the public for walking and enjoying the natural surroundings. The public in Llanishen are absolutely furious about Western Power Distribution's decision. Does he not agree that its decision is outrageous? Will he arrange for us to have a debate in which such subjects can be aired?

Mr. Hain: I am indeed aware of the value to local residents of Llanishen reservoir. They have had rights of access for a very long time, and I would want them to continue. I undertake to write to Western Power Distribution and take that point up, wearing my other hat as Secretary of State for Wales. I am sure that my hon. Friend will agree that Western Power Distribution has served Wales extremely well and does a very good job on behalf of Wales. Perhaps it can look again at that issue, given the points that she has made.

Mr. Alex Salmond (Banff and Buchan) (SNP): Given the result in the English High Court this morning, may we have a debate entitled "Fake documents and who might be forging them", so that we can consider not just the documents that cost *The Daily Telegraph* so dear this morning but documents such as the forgery of the uranium imports from Niger, which cost us all dear in the sense that they informed the Government's disastrous policy in Iraq? Given that I seem to remember that, in his old campaigning days, the Leader of the House once emerged from a court vindicated, can he find it in his heart to congratulate the hon. Member for Glasgow, Kelvin (Mr. Galloway) on his victory today?

Mr. Hain: The court verdict is obviously a great boost for the hon. Member for Glasgow, Kelvin (Mr. Galloway).

The hon. Member for Banff and Buchan (Mr. Salmond) took a different view on the war in Iraq. He did not think that we should intervene at all and that Saddam Hussein should stay in power. Saddam would be in power today if the hon. Gentleman's policy and that of the Liberal Democrats had been followed. It was a perfectly honourable policy, but its consequences would have been that the world's most brutal tyrant would be continuing to exercise his tyranny even today. Of course, he is now in jail, and the people of Iraq are a great deal better as a result.

Mr. Eric Forth (Bromley and Chislehurst) (Con): The Leader of the House will well know that there are only some 37 or 38 legislating days between now and the Easter recess. Given the complete control that the Government now have over Commons business, will he give us his assessment of how many Bills in the Queen's Speech and outside it will complete all their Commons stages between now and Easter and of how many Bills will receive Royal Assent before Easter?

Mr. Hain: We may or may not exercise complete control over the House of Commons, as the right hon. Gentleman charitably puts it, but we certainly do not exercise complete control over the House of Lords.

Mr. Forth: Thank goodness.

Mr. Hain: "Thank goodness", he says, but Labour has less than 30 per cent. of the votes in the House of Lords. It is a Conservative—with a big C and a small c—dominated second Chamber, and any speedy progress that we may make on excellent measures such as the Identity Cards Bill, the Serious Organised Crime and Police Bill, the drugs Bill, or, indeed, the consumer credit Bill, the charities Bill and so on could be wrecked by obstructionism in the House of Lords.

Mr. Forth: Good.

Mr. Hain: "Good", he says, so the right hon. Gentleman thinks that the charities Bill, the Disabilities Discrimination Bill and the consumer credit Bill should all be obstructed in the House of Lords, does he? Well, now we know where he stands. Perhaps those on the Conservative Front Bench could either denounce him or agree with him, and then we would know where they stand, too.

Rev. Martin Smyth (Belfast, South) (UUP): In his statement, unless I misheard, the Chancellor made a welcome announcement that about £2 billion had been saved, including in the health service drugs treatment budget. May we have a statement from the Secretary of State for Health on whether the money will be retained in the health budget to buy the new drugs that people are crying out for in the treatment of Alzheimer's, multiple sclerosis and other diseases, or on whether the money has been subsumed into some other budget?

Mr. Hain: I understand that the results of negotiations with the drug companies and others have released extra funding for front-line services. I am sure that the Secretary of State for Health will note the point that the hon. Gentleman makes, and, to the extent that I understood the point, I am sure that the hon. Gentleman will agree with what my right hon. Friend has done.

Dr. Julian Lewis (New Forest, East) (Con): May I put in a word of support for the important campaign that the hon. Member for Nottingham, North (Mr. Allen) is waging to try to limit the activities of loan sharks?

May we have a statement from the Minister for the Cabinet Office about reports of accelerated destruction of departmental files in many Departments in the run-up of the coming into force of the Freedom of Information Act 2000 on 1 January? That appears to be an extremely worrying development, but I am happy on this occasion to exonerate entirely the Chancellor of the Duchy of Lancaster because, as he is spending so much of his time on non-departmental work on Labour's election campaign, I cannot imagine that he has developed any file worthy of being shredded.

Mr. Hain: The hon. Gentleman's constituents will applaud him for being a one-question man. Whatever he asks, he manages to get in a spurious point about the Chancellor of the Duchy of Lancaster.

I am glad that the hon. Gentleman supports the Government's policies on loan sharks. May I therefore assume that he will encourage his Whip to ensure that the consumer credit Bill is given a free run through the House of Commons and the House of Lords—*[Interruption.]* It is, of course, the right of the House of Commons to scrutinise it.

The hon. Gentleman is an expert conspiracy theorist. He is eloquent and diligent in his chasing of those theories, but this one takes the biscuit. Of course, a Labour Government introduced the Freedom of Information Act, and there are consequences as a result of that, including his ability to ask spurious questions.

Fisheries

[Relevant document: The uncorrected transcript of Minutes of Evidence on the Future for UK Fishing taken before the Environment, Food and Rural Affairs Committee's Sub-Committee on the Future for UK Fishing on 16th November 2004, from the National Federation of Fishermen's Organisations, the Scottish Fishermen's Federation and WWF UK, HC 1278-i.]

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Bradshaw.]*

3.20 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): It gives me great pleasure to open our traditional annual fisheries debate. I am grateful both to you, Mr. Deputy Speaker, and to the business managers for enabling us to adhere to the recent convention that the debate is held before the important December Fisheries Council. It allows hon. Members to make specific points that are of particular interest to their constituents and enables me to take those on board before entering the negotiating chambers in Brussels. That is an opportunity for which hon. Members and I are extremely grateful.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): The Minister will be aware that the Commission's proposals are not due to be published until 8 December. Will he give an undertaking to those of us who represent fishing communities that, either formally or informally, there will be opportunities after the publication of the proposals and before the Council meeting for him to hear the concerns of our constituents?

Mr. Bradshaw: I am always prepared to take representations from hon. Members, especially at this time of year, in the run-up to the December Fisheries Council.

Mr. Eddie McGrady (South Down) (SDLP): Great benefits are had by all if there is prior consultation and if advice is taken from the various fishermen's organisations. That has not happened in Northern Ireland. Is it a matter of policy not to consult the Northern Ireland fishermen's organisations at this stage, or has that been remedied? I understand that they were refused an audience.

Mr. Bradshaw: That is not my understanding. The Under-Secretary of State for Northern Ireland my hon. Friend the Member for Dudley, South (Mr. Pearson) leads on fisheries issues for Northern Ireland, and he has been assiduous in keeping in touch with industry representatives in Northern Ireland. He was with me at the last November Council, and I believe that he met industry representatives from Northern Ireland at that time. We will continue to keep in close contact between now and the Council itself.

Landings by the fishing industry are worth about £520 million to the UK economy. Landings at most ports are steady or up. The pelagic sector, which relies mainly on herring and mackerel, is doing very well, as is the shellfish sector. The importance of nephrops—or prawns, as most people know them—continues to increase as a proportion of the UK's total catch. Haddock stocks are higher than they have been for 30 years. However, some other species are still in decline or their stocks remain at dangerously low levels—most notably, cod.

The fish processing industry continues to go from strength to strength. In all, it is worth about £1.5 billion to the UK economy. I am pleased to report—not least because of the benefits to our nation's health—that fish consumption in the UK continues to grow by about 1.3 per cent. a year.

Mr. Alex Salmond (Banff and Buchan) (SNP): The Minister mentions that certain stocks are in a healthy condition. Is it not remarkable that one of the failings of the common fisheries policy is that it cannot take account of that properly? Certainly, prawn quotas are far too low given what we know about the robust nature of the stocks. He says that haddock stocks are at a 30-year high, but according to the Norwegian talks, the quotas are to decline in the coming year.

On monkfish, the Commission has acknowledged for the first time that the previous scientific assessment was at best tenuous. There is huge evidence of plentiful supplies, yet the monkfish fishery is closed, so that high-value species, at the most valuable time of the year, is not accessible to hard-pressed fishermen. What will the Minister do to avoid a repeat of the situation in which fisheries with plentiful stocks—

Mr. Deputy Speaker (Sir Michael Lord): Order. I think that the hon. Gentleman wants to catch my eye a little later. I am sure he will want to save some remarks for then.

Mr. Bradshaw: Perhaps it will help if I inform hon. Members that a good chunk at the end of my speech is devoted to the details of the various stock levels and the recommendations in the run-up to the Council. Hon. Members may prefer to leave their interventions until then, when I shall address the issues raised by the hon. Gentleman.

This year has also reminded us of the dangers faced by those involved in the harvesting of the sea's natural resources. Nine have died during the course of the year in incidents involving seven fishing vessels, and 21 Chinese cockle pickers were drowned in Morecambe Bay in February. Most recently, two brothers, Rob Temple and Brian Allinson, from North Shields, have been lost, and only a few days before that, a Northern Ireland fisherman, Colin Donnelly, died off the Isle of Man. I am sure that the sympathy of the whole House goes out to the families and friends of those who have died working the seas.

Mr. Bob Blizzard (Waveney) (Lab): Will my hon. Friend join me in thanking the Royal National Mission to Deep Sea Fishermen for its work in the circumstances that he has mentioned?

Mr. Bradshaw: I am pleased to endorse my hon. Friend's comments. It gave me great pleasure during the past year to attend the RNMDSF annual reception, at which it gave out awards. The organisation plays an important role in many parts of the country, including in many constituencies represented by Members who are in the Chamber.

The past year has also seen an unprecedented level of interest and activity in fisheries policy. We have had a major report from the Prime Minister's strategy unit called "Net Benefits". It was the first time a Government had commissioned such an in-depth study of the state and future of the fishing industry. It has sparked immense interest both here and abroad, and is likely to help inform policy decisions for many years to come.

We have also seen an important report by the Royal Society of Edinburgh, and await the publication next week of a major report by the Royal Commission on Environmental Pollution. The Government intend to respond to the strategy unit report next spring. The reports are all slightly different, but what they share is a belief that the sustainable exploitation of our marine resources is a major challenge, and one that must be taken up at global level. They also agree that there can be a long-term profitable future for our commercial fishing industry only if catch levels are brought into line with the state of fish stocks, and kept there. They have something else in common as well. They all oppose the only policy that the Conservative party has on fisheries, which is to try to withdraw unilaterally from the common fisheries policy.

David Burnside (South Antrim) (UUP): On subject of the reports, there is considerable concern in the industry in Northern Ireland about the resources of the Department of Agriculture and Rural Development. Although it has committed itself to carry out a review of cod recovery in the Irish sea, the industry in Kilkeel believes that it does not have the resources to do that. Is the national Department prepared to go into discussions with DARD to find out whether a more fundamental review of cod stocks in the Irish sea is needed?

Mr. Bradshaw: I will certainly undertake to look into the hon. Gentleman's point. From the interaction that I have had with the Under-Secretary of State for Northern Ireland and his officials, I have not gained the impression that they do not represent Northern Irish interests strongly. However, I shall certainly consider the point about capacity that the hon. Gentleman raised and ensure that we are engaged in this important work. It is important that the Administrations throughout the United Kingdom engage on the process, and that we move forward together on fisheries policy.

It is against the background that I have described, as well as wider concerns about our marine environment that the Prime Minister announced earlier this autumn his support for a new marine Bill.

One more important review that reported during the last year would help to inform future policy—the Bradley review of marine fisheries and environmental enforcement. It is important that all those reports and reviews have come together, because they provide policy makers with a once-in-a-generation chance to get the way we run our fisheries right. I wish to take this opportunity to thank all those who have played a role in producing all this important material. The challenge that we, the fishing industry and other stakeholders now face is to turn it all into policy.

I should mention one or two other important developments this year before I turn to the details and our priorities for the December Council. Last month, I attended, in Edinburgh, the launch of the first of the regional advisory councils set up under the important reforms of the common fisheries policy agreed two years ago. The North sea RAC involves all those with an interest in the North sea, and it is already at work drafting recommendations on the management of the North sea area.

In the European Union, the UK has been at the forefront of pushing for a decentralisation of the common fisheries policy and for a greater say at local and regional level for fishermen and other interested groups. We intend to make progress on the remaining RACs a priority for the UK presidency of the EU in the second half of next year. If the RACs prove themselves by coming up with realistic and responsible solutions to the management challenges that we face, I see no reason why they should not develop into real bodies for regional management.

In the south-west of England, where I hail from, we are already seeing the benefits of the fishermen, processors, retailers, restaurateurs, anglers, environmentalists and scientists all working together to manage our fisheries in a sustainable way. Invest in Fish South West, launched by His Royal Highness the Prince of Wales in April with funding from my Department, is leading to an unprecedented level of co-operation among groups that in the past—let us be frank—have not always seen eye to eye. The commercial fishermen, recreational sea anglers and environmentalists who, in the past, have had competing or conflicting agendas have come together in the realisation that we all have a shared interest in managing our marine resources in a responsible and sustainable way. The benefits of this co-operation go far wider than the fishing industry alone. Tourism and our regional food renaissance are already benefiting from the work of Invest in Fish South West. I hope that it can become a model for the rest of the UK.

Mr. Anthony Steen (Totnes) (Con): I know that the Minister is doing his very best, and many of us realise that he is not quite King Canute—we know what happened to him; was he not washed away?

The problem in the south-west is that more fish are thrown back dead than are landed in the ports. The Minister must agree that that is immoral and obscene. Does he agree that the best way of dealing with that problem is to renegotiate the common fisheries policy, which he has failed to do? If that is the case, what is the alternative to our policy of withdrawing from the common fisheries policy, unless we are to go on throwing more dead fish overboard than we actually land?

Mr. Bradshaw: I am not sure whether the hon. Gentleman was agreeing with his party's policy of withdrawing from the common fisheries policy or advocating renegotiation. Of course, renegotiation goes on all the time. The reforms that we achieved two years ago were a renegotiation of the common fisheries policy. Indeed, the policy addresses the very problem of discards that he has just outlined. It is not right to suggest that more fish are thrown overboard in the south-west than are landed. However, the hon. Gentleman is right to say that discards are a problem. There is not a fisheries system in the world that has

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managed to avoid the problem of discards completely. It is a serious problem, particularly in the mixed fisheries, and we are actively addressing it.

Mr. Salmond: A few seconds ago, the Minister said that he saw no reason why regional advisory councils could not adopt management responsibilities. Why then does the proposed European constitution maintain exclusive competence over the conservation of marine biological resources? The maintenance of that competence was described last week by the European Parliament's own Committee on Fisheries as unjustified. Does the Minister not see a contradiction between his statement and the European constitution?

Mr. Bradshaw: No, I do not. Because of the many conversations and exchanges of letters that we have had on this subject, the hon. Gentleman knows that we will have to agree to disagree on it. There is no change in the European constitution on the competence on marine resources, as he knows very well.

The Government's concern to manage our marine environment sustainably can be illustrated by a number of other actions we have taken this year. We secured permanent protection for the cold water coral reefs off the north-west coast of Scotland known as the Darwin mounds. This followed the emergency protection that we secured in the previous year, which was the first time the EU used powers under the reformed common fisheries policy to give special protection to a valuable marine environment.

The UK also led the way in persuading the EU to adopt, for the first time, measures to address the problem of cetacean by-catch—the catching and drowning of dolphins and porpoises in nets. These measures did not go as far as would have liked and the UK will continue to push for more action more quickly, but they are an important start.

Mr. Steen: It is a real treat to be allowed to ask two questions, and I am most grateful to the Minister. As he knows, along the length of the south Devon coastline dolphins are washed up dead on the beaches. One was washed up in my constituency only this week. Although he has taken a lead in trying to limit bass fishing, the French in particular are notorious for carrying it out along our coastline. Has the Minister not banned the French from breaching the 12-mile limit, so are they breaking the law? As for Europe, he has failed—although I accept that he has tried—to do something more. When is his next battle, and will he lose it?

Mr. Bradshaw: The hon. Gentleman makes the argument about the common fisheries policy for me. If we did not belong to the CFP we would have no influence whatever over what the French did in their own waters or halfway across the channel, where most of the bass pair trawl fishery takes place.

The first experimental marine closed area in Britain, around Lundy island off the north coast of Devon, has been a resounding success. The number and size of crab and lobster both inside and, more importantly, outside the closed area has grown significantly. My view has always been that closed areas, if supported by the scientific evidence, are likely to play an important part in our future management of marine resources. That is another subject that the UK intends to prioritise during our presidency of the EU next year, and my officials are already exploring the benefits of a network of such areas as part of the follow-up to the strategy unit report.

This annual debate has traditionally concentrated on the commercial marine fishing sector in advance of the all-important December Council. However, as its title is "Fisheries", it would be remiss of me not to acknowledge the important and growing role played by recreational angling, both at sea and in our lakes and rivers. Britain's most popular recreational pastime goes from strength to strength. The importance of angling, and sea angling in particular, has not always been recognised in the past, and I want to give anglers a greater say in how we manage our fisheries.

The UK has remained at the forefront of international efforts to protect the whale. At this year's international whaling conference, we helped to resist attempts by Japan and others to lift the moratorium on commercial whaling. We will continue to work with like-minded countries and world opinion to stop the small handful of whaling nations and their allies trying to weaken the protection that those magnificent mammals enjoy.

Turning to our priorities for the annual Council of Ministers meeting just before Christmas, as always, the UK's priority is to maximise opportunities for our fishermen while ensuring that fish stocks are not over-exploited. The latest scientific advice should mean that the Council can agree an increased total allowable catch for some stocks, including western monkfish and megrim, as well as west of Scotland nephrops. However, tough decisions are likely on stocks that are not doing so well, including plaice and sole in the south-west, cod in the North sea, the west of Scotland and the Irish sea, and sand eels.

This year, my officials and I have gone to extra lengths to include industry representatives in discussions in the run-up to the Council. We will continue to keep in close touch with them until and during the meeting. That unprecedented co-operation helped to achieve a satisfactory outcome to the potentially difficult EU-Norway negotiations last week. It is unlikely that the industry will get everything that it would like out of the December Council, but I believe that the way in which we have worked together over the past year will make it easier for the UK to make a more robust and coherent case.

Finally, during last month's Council meeting, I, along with my Scottish colleague, Ross Finnie, had the opportunity to meet the new Fisheries Commissioner, Joe Borg, on his first day in his new office. We had a wide-ranging and friendly conversation in which Mr. Finnie and I outlined to Mr. Borg and his officials our main concerns and priorities. I am pleased to tell the House that Mr. Borg accepted our invitation to visit the UK early in the new year.

3.39 pm

Mr. Owen Paterson (North Shropshire) (Con): I begin by paying tribute to fishermen who lost their lives or were injured last year. My figures show that 27 vessels

were reported lost and 11 men died. In his statement, the Minister mentioned several more recent deaths. I extend our deepest sympathies to the families and friends of those brave men who put their lives at risk in order to supply us with a healthy and popular food. We owe them more than we are offering them today—a mere three-hour Adjournment debate jammed in at the end of the week, after two lengthy and important statements.

The annual fishing debate used to take a full day, and it was intended to give the Minister a mandate before he set off for Brussels and the annual Fisheries Council. We are in no position to do that today. The only document available is a transcript of oral evidence taken by a Sub-Committee of the Environment, Food and Rural Affairs Committee, chaired in his inimitable, colourful manner by the hon. Member for Great Grimsby (Mr. Mitchell). We have not seen the Commission proposals and we have no basis for a serious discussion. All we can do is wish the Minister the best of luck on 21 and 22 December.

The Minister will be presented with a huge amount of material, much of it inaccurate and most of it out of date, and decisions of great complexity will be taken at very short notice. I urge him to keep the representatives of the industry in the loop. At last year's Council they were left alone and ignored in their hotels, and a settlement for the North sea was agreed without their advice. The details turned out to be totally impractical. I am not suggesting that they have a veto, as the Minister said in questions two weeks ago, just that they be consulted on the practical consequences of any proposals that he may be about to agree to. Those men represent an industry that has been forced to accept huge reductions in capacity and opportunity in recent years, and with enlargement it looks as though the opportunities may be further reduced.

Since last year's debate I have visited numerous fishing communities around our coast—Aberdeen, Peterhead, Fraserburgh, Shetlands, Whalsay, Ullapool, Stornoway, Plymouth, Brixham, Hastings, Folkestone, Scarborough, Whitby, and, most poignantly, Fleetwood, twice. Fleetwood has seen the number of vessels fall from 64 to 25. I met the manager of an engineering company who only 20 years ago employed 120 people. He now employs one fitter.

I was told on my first visit about the high level of discards in the Irish sea and I simply did not believe it, so I returned two weeks later to see for myself. I spent the night of the 14–15 October on the trawler Kiroan. In order to fish 22 days per month, 80 mm mesh must be used for plaice. If 110 mm mesh is used, Phil Dell, the skipper, told me, his days at sea are reduced by five and his business is no longer viable. We set off and I instructed him to set one trawl of his twin rig with 80 mm mesh and the other with 110 mm mesh.

Mr. Carmichael: You instructed him?

Mr. Paterson: I instructed him because what he was doing was against the regulations. We took out the first haul at about 5.30 am. The 80 mm mesh was extremely full. It showed thousands and thousands of tiny juvenile plaice peeping through the mesh. Probably 90 per cent. had to be discarded. In contrast, the 110 mm mesh was about two thirds full and contained 80 per cent. saleable adult fish. This was in the night, when the tides were adverse, and there was still that catch and by-catch. We repeated the exercise, and at 9.15 am the result was even worse.

It is hard to understand how sane human beings can insist that such a system is enforced when it clearly causes so much damage. The appalling scandal of discards is a direct result of the system whereby the common fisheries policy imposes its quota system. The CFP is a biological, environmental, economic and social disaster. It is our clearly stated policy to leave the CFP and establish national and local control.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): That is indeed what the hon. Gentleman told the fishermen of Hastings. What he did not tell them is how he would do that. Would he negotiate with anyone to leave the CFP, and if so, with whom—I know of no one—or would he just break the treaty?

Mr. Paterson: That is a helpful intervention, as it leads on to a letter that my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard), the hon. Gentleman's near neighbour, wrote to my hon. Friend the Member for Maldon and East Chelmsford (Mr. Whittingdale). My right hon. and learned Friend wrote on 9 June:

> "We are determined that the next Conservative government will establish national and local control over fishing. We intend to raise this in the Council of Ministers at the first opportunity and I believe we can achieve this by negotiation. However, should negotiation not succeed, it remains the case, as I said in Plymouth, that the British Parliament is supreme and we would introduce the necessary legislation to bring about full national and local control."

Mr. Blizzard: What would the hon. Gentleman do to solve the problem of discards? Even if we withdrew from the CFP, what would his solution be to that problem?

Mr. Steen: Days at sea.

Mr. Paterson: If the hon. Gentleman will give me a little more time, I shall come to that issue. The answer, as my hon. Friend just said, is days at sea. The Minister is wrong to say that no fishery has found a solution to the problem. The Faroes have found a solution, as has New England. If one goes for days at sea, one sees that much of the discard problem has been eliminated.

Mr. Bradshaw: On the Conservative policy of withdrawal from the CFP, the hon. Gentleman has explained that, if a future Conservative Government acting alone failed to persuade every single other member of the European Union to allow them to leave the CFP but stay in the EU, his party would introduce a Bill in Parliament. What would the Bill say, and how would the Conservatives achieve a treaty breach—as he knows, such a breach has never happened before—and still expect the UK to stay in the EU?

Mr. Paterson: The Minister and I had an interesting debate on this issue in the regional press. It is very simple: membership of the CFP is not a criterion for membership of the European Union. On a global issue, with the fall in the dollar, the status of the euro is

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fundamental, and yet two of the largest contributors to the euro, France and Germany, have unilaterally broken their obligations in respect of it. He mentioned the new commissioner, Mr. Borg, who comes from Malta. The CFP does not apply to the Mediterranean countries in the same way as to the UK. There are also the land-locked countries, including famous buccaneering, swashbuckling countries such as Slovakia, Hungary, Luxembourg and Austria, which are also active of members the European Union but not of the CFP.

Lawrie Quinn (Scarborough and Whitby) (Lab): I thank the hon. Gentleman for the courtesy of advising me that he was going to visit Scarborough and Whitby. I hope that he enjoyed his fish and chips in the restaurant of the vice-chairman of the Tory party in Scarborough. Has he embarked on any discussions with the land-locked or Mediterranean nations that he has just listed about applying the Conservative party's policy should it win the next general election?

Mr. Paterson: I am grateful for the hon. Gentleman's comments about my visit to his constituency. It was a good visit and I thoroughly enjoyed it. We have a very fine candidate in Mr. Robert Goodwill, as the hon. Gentleman will find out when the election comes, and the fish and chips were indeed excellent.

The answer to the hon. Gentleman's question is no; I have concentrated my efforts on going to fishing countries, as I am about to explain. I have been to places such as the Faroes, Iceland, Newfoundland, Nova Scotia and New England, where successful fisheries are run because there is national and local control.

David Burnside: On national interest, is the hon. Gentleman aware that there is a system called the Hague preference whereby Northern Ireland fishermen have their quotas transferred to our neighbours in the Irish Republic, which has a Government who are financing modernisation of their fishing fleet and an increase in its size, while we in the United Kingdom are decommissioning our fleet?

Mr. Paterson: That is a very good point. Subsidies are one of the most damnable and dangerous elements in fishing, because they break the commercial rules. The nightmare that arose in Newfoundland was caused mainly by subsidised activity, first in the Soviet Union and then in Canada itself. I entirely endorse the hon. Gentleman's comments: subsidised fishing capacity is very damaging, and we would like to see it dramatically reduced. We would not tolerate any subsidised activity if we had national and local control.

Andrew George (St. Ives) (LD): With regard to the Conservatives' proposal to negotiate withdrawal from the CFP—I am sure that all of us, including the hon. Gentleman, agree that it is extremely unlikely and probably impossible that they could negotiate a way out—and their fallback position of committing a breach of the treaty, what estimate has he made of the cost to the UK taxpayer? Without doubt, the consequences of such a withdrawal would be significant. Fines would be imposed by the European Court of Justice, and there would be litigation from other member states and possibly boycotts and other tariffs. What estimate has he made of the cost to the UK taxpayer of his pursuing that policy?

Mr. Paterson: I refute the hon. Gentleman's premise—this is not a nil sum game. If he examines the history of the Falklands, general mayhem occurred before 1986. There was a lot of fishing activity, stocks were not controlled and the Spanish were among the worst culprits. The Spanish were brought under control once national control was established in the Falklands. They are now the most constructive participant in the fisheries: they are the largest investors and Vigo bay is the largest market for Falklands squid.

Our partners will not see our action as totally negative, because they are currently being offered a bleak future. As the Minister has explained, stocks are declining, and our partners will be offered a share in a declining resource. If they work with us, however, and we copy successful methods, which I have seen with my own eyes in the Faroes, Iceland, Nova Scotia and New England, the resource will expand and they can participate.

Mr. Bradshaw: A moment or two ago, the hon. Gentleman said that some existing members of the European Union are not members of the CFP and that the CFP does not apply to some EU members. Will he clarify those comments?

Mr. Paterson: Yes; the full rules of the CFP do not apply to the Mediterranean states and the land-locked states. The Minister keeps trying to make the point that it is essential to be part of the CFP to be part of the European Union, but that is not the case. The EU is in a constant state of flux and the issue is a matter of political will. Our party has a firm, clearly stated view that the CFP cannot be reformed. The CFP has done grotesque damage to our marine communities and marine environment. We want to establish national and local control to 200 miles or the median line. I cannot put it more clearly than that.

Mr. Bradshaw: I am grateful for the helpful clarification that the CFP applies to all member states. Management regimes within the CFP can vary according to regional conditions. For example, different regimes apply in the North sea, the Baltic and the Mediterranean.

Mr. Paterson: I am glad that the Minister is pleased with my explanation.

Mr. David Heathcoat-Amory (Wells) (Con): Is my hon. Friend aware that the European constitution entrenches and centralises the CFP, making it even worse than it is now? When we reject the European constitution, as we certainly will, it will be the perfect opportunity to withdraw from the CFP. Renegotiation would put us in charge, because any replacement constitution can be agreed only with our agreement and in spite of our veto. Withdrawal from the CFP, and

indeed any other powers with which we disagree, will follow naturally from the people's rejection of the European constitution.

Mr. Paterson: My right hon. Friend has made a good point. I pay tribute to his attempt to bring fisheries into the negotiation in the Convention last year. The Government missed a great opportunity to raise fishing at that time. He is, of course, right that this country will vote no to the constitution, because it wants to remain an independent sovereign nation. At that point, we will be in a strong bargaining position to debate our fishermen and our marine resource.

Mr. Steen: I pay tribute to the masterly way in which my hon. Friend has captured his brief, although his constituency is land-locked. If the CFP did not result in more dead fish being thrown overboard than are landed—the Minister doubts the figures, but he has not got a clue because he does not know how many fish are thrown overboard—the Conservative party would not be so adamant about withdrawing from the CFP. The fact that successive Labour Ministers have failed to adjust the CFP is the reason why the only way forward that we can see is withdrawal.

Mr. Paterson: That is essentially it—the CFP is not amendable. Discards will not be eliminated and biomass will not grow until the whole system is changed.

Mr. Salmond: I agree with the hon. Gentleman that national control provides a more focused fisheries policy because it confers ownership. However, a few moments ago he congratulated Professor Neil McCormick, who, in the Convention that negotiated the constitution, was the first and most doggedly persistent person to point out the dangers of exclusive competencies. Did I hear the hon. Gentleman right when he said that he is against the Hague preferences? Those are extremely helpful to Scottish fishermen, and I would not like the Conservative party to revert to its policy of regarding Scottish fishermen as—I quote—"expendable", as it did when it took us into the common fisheries policy.

Mr. Paterson: I repeat my tribute to my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory), who mounted a brave campaign in the Convention on the issue. I have no idea what Scottish National party did; all I know is that it is tagging along behind us. This has been our policy under the past three leaders.

Mr. Heathcoat-Amory: For the illumination of the House, I can confirm that Professor McCormick tabled an amendment to take the common fisheries policy out of the constitution as an exclusive competence of the Union, but I tabled further amendments to remove it altogether and to repatriate these vital powers back to member states. Sadly, I was not supported by the Scottish National party, as I should have been.

Mr. Paterson: I am grateful for that clarification.

Lawrie Quinn: I want to bring the hon. Gentleman back to the issue of withdrawal from the common fisheries policy—

Mr. Austin Mitchell (Great Grimsby) (Lab): Boring.

Lawrie Quinn: It is not boring—it is very important to my constituents, and to those of my hon. Friend.

I repeat the question that the hon. Gentleman was politely asked by the hon. Member for St. Ives (Andrew George): what will be the cost to the nation of withdrawal? If he cannot tell us now, when will the Conservatives be able to advise my constituents, and the nation, of that cost?

Mr. Paterson: I do not go along with the contention that it will be an immensely acrimonious negotiation.

Lawrie Quinn: What will be the cost?

Mr. Paterson: I have not worked out the cost. I think that there will be gains for those countries that participate in our waters. As I said, at present they are being offered a declining proportion of a declining resource. I know that we can grow our biomass, grow the resource and grow our catches again if we follow modern, intelligent techniques, as employed in the Faroes, Iceland, and Norway, where I was on Monday and Tuesday this week. They have successful fisheries because they have national and local control. We would welcome foreign participation on the basis of historic rights; there will therefore be a gain for those fisheries. I refer again to the Falklands, where the Spanish are major players—they are the largest investors and have the largest market in Vigo bay for Falklands squid. It has worked extremely well for them, but only since they established national control in 1986.

I am aware that we have only three hours, and I must push on. The optimism in those other fisheries is striking compared with the gloom that I encounter here. That is because the decisions of the CFP are basically political. In Reykjavik, I met the head of one of the largest banks in the world investing in worldwide fishing businesses. He has made it company policy not to invest in any European Union or Russian fishing business because of the interference and political risk of the arbitrary decisions made under those regimes. .

The failure of the CFP is also confirmed by an interesting report that was published in August by the RIVO-Netherlands Institute for Fisheries Research. It says:

> "With the possible exception of pelagic stocks targeted by specific fisheries with relatively small by-catches of other species, the CFP toolbox of catch quota, capacity control and technical measures has not been effective in meeting the long-term strategic objectives of sustainable fisheries in EU waters without challenging the quality of the marine environment. The main problem relates to mixed fisheries that can continue fishing until the quota for the last species exploited has been exhausted as long as catches of others are discarded. Therefore, quota regulations effectively don't limit exploitation rates of demersal species and other regulatory measures seem required. However, the CFP reform process showed that the political will to change the management system is severely limited."

Mr. Steen: Is my hon. Friend aware that, in the towns of Brixham, Dartmouth and Salcombe, the seagull population has increased sixfold, causing havoc to the people who live there and all their equipment, which is covered in seagull mess? Their dustbins are also raided. Does he know that that has been caused solely by the number of fish thrown overboard dead under the common fisheries policy? The enormous resultant growth of the seagull population causes mayhem for my constituents.

Mr. Paterson: That is a good point. I actually picked that up when I went to Brixham. The lesson from Brixham is the extraordinarily complex nature of the fishery. We must have seen 20 to 25 species in the fish market in the morning. That is why the quota system is unsuited to exploiting that resource. We should learn from other, more successful fisheries.

We should set a broad national framework on the basis that we believe that the seas around Britain belong to the people of Britain and need to be managed in the interests of all the people. Aristotle said that that which nobody owns, nobody cares for. We would like national Government to set a broad framework, as the Magnuson-Stevens Fishery Conservation and Management Act does in the United States of America. However, detailed management should be devolved to local councils. Rather than abolishing existing fishery committees, as the Government threaten to do, we would like them to be built on, expanded and extended.

The Minister rightly paid tribute to the recreational sector. There are 1.5 million recreational anglers, with a turnover of £1 billion per annum. They should have the right to be consulted and have a real input in determining fishing management plans where there is significant recreational activity.

The regional advisory councils, which the Minister mentioned and the Commission proposed, will be only advisory. He confirmed that to me in parliamentary answers. We would prefer genuine local control, establishing local management plans with teeth.

We would scrap the rigid quota system and learn from the Faroes and New England, where days at sea limitation of effort has led to a striking increase in fish catches and biomass. In contrast to Britain, fishermen there trust and work closely with scientists, leading to better assessment of stocks. As my hon. Friend the Member for Totnes (Mr. Steen) said, the CFP does not take account of what is really happening. We have no idea of the amount of discards. By scrapping quotas, the incentive to discard and land black fish is eliminated.

In Norway and Iceland, discards are banned. We would go further and make landing of all commercial species mandatory, as happens in the Faroes. The CFP cannot succeed, because discards and black fish mean that there are no accurate data. Much of the existing data are out of date. Accurate data must be the basis for more rational management decisions. We would follow the lead of the Faroes, Iceland, the USA and Norway and establish substantial permanent and temporary closed areas. The closed areas of New England alone are as large as the state of Massachusetts.

We would insist on the use of selective gear. It is criminal that we allow haddock stocks that are at a 30-year high to go to waste in the North sea to protect cod. The centre for conservation sciences at Manomet in Massachusetts has achieved 81 per cent. separation of cod from haddock, and 90 per cent. separation of cod and haddock from flat fish. By raising the foot rope in the whiting fishery, it has achieved 100 per cent. separation of cod from flat fish. Only yesterday, I spoke to a senior executive at Marks and Spencer, which has a line of haddock. In trials, a cod by-catch of only 5 per cent. has been achieved by using intelligent, scientific gear.

The Minister was recently humiliated by the Commission's refusal to listen to him about the slaughter of dolphins through pair trawling in the south-west. He was right to try to raise the matter but he was sent packing because we do not have national and local control. If we had such control, we would ban pair trawling out to 200 miles and we would work with Manomet and other excellent institutions such as the brilliant Sea Fish flume tank in Hull, where I spent a happy day on a trawling course, and devise a solution for separating dolphins from bass.

To monitor days at sea, we would make vessel monitoring systems—VMS—tracking mandatory on all vessels. As in the Falklands and Iceland, we would expect instant radio reporting of untoward events such as unexpected numbers of juveniles or by-catch. In Iceland, a fishery can be closed in a couple of hours by radio broadcasts if a vessel has rung in to announce an excess number of juveniles. Let us compare that kind of reaction with the way in which the common fisheries policy is run: we have one meeting a year, whereas the Falklands and Iceland are running their fisheries in real time, on real information.

Mr. David Drew (Stroud) (Lab/Co-op): Obviously, when the Select Committee considered the matter, we had quite a debate about putting people on ships to inspect what was being caught. Would he go as far, particularly in relation to foreign vessels, after the agreement that he would have to negotiate, as to say that there should be people put on ships, at least on a random basis, to see exactly what they are catching?

Mr. Paterson: Absolutely. The problem with putting observers on ships is that it is expensive, but it has worked extremely well. In Bergen, Norway, I was told on Tuesday that in the Barents sea, one observer will be on one boat, among, say, eight or nine Russian boats in the joint zone. He will keep a close track of what is happening on the one boat that he is on, and then make a comparison with the landings recorded by the other Russian ships. Earlier in the week, talking to John Barton, who runs the fishery in Stanley in the Falklands, I found out that it has a similar system with the hake fishery. It will have one observer on one of the Korean boats, who will watch closely what the surrounding ones are doing. The hon. Gentleman's suggestion is therefore good, but the problem is that it is expensive.

One last case that shows the ludicrous state to which regulations have brought some people is that of Paul Joy in Hastings, whom I met three weeks ago. He runs a small vessel under 10 m. Neither he nor his vessel have a quota for cod. He takes his cod as part of the inshore fleet allocation. Although that was not fully taken up last year, DEFRA is prosecuting him for going over quota—which he does not have—on the basis of an arbitrary decision to break the quota down into monthly allocations. The whole case is utterly absurd and an outrageous waste of public money. We would make fishing regulations subject to civil, not criminal law, and would therefore decriminalise fishing. It is wrong that those who risk their lives at sea should also risk being turned into criminals by petty regulations.

I shall describe those ideas in greater detail soon when we publish our Green Paper, which will set out our proposals for running a successful fishery under national control. I look forward to receiving comments from all parties.

David Burnside: On the hon. Gentleman's point about a Green Paper in which a national policy for fisheries will be outlined, will the Conservative party, should it become the national Government on 5 May next year, try to make the reform of fisheries policy coincide with the anniversary of our greatest ever naval victory, the battle of Trafalgar, on 21 October?

Mr. Paterson: That is a splendid idea. We said that we would raise the issue at the first Council, but whichever is earlier, perhaps we can celebrate our success in October next year, on the next anniversary.

I must conclude, as other Members wish to speak. I look forward to receiving comments on our paper, which we will produce soon. I repeat that we believe that the CFP cannot be reformed. Only the Conservative party can return Britain's coastal communities to prosperity, and its marine environment to health, by establishing national and local control, to 200 miles or the median line.

4.8 pm

Mr. Austin Mitchell (Great Grimsby) (Lab): I woke with a shock last Friday morning to find how near to Christmas we are. It must be near Christmas, as we are having a fishing debate. I want to express the concern of fishing Members that we have only this short debate, crammed in—in this hole-in-the-corner fashion—at the end of a day of very serious and heavy business. Fishing deserves better. It is interesting that fellow Members, enthusiastic as so many of them are about Europe, have spent so much time trying to tease the Conservative spokesman on the policy of withdrawal, which I think is an eminently sensible policy. Without wasting any more time on the issue, it might be sensible for my hon. Friend the Under-Secretary of State for Environment, Food and Rural Affairs, who I know is an enthusiastic pro-European, to use the opportunity presented by the Conservative party committing itself to withdrawing from the common fisheries policy to go to the negotiations in Brussels quaking with terror, saying, "This firebrand spokesman for the Opposition is going round the port rousing the fishermen to a policy of withdrawal. You must give us further concessions so that we can beat off this threat." That would be a sensible negotiating approach

Mr. Bradshaw: First, let me reassure my hon. Friend: I think that I would be correctly described as a pragmatic rather than an enthusiastic European. Secondly, let me tell him that I do not need to point out to the Commission that the United Kingdom is unique in having a main Opposition party—and, indeed, one or two other parties—with a policy favouring withdrawal from the common fisheries policy.

Mr. Mitchell: Nevertheless, it is sensible to publicise the anger of fishermen who feel, rightly in my view, that this country has not had and is not getting a fair deal from the CFP.

I have another reason for deploring the shortness and lateness of the debate. We are, I hope, at a turning point in Europe. We have certainly reached a conservation crunch, but I think we may also see an end to the panic measures that have dominated up until now. The Government's strategy unit's investigation will be important to the industry: it will, I think, constitute a prelude to change and will point us in new directions, although the Government have not yet accepted responsibility for investment in the industry. It is an important new beginning, in any event. At this time of change we deserve more time for discussion, perhaps both before and after the negotiations. We need a major fishing debate.

Will the coming discussions in Brussels mark a new beginning there? We have a new Commissioner, Joe Borg, who does not have a second job and who I hope will bring a more relaxed approach to the common fisheries policy. It must be said that during his last couple of years in office Commissioner Fischler, accustomed as he was to devoting most of his time to negotiating on the common agricultural policy and to bullying, bashing and acting tough, tended to apply the same tactics to fishing—which, being a much more complex industry, needs nurturing and support rather than bullying.

To an extent, that attitude continued as fishing moved into a conservation crisis caused, essentially, by the CFP itself. The CFP presents itself as a conservation policy, but it is not. It is a political policy whose purpose is to dole out catches and satisfy as many people as it can, which leads to overfishing. When overfishing generated a conservation crisis, the European Union resorted to panic measures—draconian and ill-considered panic measures that all too regularly had to be chopped and changed. That required new legislation, and months spent tinkering with it to bring it up to scratch. We have seen 60 per cent. reductions in total allowable catches, and an increase in mesh size to 120 mm. Huge areas have been closed for cod conservation. I hope the Minister will accept that it is possible to relax some of those measures.

Mr. Drew: My hon. Friend clearly shares my scepticism. Does he agree that one of the biggest problems of the CFP is that it has done nothing about industrial fishing? We have all these wonderful quotas and controls, and the system is supposedly there to deal with conservation, but outside it nations are ripping the heart out of our marine environment. I know that my hon. Friend feels strongly about that, but I thought he might want to comment on it.

Mr. Mitchell: I am glad that my hon. Friend has made that point. There is still a substantial by-catch in industrial fishing. Danish industrial fishermen have been found to be catching white fish on a considerable and damaging scale, and the practice continues despite all the efforts of most other fishing nations and continuous condemnation that is echoed in every fisheries debate in the House. It is a scar on the face of the common fisheries policy, and it should be stopped.

On the need to relax some of the draconian measures, the calculations of the International Council for the Exploration of the Sea are based on fairly old science, dating from 2003, and make no allowance for the

[Mr. Mitchell]

huge reduction in our fishing effort, particularly in Scotland but also in England. Nor does it allow for the improvement, as has been pointed out, in the availability of haddock and monkfish. Yet instead of looking forward to a relaxation of such measures, the first indications are that policy is going to be tightened.

The Commission is talking of designating closed boxes in areas in which 60 per cent. of cod is taken, including a spawning ground just off the Yorkshire coast. I should make it clear that the industry supports such closures, but not ill-considered, ill-defined ones that are imposed as a panic measure. Closures need to be made in consultation with the industry, which has practical experience of what is happening in such grounds. The industry certainly deserves to be consulted, and I hope that my hon. Friend the Minister will oppose this substantial use of closed boxes. I hope, too, that he will ensure that cod conservation areas will be policed by way of licences to go in and take cod, rather than licences to go outside and take something else. The latter approach seems a very strange and anomalous one.

I also hope that there could be some relaxation of the time-at-sea limitations. I remind the Minister that if the Government are not going to support the industry financially, they need to allow it to be as profitable as it can be in the current straitened circumstances. In other words, it needs more time at sea to make itself more profitable. But above all, we owe it to the industry to ensure more stable management routines. As the fishing organisations pointed out to us this morning, the indication in the summer was that a more consultative approach would be taken, and that the Commission would be more flexible and would produce an outline agreement in October, so that everybody could be involved in the process.

Here we are in December and it is just like old times: we do not know what is going to happen or what the proposals are, and the figures have not been pencilled in. How can an industry that needs to move towards a sustainable future, and which needs investment and a sustainable employment pattern, plan ahead in these circumstances? It seems that a hard core of officials in the Commission want to carry on ruling by diktat and control. They do not trust fishermen, so they want a tightly regulated industry. Hence the talk of designating closed boxes, of effort limitation in the western channel in respect of sole—unnecessary, according to the fishing organisations—and of further restrictions in the Irish sea.

We want a sustainable industry that can think ahead and invest ahead, and which can provide steady employment prospects, rather than being subject to sudden changes in policy. In the past couple of years, it has borne the brunt of cuts—made necessary by the conservation crisis—that the common fisheries policy itself imposed. Yet other countries—France, Ireland and Spain in particular—are still building their fleets. That building process is supposed to stop at the end of this year, but it is still going on. While we are drastically cutting our fleet, others are still building theirs in order to inherit the future. The industry needs a level playing pattern of enforcement and the confidence that enforcement is as vigorous and effective there as it is here.

We have been told that we face a further run-down by the strategy unit, but it is unreasonable to expect the run-down of the industry to happen unless it is managed and financed by the Government. Part of the original plan proposed by the World Wildlife Fund stressed the importance of investment in getting the industry from position A to an improved position B. It was about investing in the future. The strategy unit did not opt for that, but it should have.

We face a real problem now and the threat to the English industry, particularly on the east coast, is serious. It looks as though one whitefish port is going to have to close. The threat is there and, if it is going to be carried through with confidence, there must be proper management decision-making and compensation arrangements. If licences and entitlements are flowing out of the area to other areas that are doing better, we should try to keep them in order to maintain the essential critical mass that the industry needs to be viable. There must be some financial support for keeping the licences in the area.

I understand that the Minister is strongly concerned about stability and we all agree on the need for it, so I am sure that he welcomes, as I do, the establishment of the regional advisory council. In passing, I want to say that I am still not reassured about how regional management conflicts with exclusive competence. We need to look into that matter very seriously.

We all welcome the working group on demersal stocks, that the regional advisory council has set up. It produced an excellent report, that points the way forward. For too long, fishing in this country has been ignored by the Government, only to be restructured by liquidation when the British Government avoided responsibility. Under the Fontainebleau agreement, they would have had to make a major contribution, but they did not want to finance it. The Government did not draw on European funds in the way that applies to some other European countries, but they did not provide an alternative either. As far as the industry was concerned, it was a double whammy. That was the position in this country, and it was subsequently replaced by a system of draconian decisions from a panic-stricken Commission, desperately trying to clear up the mess that it had created.

I have every confidence in the Minister's commitment to stability, stable management and moving towards a sustainable future. I hope that, in the forthcoming discussions, he will begin the process towards achieving that. We want an industry that works and the Minister is trying to develop that—all credit to him and all power to his elbow—in consultation with the scientists. It is important to exchange points of view so that the two sides can understand each other. The gap between them has often been a crying shame. The industry should be brought into the regional management structures.

The fishing industry must be listened to by the Commission and the Government. We must have co-operative management of fishing. For too long, it has been a hunting industry and it is crucial to bring it into a process of co-operation and consultation if we are to

can work towards that goal at the forthcoming talks in Brussels, we may be able to stave off the worst of the threats of more draconian management from the Commission. We may then be able to start the turn-around towards the sustainable future that we all want.

4.24 pm

Andrew George (St. Ives) (LD): May I apologise to you, Mr. Deputy Speaker, as I have in writing to Mr. Speaker, for the overlap in my diary, as a result of which I was detained for the first few minutes of the Minister's speech? I mentioned it in person to the hon. Member for North Shropshire (Mr. Paterson) and I am grateful to you, Mr. Deputy Speaker, and to others for their forbearance.

I join other hon. Members in saying that it is traditional and appropriate in the annual fisheries debate that we acknowledge the hundreds and thousands of fishermen who risk their lives to put fish on our dinner tables and pay respect to the men who have lost their lives in recent times.

The debate has ranged wide. It is appropriate that, before he attends the Council meeting just before Christmas, the Minister should understand the strength of feeling in fishing constituencies about the issues with which he and other Ministers will grapple. It is frustrating that we have had some indication of what the proposals will be—I understand that they will be published on 8 December—but that we do not know for sure. We are, in a sense, arguing in the dark.

There were two sides to the speech made by the hon. Member for North Shropshire (Mr. Paterson). One side, which was helpful and constructive, dealt mainly with technical measures, the absurdity of the mesh sizes for some fisheries and the need to adapt measures to take account of those absurdities. He referred to the way in which decisions have been made in the past about mesh sizes, especially in mixed commercial fisheries. I commend him for the comments that he made, and I hope that the Minister was listening.

In the other side of his speech, the hon. Gentleman put a little more flesh on the bones of the Conservative party's fantasy policy of withdrawing from the common fisheries policy. He said that it would be the intention of a Conservative Government to negotiate their way out of the CFP. It is extremely unlikely that they could do so. I wonder whether he would ask fishermen around the coast to bet their boats on the Conservatives' succeeding if they were given the opportunity to attempt to negotiate their way out.

The only other alternative would be to breach the accession treaty of 1972 or to seek a derogation. We could not obtain a derogation because the decisions were, as the hon. Member for Banff and Buchan (Mr. Salmond) rightly said, made by the Conservatives and at that stage they felt that the fishing industry was largely expendable in the wider context. However, I came to politics and to this issue in 1997, and I have to deal with the world as I find it. I would not necessarily have started from here, but we have to be pragmatic and ensure that we do not commit a cruel hoax on the fishing industry by offering a policy that is clearly unachieveable.

Mr. Paterson: Will the hon. Gentleman give way?

Andrew George: I will gladly give way in a moment. Perhaps when I do so the hon. Gentleman would like to address the question. Although he said that the régime would be better and that the outcome for other EU nations would be beneficial if the UK withdrew from the CFP, the fact is that it may not happen. As the Conservative Government found with the Merchant Shipping Act 1988, Factortame came along, and it was an extremely expensive process for the UK. Tens of millions of pounds were expended on pursuing what was largely an ill-thought-out policy. If we were to do what the Conservatives propose, the potential cost to the UK taxpayer would be manifold compared with the cost in respect of the Merchant Shipping Act.

I hope that if the Conservatives introduce the policy and a White Paper they will have done the costings, because it is important that we fully understand the implications.

Mr. Paterson: I repeat that this is an issue of political will. We have decided that this activity is unsuited for direction at continental level. We have followed the policy since 1972—the final details were, of course, endorsed by the Wilson Government, who renegotiated the deal—but it has not worked. We have looked at other areas where successful fisheries thrive, because the measures that the hon. Gentleman admires—closed areas, mesh size and others—can be imposed only with national overall control. That is not a hoax: it is deadly serious. We believe that the European Union is in a constant state of flux and, when one exercises political will, as the French and the Germans have done on the stability pact, one can get results. It is not a zero sum game; the other fishing nations would benefit because we would manage our stocks far better than the CFP does at present.

Andrew George: The hon. Gentleman takes a brave and optimistic view, but I do not think that anybody who is seriously concerned about the future of the fishing industry is engaged in that way.

Mr. Salmond: It is certainly true that we would not have to repatriate fishing if the Conservative party had not expatriated it in the first place. I served on the Committee that considered the Merchant Shipping Act 1988 and tabled a series of amendments warning the Government of the day of the consequence of their policy. If they had based their policy on the residence of the crew, as opposed to the ownership of the vessel, it would have had an excellent chance of coming to fruition. It was an obsession with ownership, as opposed to any interest in where the crew of fishing vessels might come from, that undid that policy and resulted in the many tens of millions of pounds of damages that were eventually paid to Spanish fishing vessels.

Andrew George: I am grateful to the hon. Gentleman. With the benefit of hindsight, those who want to go into that issue may be able to learn lessons from that

[Andrew George]

intervention. I have not had the benefit of the experience of the hon. Gentleman, but I am not sure that his interpretation of what would have followed is necessarily right.

The hon. Member for North Shropshire said that the issue was a matter of political will, but the Major Government made it a matter of political will to take on Europe over the beef ban. Of course, we all know what happened on that occasion. One can have all the political will and optimistic outlook in the world, but it does not necessarily mean that one will win—or achieve a better outcome for the UK fishing industry.

The Minister said that he was likely to disagree with the Commission's proposals on several stocks—for example, on sole in western area VII. The hon. Member for Great Grimsby (Mr. Mitchell) also mentioned that. I hope that the Minister will argue strongly for a review of the proposals from the Commission, as we understand them. Both the UK and French Governments, as well as the UK and French industries, are coalescing around an agreement that I hope will win the day on 21 December, because that would be helpful. I hope that within that we will have an agreement to increase mesh sizes for that stock, because of concern about the impact on the year classes.

The hon. Gentleman also mentioned—I am sure that others will also do so—the potential severe impact of the Commission's proposals on North sea cod. I am sure that the Minister will know that the UK, through the decommissioning scheme and other efforts, has substantially met the target of 65 per cent. effort reduction. I hope that in the negotiations the UK will therefore be in a strong position to argue for a beneficial outcome for UK fishermen in the North sea.

The Minister also knows that the science on monkfish has never been accurate. The margin for error in the scientific advice is very wide, and the Minister recognised the need to revise the science and increase the quota for monkfish in area VII during a catch year. I hope that he will bear that in mind when he is negotiating the outcome for monkfish in area VII.

I am delighted that the North Sea regional advisory council has met and I hope that the Irish Sea and the Western Approaches councils do so soon. Having spoken to some of the people involved in that meeting, I know that they want those advisory committees to take a proactive rather than a reactive role in their relationship with the Commission—to set the agenda for policy and enforcement in those regions, rather than merely to respond to the Commission's proposals. Some people suggest that the regional advisory councils should be de facto management councils. I strongly endorse that and hope that the Minister will do all he can to ensure that they operate in that way, as many of us want.

There is significant disquiet about the precipitate way in which closed areas have been defined. As the Minister knows, for many years there has been agreement in the industry about a closed area in the Trevose head region of the Bristol channel, but that has taken a lot of scientific work and discussion with the industry. There is concern that the co-ordinates for the closed areas of the North sea have been somewhat snatched at rather than carefully considered and subjected to consultation. Although we want to pursue a closed areas policy, and to put a greater emphasis on that type of approach, it is important that proposals are soundly based.

On UK matters, the Minister has largely endorsed the proposals in the Bradley report for a significant change in the role of sea fisheries committees in England and Wales and their amalgamation. Will he clarify his views on that point? Sea fisheries committees are a classic case of "If it ain't broke, don't fix it", certainly in my constituency area. There are separate committees for Cornwall and the Isles of Scilly, which work extremely well and are appropriately intertwined with the industry. There is good partnership in the area and the byelaws that the committees draw up can be closely and carefully inspected, due to the local nature of the committees' operation. I hope that the Minister will consider those issues carefully rather than rushing headlong—I hope he will not—to endorse and implement some of the proposals in the Bradley report.

I was disappointed that the Queen's Speech did not mention a marine Bill. Although such a measure would deal with many aspects apart from fisheries, many people in the industry, as well as those concerned about the marine environment, would like some consolidating legislation. That includes the sea fisheries committees, which largely operate under laws passed in the Victorian era. Such legislation needs both updating and consolidation, so I hope that the Minister will take that point on board and that there will be proposals for a marine Bill to bring all those aspects together in the not-too-distant future.

I congratulate the Minister on bringing in the welcome ban on pair trawling in the 12-mile zone from the beginning of November. I encourage him to continue his negotiations with his European counterparts, especially the French, over pair trawling in the western waters and the channel. I know that the French deny that their industry has a significant dolphin and cetacean by-catch, but I have spoken to several academics working with Brest university who are confident that there is sufficient evidence to show a connection between the French pair trawling industry and strandings on the west Breton coast. I hope that the Minister will look carefully into that matter and press it home very hard indeed.

The Minister will also be aware that, around some coasts, there is a strong argument for the establishment of voluntary codes with regard to gill nets and cetacean by-catches, particularly of the harbour porpoise. I am pleased to say that, for example, in the Cornish fishery, significant progress has been made in Mounts bay and St. Austell bay, where the voluntary code that has been established between the wildlife trust and the industry is working well.

Some important issues have been raised in the debate today. Obviously, we are concerned as Members of Parliament that we have been given an opportunity to debate these issues before we have seen the Commission's proposals. I hope that the Minister will consider allowing us a further opportunity, either later this month or early in the new year, to review the decisions made, so that we can make further progress. I hope that the Minister will take those issues on board.

4.41 pm

Mr. Eddie McGrady (South Down) (SDLP): I wish to associate myself with the Minister's remarks regarding the tragedy of Colin Donnelly, who was one of my constituents, as well as the other fishermen throughout the UK who have lost their lives. Indeed, slightly earlier, three generations—grandfather, father and son—were lost in one incident in my constituency. It was one of the greatest tragedies that I have ever known, and it highlights the horror that can result from the unpredictability of earning one's livelihood at sea.

I shall resist the temptation to enter into the international debate about the CFP and various other things. I simply wish to concentrate very briefly on a couple of matters that directly affect the negotiations that are about to take place and that will impinge on the fishermen of my constituency and the North Down constituency from January next—just a few weeks away.

First, I should like to deal briefly with the total allowable catches and the quotas. It seems from the information that I have received that the jury is still out on what is happening to Irish sea cod, whiting and haddock, but we would like to be assured that improvements will result from the negotiations. However, for plaice and, to a lesser extent, Irish sea sole, the scientific evidence has reversed. Whereas last year the evidence indicated a serious decline in the number of plaice, the same scientists now say that it is on the increase. Therefore, I should like the Minister to take that on board when he negotiates the TACs and quotas for that catch.

The most important catch on the County Down coast that I represent is nephrops. That catch has reduced in real terms over the past four years by 24 per cent.—almost a quarter—because of the quota system. It has been reduced from 23,000 tonnes to 17,500 tonnes. The reduction was introduced not because of a scarcity of nephrops, or prawns, but because of the allegation that there was a considerable by-catch of Irish cod. I wish to say two things about that.

First, fisheries scientists now estimate that the prawn stock in the Irish sea is three times the size that they had previously estimated. Secondly, as a result of the DEFRA-sponsored fishery science partnership, observers on local vessels have indicated and proven that the by-catch, particularly of cod, from the nephrops fishery is, in their terms, minimal. In view of those two factors, will the Minister ensure not only that there is no further reduction in the TAC or quotas for nephrops in the Irish sea, but that there is an increase?

The hon. Member for South Antrim (David Burnside) mentioned The Hague preference, which continually works to the disadvantage of Northern Irish fishermen. There has been a regime over the years whereby the Ministers in the north and south or in London and Dublin exercise a swapping process. Swapping quotas with the Irish fishing industry south of the border has proved to be beneficial. Those two fishing industries for the island of Ireland can see one another fishing. The border between them is in my constituency. Carlingford loch, which is probably the only water border, is not even a mile wide. To have one regime on one side of it and another on the other is nonsense. The Hague preference greatly militates against Northern Ireland fishermen in that respect.

At last December's round of talks, the Council introduced effort control at sea. Northern Irish fishermen were given additional days at sea to compensate for the closures. It is our understanding from the European Community that they will not get those additional days if there is a closure this year. We are also getting indications from our spies at the EC that if the Minister presses strongly enough and negotiates hard enough, we will get those additional days if the closure restrictions are introduced. I leave him with that thought, to gird his loins for that negotiation.

The Irish sea cod closures are now into their fifth year. There have been all sorts of effort controls, including additional technical conservation measures, fishing vessel decommissioning and a plethora of presumably laudable and necessary restrictions on catch. However, there is no evidence of those having any meaningful effect in restoring stocks. Local fishermen are wondering whether over-fishing is causing the problem or whether environmental change is a primary factor in the decreasing stocks of particular species in particular areas, which has been discovered in fishing areas outside the UK. Perhaps the Minister will take that on board in his review.

I like to think that the Minister will, in the remaining time before he sits down at the negotiating table, consult more intimately—if that is the right word to use—the Northern Ireland fishing organisations. There is an opinion that they were excluded from the higher echelons of consultation for the first time, in 2004. They have always had a close relationship with the Fishing Minister in the north and the Fishing Minister in Westminster.

David Burnside: I am sure that the hon. Gentleman is aware that our representative, Mr. Alan McCulla, will be at Westminster next Tuesday, giving evidence to the fishery Sub-Committee of the Environment, Food and Rural Affairs Committee, representing our interests. We hope that that evidence will be passed on to Her Majesty's Government.

Mr. McGrady: I thank the hon. Gentleman for that information. It would be a great thing if the Minister, who will be the key person at the negotiating table, takes the opportunity of the Irish fisherman's presence here to give him an interview and discuss matters with him. That would be most laudable.

I end with words of exhortation on behalf of the fishing fleet in Northern Ireland. Communities such as Kilkeel and Ardglass, the primary ports in South Down, and Portavogie in North Down depend on the fleet. Not only is the fishing industry dependent on the catches and the markets, but whole communities are built almost exclusively on the fishing industry and fish processing. The fleet is vital to the economy of my constituency and the industry as a whole in Northern Ireland.

4.49 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): It is a great pleasure to follow the hon. Member for North Down—*[Interruption.]* I am sorry. It would have been a pleasure to follow the hon. Member for either Down, but it is certainly a pleasure to follow the hon. Member for South Down (Mr. McGrady). I will follow his

[Mr. Alex Salmond]

example by spending the latter part of my speech on specific practical matters. The Minister said that he was a pragmatic Fisheries Minister; I am a pragmatic Opposition Member, and my uppermost concern in these debates is the immediate issues that face my constituents and the industry that depends on the catching of fish. I shall devote some time to the politics, but I will want answers to my specific points.

I do not agree with Members who have suggested that this is the wrong time for the debate. We have a very good idea of the proposals that will come forward. We know what the Norwegian talks have thrown up and we know, roughly at least, what the Commission's proposals might be. In so far as the Minister chooses these things, he has chosen the right time for the debate. I hope that he will keep us informed as the talks go on. The hon. Member for Orkney and Shetland (Mr. Carmichael) made an excellent point, and perhaps the Minister will even prevail on the Leader of the House for a statement as the talks progress. Would it not be interesting if the subject of fisheries was considered important enough to have a statement on the Floor of the House? The Minister could inform us of progress, and we could have a debate.

I am sure that the Minister will want to provoke a debate on the outcome of the negotiations. This year I provoked a debate in Westminster Hall to examine the unintended consequences of last year's fisheries discussion. I hope that we will not have the same unintended consequences this year, but it is important that the Minister, having chosen the right time for this debate, keeps us informed on the progress of the negotiations—I know that he will be anxious to do that—and comes back in January for a debate on their outcome. It is time that we accorded the subject the importance that it deserves.

Lawrie Quinn: Does the hon. Gentleman recall that, probably two years ago, we had a very useful and encouraging debate in a European Standing Committee? Members representing fishing communities were better able to scrutinise the outcome of European talks. Is not that format, which allows for debate and a vote on a motion, the best for allowing us to discuss the meat of the decisions that will probably be made?

Mr. Salmond: Like the hon. Member for Great Grimsby (Mr. Mitchell), I have been at every fisheries debate on every occasion, stretching back for many years, and I remember that debate—precisely because I noted that the Minister disparaged the common fisheries policy and said how much he disagreed with it. I think he will find that on the record; I do not see him demurring. It was a useful debate, and of course, he opposed the policy only in a pragmatic sense in that Committee. None the less, he was right to do so. I shall remind the House what is wrong with a policy that has served us so badly over the past 30 years or so.

Mr. Michael Weir (Angus) (SNP): My hon. Friend mentioned the unintended consequences of last year's deal. Does he realise that they still have repercussions for our fishing communities? For example, it was discovered halfway through the period that the port of Arbroath was not a designated port for haddock landing. The Scottish Executive then said that it was designated, but it turned out that it had not been properly designated. That has caused utter confusion in the fishing industry, and the same applies to small ports throughout Scotland.

Mr. Salmond: I remember going with my hon. Friend to see the Fisheries Minister, and I know that he was keen to see the designation of a number of ports. I am unhappy to hear that Arbroath was not properly designated; it should have been. It is a vital port, and the industry that flows from the fresh haddock catch there is also important.

The unintended consequences illustrate the nature of the common fisheries policy. If the Minister goes to negotiations, as he did last year, and is suddenly confronted with a range of maps and devices—some of which had not been seen before and had certainly not been consulted on with the fishermen themselves—the negotiations are bound to produce unintended consequences, which is the euphemism for their effects on people trying make their living. For the communities that depend on the catches, they are a disaster.

That is no way to run a fisheries policy. The CFP is inherently flawed, because it does not confer a sense of ownership. Any resource policy needs a direct form of ownership, without which there is only a loose incentive for conservation. Any fleet under pressure will decide that if it does not catch the resource, another fleet will do so, and deplete the resource. The result is competition between fishermen in an essentially competitive industry, and competition between fleets. Without a common thread of ownership, fisheries policy is deeply flawed.

The CFP is the only attempt at common resource ownership in the European Union. I noted that, in the Chancellor's statement today, oil revenues came to the rescue, enabling him partly to fill the black hole in his calculations. Unfortunately, the Prime Minister is busy spending that largesse on wars, and the Home Secretary wants to spend it on identity cards. None the less, oil has come to the rescue. Can hon. Members imagine what would happen to the Chancellor's already furrowed brow if the EU declared that oil was to be an exclusive competence of the European Commission? Instead of the revenues coming to the aid of the Chancellor, they would go to the aid of the Commission. There would be explosions at the Dispatch Box if such a suggestion were made about the oil resource, but that is what was given away in the resource of marine fisheries 30 years ago.

Mr. Richard Bacon (South Norfolk) (Con): That was disgraceful.

Mr. Salmond: Indeed. It was disgraceful that the Conservative party permitted it.

The modern Conservative party says that that was in the Heathite years of the past. Things are entirely different now, apparently, and fishing would merit a much higher priority. However, the Benches behind the hon. Member for North Shropshire (Mr. Paterson) are empty, so I wonder about that priority. I commend the hon. Member for South Norfolk (Mr. Bacon) for coming to the Chamber to hear me speak, but he should have been here to hear the hon. Member for North Shropshire, who gave an interesting speech.

I have been doing my sums, and the leader of the Conservative party has had just over 200 opportunities to ask about fisheries policy at Prime Minister's questions, but he has not managed to ask any questions to date—not one. He will probably ask one next Wednesday, but it is remarkable that he has not yet done so. However, I do not doubt the honesty and integrity of hon. Member for North Shropshire, partly because the Deputy Speaker would not allow me to do so, but also because he has visited more fisheries ports and fisheries regimes than I have had fish suppers. However, the good intentions of many Opposition spokesmen and Fisheries Ministers have been laid to ruin, because when push comes to shove, they realise that fisheries policy in the United Kingdom does not have any priority—and never has had under successive Governments, as the hon. Member for Great Grimsby and I have realised in the fisheries debates that we have sat through. I can see that the hon. Gentleman is nodding freely.

David Burnside: Given the auld alliance between Scotland and France, can the hon. Gentleman extend that comparison? Presidents and Prime Ministers intervene on behalf of the French or Spanish interest in those discussions in December every year. That happened last year, but when was the last time a British Prime Minister intervened to back up his negotiating Minister?

Mr. Salmond: President Chirac, of course, threatened to go to the negotiations if the French did not get their way, but concessions were made. The Prime Minister made a phone call to Herr Fischler. I thought that I could recruit Rory Bremner to make half a dozen calls and make fisheries a much greater priority. However, there is a serious point to be made—no British Prime Minister or Government have made fisheries a priority. One remembers the chilling words of the civil service memo released under the 30-year rule:

"In light of Britain's wider European interests they"—

the Scottish fishermen—

"are expendable".

Incidentally, that was not a civil servant saying that Scottish fishermen should be expendable. It was a civil servant in the then Scottish Office commenting on the negotiations and bitterly assessing the attitude being adopted by the Prime Minister of the day, the negotiators and the Foreign Office. I believe that that remains the situation.

Mr. Michael Jabez Foster: Is the hon. Gentleman aware that the Prime Minister has set up the strategy unit on fishing, which has now reported? This is the first time, perhaps for decades, that the fishing industry has had such a targeted approach from No. 10.

Mr. Salmond: Of course I am aware of that. I welcome the hon. Gentleman to a fisheries debate. If he came to more of them, he would know what I am aware of. The Prime Minister's strategy unit was somewhat flawed by its inability to count the vessels in the Scottish fishing fleet. We would have had more confidence in the strategy unit if it had been able to count the number of boats that we have, never mind forecast the decline, which it then projected forward. That caused huge irritation in Scotland.

I was interested in the debate in the European Fisheries Committee, which by 24 votes to nil, with four abstentions, attacked the exclusive competence of the fisheries policy in the proposed European constitution as "anomalous and unjustified". Two of the Portuguese members of the Committee wanted to go further in their amendments. The impression given by the Government—that everybody else throughout the European Union is comfortable with the fisheries policy, and it would be an impossible negotiation to try to get something fundamental done about it—is misleading. There is deep dissatisfaction in many member states with that policy of despair for many, many fishing communities across Europe.

Angus Robertson (Moray) (SNP): Does my hon. Friend agree that one part of the debate that is often missed is the fact that the draft European constitution, with the exclusive competence on marine and biological resources under the CFP, could act as a disincentive for fishing nations now outside the EU to join? Does he believe that countries such as Norway and Iceland will ever join the EU if a constitution with such a provision is passed?

Mr. Salmond: The point is well made. I do not think there is any chance of Norway, Iceland or the Faroes joining the European Union if the Union tries to maintain exclusive competence over fisheries. If we look at the European constitution, we can see just how ridiculous the position is. There are four exclusive competences in the EU, in addition to the competition laws necessary for the single market to which Lady Thatcher signed us up. The first three are the customs union, which was the very foundation of the Common Market; common commercial policy, without which there could not be a European Union; and monetary policy, for member states whose currency is in it. The Government, who criticise others for wanting to opt out of the common fisheries policy, are happy to continue almost indefinitely opting out of monetary policy, which seems to me slightly more fundamental to the future of the EU than the fisheries policy. Lastly, there is the conservation of marine biological resources under the common fisheries policy.

That is ridiculous. It is an anomaly from the past, dating from when the competence was signed away in 1971. There is massive dissatisfaction, and if there had been an ounce of political muscle in the negotiations, making fishing a priority, it could have been removed from the list of exclusive competences. The great benefit of that would be that when the Minister spoke about regional advisory committees becoming management committees he would have some basis for the argument, because even the doctrine of subsidiarity does not apply to the exclusive competences of the European Union under the constitution. We would be in a much better position.

I shall have many chances to argue those points further in connection with my Fisheries Jurisdiction Bill, which I intend to reintroduce. I am grateful to the many hon. Members who supported it, and I understand that more Conservative Members would have supported it if I had not argued for national control for the nations of the UK. I hope, however, that they will overlook that aspect and that there will be even more support for the Bill when I reintroduce it.

[Mr. Salmond]

I want to ask the Minister some pragmatic questions that are important to my constituents and those of other fisheries Members. We have heard from a number of hon. Members about the prawn fishery. The obvious conclusion that we must draw from the new scientific examination of the prawn stocks—in some ways, it is the first proper such examination—is that they are massively greater than has hitherto been suspected. The quota increases suggested could be called niggardly in comparison, and a fundamental re-evaluation is needed.

Of course, one of the reasons why prawn stocks are so healthy is that the cod are not eating the prawns. In a complex marine fishery, the interaction between fish and other marine species is of fundamental importance. The Minister kindly lent me a book on the history of cod—I have yet to return it, but I have read it and I shall give it back to him shortly. It is relevant in this context. We have a fisheries policy that Herr Fischler, at least, was trying to run as a cod policy in which it seemed that virtually every other species in the sea had to be subservient to cod; it was a case of the ultimate one-club golfer. Unfortunately, the results are disastrous. Instead of giving people other fishing opportunities to take the pressure off cod, they were denied such opportunities and efforts were relocated elsewhere, doing damage to other species.

The North sea is a mixed fishery, and the effort level applied in respect of the white fish fleet is a similar issue. If over-fishing explains the state of cod stocks, how can it be that we have low cod stocks in some areas, but record 30-year-high haddock stocks? There is a mixed fishery, with fish swimming in the same sea, pursued by many of the same boats, yet one stock is at a record high, while the other is low in certain areas. That tells us that there is another explanation—a deep environmental explanation—while the commissioner has refused to consider the matter seriously in any significant way.

Haddock are at a 30-year high. If the Faroese were running haddock policy in the North sea, the quota would be 150,000 tonnes. After the Norwegian talks, we are talking about a possible reduction of the quota.

Mr. Paterson: There is another point, which the hon. Gentleman has missed. The policy is self-defeating in some ways. The lesson with the Faroes is that leaving an enormous haddock stock means that haddock are eating young cod. He made a similar point when he said that prawns were not being eaten.

Mr. Salmond: I am aware of that argument. The Faroes would go for about a third of biomass as a quota. Whether we go for a third or somewhat less—a third would be 160,000 or 170,000 tonnes or so, as opposed to the 66,000 tonne level—there is leeway, which should be accompanied by a huge marketing policy. A fish processor in my constituency said that new filleting machinery technology would enable him to fulfil a contract in mid-Europe, Germany and eastern Europe involving 10,000 tonnes of haddock. Of course, he must have access to the stock. That would be fundamental in giving us a larger stock and catch, and a sustainable price, although a bit of certainty is required that such a contract can be fulfilled in the medium term. Will the Minister think about the opportunity in respect of haddock as he goes into the talks?

I asked the Minister a question about monkfish, to which he was going to reply. Now the Commission, or at least its scientists, have admitted that their monkfish data are nonsensical. We know that monkfish are in plentiful supply and that they are a high-value stock. We are also approaching Christmas, and yet the hard-pressed boats have not been able to access that stock in the past week, nor will they be able to do so in coming weeks. It is tragic in such a fishery that North sea boats will now be diverted to other species, as they desperately try to stay in business. Yet we know that the monkfish are in substantially good condition. All the research supports that view, but the quotas have been allocated at a precautionary level, which means that they have no scientific basis. I know that the Minister is sympathetic to that argument, so will he now press to get back to the 1999 reference period levels and have a sensible allocation of effort on monkfish to allow that fishing opportunity to boats when so many other opportunities will not be available?

I hope that in this contribution, I have managed to combine my politics, which the Minister knows, with my anxiety to see fishing treated differently. My approach is pragmatic, because I want to see improvements and gains. I have made it clear where I would like fisheries policy to go. I do not think that the Tories will win the next election, but in 2007 we will have a fishing-friendly Government in Scotland, led by the Scottish National party. In the meantime, I want to do as much as possible to protect this vital industry, which so many hon. Members love dearly and want to see thrive. It should get the sort of commitment from all politicians to which it has not been accustomed, but to which it is certainly entitled.

5.10 pm

Mr. Bob Blizzard (Waveney) (Lab): I want to say a few words about long-lining, which is an environmentally friendly and sustainable fishing method. I do not believe that long-lining is responsible for the devastation of fish stocks. When my hon. Friend the Minister goes into bat for us in Brussels, whatever further restrictions may be necessary on species such as cod, will he ensure that long-liners are excluded from them, because I cannot see the harm that they do to fish stocks? Long-lining is a labour-intensive form of fishing and supports more jobs per fish caught than many other methods.

The main reason why I wanted to catch your eye this evening, Mr. Deputy Speaker, is to follow through on a point that I made at Environment, Food and Rural Affairs questions only a couple of weeks ago. The problem concerns pay levels at the Centre for Environment, Fisheries and Aquaculture Science. CEFAS employs the scientists on whom we rely in order to hold today's debate. The Minister has kindly undertaken to look into the matter, and so that he can do so with an understanding of the scientists' point of view, I want to apprise him and the House of the current situation at CEFAS, which is highly unsatisfactory.

CEFAS is an Executive agency of DEFRA. Its headquarters is in Lowestoft, the largest of its three sites, and it has two other sites at Weymouth and Burnham—my hon. Friend the Member for South Dorset (Jim Knight) supports my remarks. CEFAS employs

530 people, about 300 of whom are based at Lowestoft. Although the scientists do more than concentrate on fishing, we rely on them for accurate information on fish stocks, various species, factors affecting breeding, fish health and the whole marine environment. Every year in this debate, someone says, "Our policies must be based on sound science." Without those scientists, we could not formulate a fisheries policy. Without the help and advice of our scientists, my hon. Friend would, in effect, go into bat in the Fisheries Council wearing a blindfold. If we respect what those people say about fish stocks, we should respect what they say about pay, which is a problem. Until a few years ago, all the scientists worked for the old Ministry of Agriculture, Fisheries and Food, and although CEFAS is an agency, its staff still work closely in partnership with DEFRA. If hon. Members table a question, and in particular a detailed question, on fisheries, it will be sent to CEFAS—probably to Lowestoft in my constituency—for the answer. CEFAS is part of the machinery of Government. It is not privatised and is not a contractor that is paid special rates for specific jobs. CEFAS staff receive different levels of pay from core DEFRA staff. For example, the difference between the minimum points on the pay scales is between £2,750 and £7,000 a year. At the maximum end of the scale, the difference is typically about £3,000 a year.

Worse still, although core DEFRA staff can progress through those scales to the maximum of the pay band over a period of, say, eight to 15 years, there is no progression system for CEFAS staff apart from leaving the entry range after one or two years. Those scientists tread water with no hope of reaching the maximum. The pay at CEFAS is quite low. Graduates start on £15,000, while those on exactly the same grade in core DEFRA start on £21,451. Nothing highlights the problem more than that.

When I took this matter up before, I received a reply from the Minister for Rural Affairs and Local Environmental Quality, who said in a letter dated 27 October that the agency arrangements

"enable more 'freedoms' to create the necessary degree of flexibility to allow operational accountability for the organisations delivering the service"

and give them flexibility in their pay arrangements to align them appropriately to the services that they exist to provide.

It is said that the agency has the opportunity to go out and win extra non-Government work in the private sector to enhance its income. CEFAS knows that, and does so, but the fact remains that 82 per cent. of its income still comes from DEFRA. If one includes the other Departments that it works for, 91 per cent. of its income comes from the Government.

CEFAS is not paid in any competitive, contractual way—it simply gets a block payment from DEFRA each year to do whatever DEFRA wants. In effect, CEFAS is part of DEFRA and has to respond as part of the civil service, so if something needs doing, it has to do it—it expects and accepts that. It does not have the freedom to pay the rates that it would like. If, in a good year, it earns more income from other sources, it is not free to distribute that in a pay rise because there is a Treasury cap that means that it can do so only if the Treasury agrees to it—rather a hard thing to get it to do. It cannot even plough those extra earnings back into the business in any form because any surplus has to be paid back to DEFRA.

CEFAS is in a trap, and it is not surprising that its staff are unhappy. That is showing up in retention problems. About 70 staff have left in each of the past four years. There is a move towards a transient work force rather than the stable community of committed scientists that we need to do the job. Management recognise that they have a problem and currently pay what they call recruitment and retention allowance to 33 people, amounting to £67,000 a year in total. Of course, that creates disparities within the organisation and is not a particularly transparent method of solving the problem. That creates tensions and ill feeling, which are not good for team building.

Staff surveys at CEFAS have shown that pay is the main problem. I am told that a review just carried out by a Mr. Ken Crossland found that pay is the most significant source of staff discontent and that the laboratory is finding recruitment and retention a growing problem. Last September, the staff held a ballot on whether to accept a pay offer. It was rejected by 91 per cent. of members of Prospect and 97 per cent. of members of the Public and Commercial Services Union. Ballots on strike action or action short of a strike came out two to one in favour of strike action. One union came out eight to one in favour of action short of striking, with the other union four to one in favour of such action. These are moderate scientists with no history of militancy; the fact that they are voting for strike action and action short of striking shows how they feel.

I mentioned that a review of the DEFRA agencies is taking place. Will my hon. Friend the Minister use that to examine the problem of these scientists' pay and try to sort it out? CEFAS deals with intellectual property, and its success depends on the quality of people's minds. I put it to the House that troubled, unhappy minds do not make for a successful organisation.

5.19 pm

Mr. Alan Reid (Argyll and Bute) (LD): It is clear to us all that the common fisheries policy has failed. It has failed to conserve key fish stocks—most obviously cod—and it has failed the remote communities where fishing has long been a mainstay of the local economy. That has happened because the policy is over-centralised and run from Brussels. Decisions are made in a secretive forum that is far too remote from those who are affected by them.

It is clear that the CFP must be reformed, and reform is the only viable option: although withdrawal might be tempting, it is not a serious option. The CFP is part of the original 1972 treaty of accession. To renegotiate that, Britain would need the agreement of all the other 24 members of the European Union. There is clearly no prospect of that. The hon. Member for North Shropshire (Mr. Paterson) claimed that it was a matter of political will. He may personally have that will, but the empty Benches behind him—he is accompanied only by a Whip—show that the Tory party does not regard withdrawal as a top priority. There is therefore no demonstration of such political will.

[Mr. Alan Reid]

Negotiation and achieving unanimity among EU members for Britain's withdrawal from the CFP will not happen. If Britain wished to leave the CFP, it would have to leave the EU. Perhaps there is substantial political will on the part of some members of the Conservative party for that, but it would have major and damaging consequences for the country. It would adversely affect our exports to the EU and the impact would be felt in industrial and fishing communities alike. Many of the prawns that are caught and landed in my constituency are exported to other EU countries. Leaving the EU would also have an impact on the investment that many of our remote communities receive from European structural funds.

In addition, there is the problem that fish swim across national boundaries. British fishermen traditionally fish in other countries' waters, so withdrawal would have to be followed by negotiations with the EU, acting on behalf of those member states with which we had shared fisheries. We would also have to negotiate with other countries outside the EU, such as Norway, Iceland and the Faroe Islands. That would mean ending up where we started, with annual horse-trading with the EU and other countries to reach a decision. That is exactly what happens now and what is wrong with the current system.

The reform that is required is giving genuine power to regional management committees instead of regional advisory councils.

Mr. Paterson: The hon. Gentleman raises the old canard about fish swimming over boundaries. The EU creates artificial boxes, for example, cod boxes and Irish boxes. I visited Norway this week, and it has vast areas, not only off its 200-mile exclusion zone. It has Jan Mayen island and Spitsbergen. It catches 80 per cent. of its fish in shared zones because it has borders with the EU, the Faroes, Greenland, Iceland and Russia, and that works satisfactorily. However, Norway has control. That is not the horse-trading that the hon. Gentleman described.

Mr. Reid: I simply do not follow the hon. Gentleman's argument. On the one hand, he says that Norway has control, and on the other he talks about shared zones and the need to negotiate. The hon. Member for South Down (Mr. McGrady) put the point well when he said that, if Britain left the CFP, Carlingford lough would be split between two jurisdictions and there would have to be further negotiations. Withdrawal from the CFP would not result in Britain's having control. We would have to negotiate with many other countries. That is what we do now. The Conservative party is arguing from a false perspective when it claims that leaving the EU would give us sole control.

Mr. Salmond: There is one difference that the hon. Gentleman might like to think about. Under that perspective, we would negotiate only with countries with fishing resources. In the current context, many countries with no fishing resources whatever technically have an equal say in the Council of Ministers over fisheries negotiations.

Mr. Reid: Were the hon. Gentleman leading the negotiations for an independent Scotland, which he continually fantasises will happen, he would be in a very weak negotiating position trying to negotiate with all the other countries around the North sea.

Mr. Paterson: It is a perfectly sensible point. The land-locked countries that I named—Slovakia, Hungary and so on—will horse-trade their interest in fish to get benefits on agricultural matters in the Council. Norway is working closely with other maritime nations. To take the most dramatic example, the Falklands and Argentina were at war 20 years ago, but this year they worked closely together and closed down the fishery early, because the illex dropped off. That is what happens when maritime nations work together out of common interest.

Mr. Reid: But the hon. Gentleman has conceded that Britain would not have sole control and would still have to negotiate. Trying to sell the idea that Britain has sole control is just nonsense.

Mr. Bradshaw: I hesitate to reopen this debate, but the hon. Gentleman is making some important points. The UK would be negotiating not only from a position of isolation but from a position of having narked every other country with whom we were hoping to renegotiate, while at the same time not having any say whatever in the common fisheries policy that will govern many of the seas in which our fishermen have an interest.

Mr. Reid: The Minister makes a very important point.

I want to make some important points about my local fishery in the west of Scotland. The prawn fishery is now the most valuable fishery available to the Scottish fleet. There is universal scientific agreement that prawn stocks are healthy. It is true that, in certain areas, at certain times, there is a cod by-catch that is more than negligible. That cod by-catch should be avoided by area access restrictions at certain times of the year, rather than by quota restrictions, but as long as prawn fishing vessels avoid certain designated areas at certain times, the cod by-catch when fishing for prawns is only negligible.

The published scientific data show that the nephrops total allowable catch for the west of Scotland could be increased by 30 per cent. without any risk to stocks. The EU's Scientific, Technical and Economic Committee for Fisheries has taken a cautious approach and advised that an 11 per cent. increase in TAC would have no adverse effect on either prawn or cod stocks. I urge the Minister, in the negotiations, to ensure that the Commission heeds the scientific advice and increases the west of Scotland nephrops TAC by at least the cautious 11 per cent. recommended by the committee.

Another problem that is being caused to fishermen in the west of Scotland relates to the annexe V restrictions, which apply to nephrops fishermen. The Clyde Fishermen's Association has pointed out to me that those regulations cause them a great deal of problems and inconvenience, yet the benefit of the regulations to cod stocks is miniscule. I urge the Minister to try to

persuade the Commission that the west of Scotland's nephrops fishery should be exempted from the annexe V regulations, which achieve nothing and cause a great deal of problems.

In the long run, we need to move away from the annual negotiations and horse-trading in Brussels towards regional management committees, but for this year at least, we are struck with the horse-trading. The Clyde Fishermen's Association has asked me to pass on its appreciation of the interest that the Minister has taken in his consultations with the fishing community, and I hope that he will achieve in negotiations the nephrops quota increase and the lifting of the annexe V regulations. If those gains can be achieved, it will be a welcome relief to struggling fishing communities in the west of Scotland.

5.29 pm

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): I am grateful for the opportunity to speak briefly in what I realise is a truncated debate.

First, I want to say a big thank you to my hon. Friend the Minister, who like his predecessor has become in all respects the fisherman's friend. Only this week, my constituents in Rye were pleased to note that some £4.7 million had been invested in a new fishing quay. The work starts this week, and bulldozers are on the site. The quay will provide a secure and improved facility for the next 50 years or so.

Also, in both Hastings and Rye, my constituents who are employed in the under 10 m fleet in Hastings, the largest beach-launched fleet in Europe, are celebrating my hon. Friend's good sense in suspending the licensing conditions for the remainder of the year. That means that my hard-pressed constituents will have a rather happier Christmas than they might otherwise have had.

The sensitivity shown by my hon. Friend is commendable, although I must add that concern remains about the viability of the under 10 m fleet if the current limits are retained. The limitations imposed by the quota system within the CFP are understandable, but whatever the outcome for Britain in the quota negotiations, my constituents could benefit from a different approach to how these little boats are dealt with.

Mr. Salmond: Is there anything I can do to have such things bestowed on me by Santa Bradshaw? Is there any way in which I can persuade the Minister to provide such largesse for my hard-pressed constituency?

Mr. Foster: I can only suggest that the hon. Gentleman should carry on voting Labour.

Even within the context of the under 10 m sector, I can offer a third thank you to the Minister. I thank him for setting up the process whereby following the report of the Prime Minister's strategy unit—as I have said, that constitutes the first involvement of No. 10 for many years—meetings have been arranged between representatives of the under 10 m fleet and DEFRA, in my area at least. Such dialogue will undoubtedly lead to better understanding, at the very least.

The strategy unit report recognised the need to protect small fishing communities, not—I acknowledge—because they were of massive economic importance in themselves, but because in many such areas the wider community depends on their survival. That applies very much to my constituency. Why would one want to visit the town of Rye and its harbour if the harbour were not kept open for fishing? Why would one want to go to Hastings old town, but for the net huts and the charm of the boats on the beach? While small fishing communities are important for historic and cultural reasons, they have a wider economic value in their wider community.

What can be done? As the Minister will know, for cod fishing purposes the eastern channel is bizarrely treated as part of the North sea. The idea of Hastings and Rye being on the North sea is certainly bizarre. Perhaps my first request should be for a more realistic attitude to the way in which the European areas are zoned: there is a particular reason for that in the eastern channel.

My fisherman constituents firmly believe that the eastern channel is overstocked with cod. As has been said, area VIId is treated as part of the North sea for cod stock assessment purposes, and TAC cuts in the North sea apply to that area as well. However, the validity of that grouping was based on work done by the Centre for Environment, Fisheries and Aquaculture Science back in 1964—under another Labour Government, true, but many decades ago. My constituents say that that historic calculation is no longer valid. They believe that the cod are of a different stock from those in the North sea, and that the eastern channel cod are particularly plentiful. Indeed, it is impossible not to catch them.

Therefore, a fourth thank you is due to the Minister for his agreement to look again at the science relating to the eastern channel. He has now approved a new research project which CEFAS will undertake to identify and quantify the stock. I do not know how long that survey is likely to take, but I welcome the Minister's initiative and hope that the outcomes will be known very soon. If they justify my constituents' belief that area VIId should be separated, my constituents should be allowed to fish in a way that is more appropriate to the available stock. In the meantime, while the issues are under review, alternative arrangements will be necessary. It is simply impossible for my constituents to survive on the small cod catches that their current licences permit.

For the past two years, the small boats in the eastern channel have not even caught the quota permitted for their sector, due to the over-restrictiveness of the licensing conditions imposed on their individual catches. Of course, my hon. Friend the Minister has sorted things out for this year, but we need to do something for the years to come. Incidentally, this procedure is not necessarily covered by European law. Other member states, which need only to estimate the under 10 m catch, do just that. There is no regulation requiring small limits and licensing conditions for such fleets. The Minister has therefore made a wise decision in suspending the licence conditions for this year-end period, thereby perhaps enabling the catching of something nearer the permitted quota. But does he agree that next year, it would be helpful to come up with a different scheme from the very beginning?

As I have pointed out, a monthly limit of 750 kg for a boat with a crew of one equates to a weekly wage of £66. If the boat is unable to take its monthly quota because of the existing conditions, even that income is lost. My constituents therefore propose that the

[Mr. Foster]

monthly allocations be scrapped altogether. The cod fishery could be left open and unrestricted until all the channel quota has been caught. It also seems reasonable that the eastern channel share of the cod quota be separately determined, given that 67 per cent. of fishermen who target channel cod are based in that area. I think that the Minister can rely on the good sense of my fishermen constituents to make the quota last through to the year's end. I certainly hope that he takes that point on board in respect of next year's arrangements. Indeed, is it really necessary to have a licensed quota at all for these very small boats?

It is believed that the French do not rely on cod to the same extent as fishermen in the eastern channel. Although this is never an easy task, could the Minister, in this, the year of the entente cordiale, speak to his French counterparts and persuade them to surrender just a little of their unused quota?

Finally, I should point out that my fishermen constituents have been cruelly deceived, in that they have been told that it is somehow possible to abandon the common fisheries policy, which they wish to do, without leaving the European Union. They are indeed happy to leave the EU, but I wonder whether the Minister knows of any other nation among the 25 EU nations that could negotiate abandoning the CFP without leaving the EU altogether.

5.37 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Other Members have remarked on the fact that this is merely a three-hour debate. That is undoubtedly true, but for my constituents and for the fishing industry in my constituency, it is probably the most important three hours in the parliamentary year. I am therefore very grateful to you, Mr. Deputy Speaker, for allowing me to take part yet again in such a debate.

Unfortunately, unlike the hon. Member for Great Grimsby (Mr. Mitchell)—he is not in his place—I cannot boast a long pedigree of participation in such debates. In fact, this is my fourth such debate, and I do detect a slight improvement in tone this year, and perhaps a feeling of cautious optimism among Members representing fishing constituencies. I wrote down the phrase "cautious optimism" while making notes during the debate, but on mature reflection it was perhaps a gross overstatement. For my part, it might be more accurate to say that I do not feel quite as pessimistic as in recent years; hopefully, that is an indication of movement in the right direction.

Of course, such feelings might simply reflect the fact that this debate is being held at an earlier point. Come 8 December, when we know the full extent of the Commission's proposals for the industry, we might feel very differently. However, I thank the Minister for responding to my earlier intervention by saying that those of us who represent fishing constituencies and the associated industries will have further opportunities for dialogue with him and his officials.

The Minister must be aware of the need to involve fishing industry representatives throughout the whole Council process—a point discussed at the last DEFRA questions, which I want to re-emphasise today. As proposals and counter-proposals emerge, the industry's views must be sought and listened to. It is not a question of giving anyone—either fishermen or conservationists—a veto, but the fishermen must be heard in the course of the process. If that had happened last year, I remain convinced that we would not have been left with a system that, for white fishing in the North sea, verged on the unworkable. We spoke last year about unintended consequences, and we found ourselves in June unpicking some of the unintended consequences of things that could have been done better in December. I certainly hope that that lesson will have been learned.

The Minister referred in his speech, and it was echoed by others, to the establishment of the North Sea regional advisory council. Given that it was part of the Fisheries Council from 2001, if not 2002, it is fair to say that its establishment was long overdue. The Minister will accept that it also remains the subject of a fair degree of scepticism among the fishing industry. Having said that, I am pleased to see that it is now up and running and I take the view that the council has made a good start. In particular, its working party on demersal stocks has produced an excellent provisional opinion, to which both industry representatives and conservationists have been able to sign up. The important point is that the Commission and the member states must listen to the views expressed. If not, the fishing industry's scepticism will be felt to be justified. Frankly, I could not dispute that analysis.

There has been concern for some time about the science and I hope that the regional advisory councils will be able to make some progress in that regard. It seems incredible that, at the end of 2004, we are still using figures that are more than 12 months out of date. The data on which next year's decisions are being made, taking us to the end of 2005, will be almost two years out of date by the time they are finished with.

Mr. Salmond: I was just about to agree with the hon. Gentleman that his own optimism might be exaggerated. What does he believe would be the consequences, intended or otherwise, if the Commission were to persist with a closed area map anything like the one that we were given earlier today? What would be the consequences for his fishermen, my fishermen and fishermen round the coast? What would happen to their opportunities and what about the dislocation of effort elsewhere?

Mr. Carmichael: The hon. Gentleman refers to a map provided to us by members of the Scottish Fishermen's Federation at a briefing earlier today. As Hamish Morrison described it, closed areas would be the "worst-case scenario". Fishermen in my constituency have been disproportionately affected merely because of the geography of where they are based and the size and compass of the closed areas or permit areas that they have had to work with this year. I have no crystal ball, but I know that very few positives would emerge from that particular scenario. I cannot see that it would be workable and I hope that the Minister will hear that. He certainly got that message loud and clear when he visited Shetland during the course of the summer. I shall say

more about it later, but it is not just a matter of the lines drawn on the map last year, as the byzantine regulations introduced to accompany them were also significant.

Andrew George: My hon. Friend would surely acknowledge that the industry nevertheless accepts the principle of establishing closed areas. It was the speed with which the decision was taken, the co-ordinates of the North sea areas and the lack of sufficient consultation that caused the problems. Does not my hon. Friend agree?

Mr. Carmichael: It is easy to accept things in principle. However, the experience has been that closed areas, because they come as part of an overall package, have been difficult for fishermen to operate. I have argued for the principle of closed areas. I think that just about everyone who has a fishing interest has done so in some way at some stage, but if closed areas come tied up with such—I have used the word already—byzantine regulations, they become a nonsense. We have had the nonsense of the haddock permit system that has my fishermen in Orkney and Shetland steaming in and out of port, changing gear, and having to notify fisheries protection officers in order to get the permit. Frankly, closed areas are dangerous.

Mr. Weir: Does the hon. Gentleman accept that in small ports it is a particular problem because there are no fisheries protection officers and fishermen have to give notice for officers to come from other ports, which makes it even more difficult for them to change nets and go out again to catch available stocks?

Mr. Carmichael: The nonsense of that situation is self-evident. It brings me to one of the specific concerns that I wish to raise on behalf of my constituents today—the operation of the haddock permit system. The Minister has heard me before on this. Probably most hon. Members have heard more from me on this than they would ever want. I hope that this is the last occasion on which I have to speak about it.

I simply do not understand how one starts with the proposition of a cod protection zone and ends up with a system that requires fishermen to obtain permits to fish outside that zone for haddock. How one dreams up a scheme like that, even with the assistance of mind-altering substances, is beyond me. It has led to severe operational hardship for fishermen in my constituency. It is bureaucratic and unworkable. We have been able to cope with it only because the system was lacking in detail when it was created in December last year and it was into 2004 that it became a working proposition. Simply to roll the system over into next year would be a disaster for the industry in the northern isles.

The problem is that every time we come up with a system that is unworkable, we force fishermen into breaching it. That should be to no one's benefit. Any management system needs to be understandable and workable. Surely we should start out with a system whereby incentives can be given, for those who are able, not to catch cod. Surely that would be a much more sensible starting point.

On the question of days at sea, I will not get into the game of guessing how many there should be, but I want to discuss the general parameters within which the Minister should operate. The number of days obviously has to be sufficient to keep ports viable; it has to be sufficient to allow boats to catch the quota and it has to take account of the extra steaming days that will be a necessity especially for boats in the northern isles, if the Minister has regard to the map that we had to work with last year, because boats are displaced from their normal grounds.

I come back to the point raised by the hon. Member for Banff and Buchan (Mr. Salmond). Closed areas within the current framework of the CFP will be problematic because the policy operates on a year-to-year basis and does not have the flexibility that is required to make closed areas work. It may be necessary to open and close areas from month to month if not week to week. The hon. Member for North Shropshire (Mr. Paterson) spoke about the Conservatives closing some areas permanently. I would be very interested to hear exactly what areas would be closed permanently—

Mr. Salmond: Scotland.

Mr. Carmichael: That might be seen as vengeance, as Scotland nearly closed the Tory party permanently. I shall read the Conservatives' green paper with some care to see what the hon. Gentleman thinks would be achieved by such closures.

Mr. Paterson: I said that we advocate having permanent closed areas and temporary closed areas. For example, off New England, there is one central closed area on St. George's bank, which has had huge success in rebuilding the yellow flounder stock, and there is also an area that is changed throughout the season as the cod move north. That has been enormously successful and the western gulf of Maine now yields some cod as large as 100 lb. We would leave it to local councils, exactly as the hon. Member for Hastings and Rye (Mr. Foster) suggested. It would not be me making the decisions, but the local councils.

Mr. Carmichael: We have had many fishermen pushed out of Orkney and Shetland, but I do not think that any of them have got as far as New England yet. I am interested in the hon. Gentleman's thinking on the issue. It is just the question of permanency that causes me some concern. I appreciate that some areas would be closed permanently and some temporarily and I do not dismiss the suggestion out of hand. I am pleased to hear that the hon. Gentleman has at last come round to the idea of greater local involvement, something that the Conservatives in government were notable for resisting.

I wish now to revisit the hardy annual of the monkfish quota. We seem at last to have reached a stage where the Commission accepts that the science was not as robust as it might have been—a euphemism almost as big as speaking of unintended consequences. I hope that we have the opportunity to get back to the 1999 level of quota for the UK. Given that it is unlikely that any further effort will take place, because of the reductions in the size of the fleet and the quota restrictions, this is a real opportunity for the viability of the fleet to be improved. I enjoin the Minister to resist any suggestion that any permit arrangements should be attached to any quota. I suggest that there will be a need to leave the area

[Mr. Carmichael]

to the west outside the cod recovery zone and to open an area in the north North sea, as was done in 2003, to enable vessels to catch the improved quota.

I also ask the Minister to strive for an improved quota for haddock in areas VIa and VIb, west of Scotland and Rockall. With regard to Rockall, it is essential that the European Union—perhaps the Minister could take a lead on this—meet the Russians and agree a quota that reflects the proper level of UK interest in that fishery. Otherwise, I very much fear that we will be squeezed out in that area as we were squeezed out of deep water fisheries a few years ago.

As other hon. Members have mentioned, there is also the unfinished business of the nephrops quota, for which so much was promised and so little unfortunately delivered last year. The Minister goes to the Council with the good wishes of all of us on both sides of the House. The departure of Franz Fischler as the Commissioner presents an opportunity to improve our fisheries management and how we are dealt with. I hope that the Minister is able to seize that opportunity with both hands.

5.54 pm

Lawrie Quinn (Scarborough and Whitby) (Lab): It is an honour to follow the hon. Member for Orkney and Shetland (Mr. Carmichael). Normally in these debates I resist the temptation to take up the full time allowed to me and I often give up one or two minutes to him, so I am pleased that he has been able to make a full contribution today. We are continuing in a good tradition, as the penultimate and ultimate speakers before the ministerial response.

The hon. Gentleman is a great champion of his fishing community. I respect him for that, as do many people in my part of the fishing community. I associate myself wholly with his closing remarks and his best wishes to the Minister.

I shall outline briefly three issues that I should like the Minister to consider in his work at the forthcoming ministerial Council, but first I want to associate myself with the comments of my hon. Friend the Member for Waveney (Mr. Blizzard) about fishermen's missions. I am sure that everyone in the House would want to pay tribute, too, to the work of the Royal National Lifeboat Institution, which is a solid part of the fishing community, many of whom belong to the RNLI and go out to help members of not only their local community but the wider maritime community. They do tremendous work on a voluntary basis.

I want to single out my hon. Friend from down the coast, the Member for Great Grimsby (Mr. Mitchell), for his chairmanship of the all-party fisheries group, which is persuaded to do many things. Recently, we heard the Canadian Fisheries Minister and only this morning we received extremely good briefings from fishermen's organisations. Regrettably, however, we have never had the opportunity to listen to the hon. Member for North Shropshire (Mr. Paterson), so I hope that when the Conservative party publishes its green paper—with costs, we hope—the group can have a friendly, comradely dialogue with him, to follow the good work done by my hon. Friend the Minister and, in the past, by my hon. Friend the Member for Scunthorpe (Mr. Morley), now the Minister for the Environment and Agri-environment, to engage not only with us in a parliamentary sense but also with the key stakeholders who represent the community.

Over the past year, my hon. Friend the Member for Great Grimsby has had a marked effect on the all-party group and has persuaded us to do many things to promote fish and the fishing industry. I do not know whether to say that I am glad or sad that a few months ago we were invited to enter a competition to display our culinary skills as part of a wonderful week for the promotion of sea fish. Regrettably, we came last, although my hon. Friend produced a remarkable concoction as a celebration of our right hon. Friend the Deputy Prime Minister.

Mr. Austin Mitchell: Coley à la Prescott.

Lawrie Quinn: Exactly. Unfortunately, the dish failed to attract anybody's attention.

I pay tribute to my right hon. Friend the Deputy Prime Minister on the work that he has done for the Yorkshire and Humber region through the establishment of regional development agencies. I know that they do not find favour with the hon. Member for North Shropshire, but the RDA has undertaken some excellent work in my area to engage with the future of our Yorkshire coastal communities. If time allows, I might be able to inform the House and the Minister about that important work.

If the Minister does not know about such work, perhaps he will undertake a review of the work that RDAs are doing on the coast of England to promote partnership and opportunities for fishing communities in terms of investment and improvements in training and marketing. That relates to the comments of my hon. Friend the Member for Hastings and Rye (Mr. Foster), who told us of the £4.5 million investment in a new fish quay in his constituency. Such work is taking place slowly but surely around England to bring investment for important parts of the fishing community. For example, in respect of shellfish, in Whitby in my constituency, we were able to go ahead with marketing the velvet crab. Mortality rates for the species are better and it is now a viable product, with a new market in that important part of the fishing community.

My hon. Friend the Minister will be well aware that, in July, the EU was able to propose a new European fisheries fund, the EFF, which from 2007 will replace the current financial instrument for fisheries guidance, which runs until the end of 2006. I understand that the proposal will go before the Council of Ministers, which must adopt it for it to come into effect, following consultation with the European Parliament. I assume that that measure must be considered by the House, given the national parliamentary obligations. I hope that that will be the springboard by which the Minister, along with my right hon. Friend the Leader of the House, might consider formulating a debate that would allow all hon. Members a better attempt at scrutinising the decisions made at that European Council.

It is my belief that the parliamentary scrutiny format represents a far better way for the representatives of fisheries communities from around the coast to achieve closer scrutiny. I am glad that the hon. Member for Banff and Buchan (Mr. Salmond) also remembered an occasion that may have been the first outing—if that is not the wrong term to use—for the Fisheries Minister in the context of our debate. I hope that the Minister will consider bringing the outcomes for the EFF to the relevant Committee so that we can all engage in the debate and consider in detail the wider consequences of the work that he will do in Brussels in the very near future.

I should like to return to a subject that is almost a tradition in such debates, and I am somewhat surprised that it does not seem to have had the type of airing that we would normally hear in the annual fisheries debate. I refer, of course, to industrial fisheries. As all hon. Members will know, the simple fact is that the Danish fleet dominates the sand eel fishery. I understand that, because of the poor state of the stock in 2003–04, the Danish fleet massively undershot its quota for this year and last year. In 2004, Denmark's quota for the North sea was 727,472 tonnes out of a TAC for EU member states, Norway and the Faroes of just over 800,000 tonnes—a massive slice of the allowed quota. I understand that Denmark was able to catch only about 300,000 tonnes of that 700,000-plus tonne quota. Surely, given the debate that my hon. Friend will endeavour to have with his colleagues at the ministerial Council meeting, now is the time for us to deal with that issue and to ensure that the Danish quota is managed to an appropriate amount.

Mr. Carmichael: I am grateful to the hon. Gentleman for raising the subject of industrial fishing—something that is having an impact on more than fish stocks. The seabird stocks around Shetland have been decimated this year, and there is no doubt in my mind at all that the blame lies at the door of the industrial fishery.

Lawrie Quinn: I am grateful to the hon. Gentleman for that contribution. Once again, he illustrates his knowledge of these issues. The hon. Member for Banff and Buchan referred to the fact that the marine environment is complex. I was coming to that issue, which links with the points made by the Minister in his opening remarks and, indeed, by my hon. Friend the Member for Hastings and Rye about the importance of tourism and other aspects of seaside life to the wider economy.

Just down the coast from Scarborough and Whitby, there is an excellent puffin colony at Bempton cliffs. If we have a third season at Bempton that is as bad as the last two, the breeding productivity of kittiwakes will prompt strong demands, not only from naturalists and environmentalists, but from the fishing communities, for a closure, probably from somewhere off the east coast of Scotland down to Northumberland. It is a serious problem, which has an impact on the complicated marine environment and ecology.

Mr. Paterson: An interesting Royal Society for the Protection of Birds study was recently published on the impact of such activity on sea bird populations. In addition, we need to recall that sand eels are a key food source for cod. Without getting too excited about our upcoming green paper, we will advocate drastic reductions in the practice of industrial fishing, even if not its elimination.

Lawrie Quinn: I am grateful to the hon. Gentleman for confirming that the Conservatives are seeing good sense on some issues.

In the short term, however, I want to take the opportunity to wish my hon. Friend the Minister well from all fishing communities in Yorkshire and Humber. He has an important job to do. I am sure that he goes to the Council with the support of Labour Members and the bulk of the support of hon. Members in the Chamber.

6.6 pm

Mr. Bradshaw: With the leave of the House, I shall respond to the debate.

One or two hon. Members asked whether it would be possible to meet me between the publication of the formal advice from the Commission next week and the Fisheries Council. I am happy to do that. Perhaps we will make informal arrangements, either after the debate or in ensuing days, to discuss the issues that they want to raise.

I am glad that the hon. Member for North Shropshire (Mr. Paterson) is beginning to flesh out the Opposition's policy on fisheries. The Conservative party's green paper on fisheries will be one of its most hotly awaited policy documents for a long time. I look forward to seeing it.

I do not want to dwell any longer than is necessary on the central plank of the Opposition's policy of withdrawal from the common fisheries policy, but I noted the recent comments by a former Conservative party chairman, Chris Patten, who in October said:

"If you decide to repatriate fish policy, are you going to depend on our fish being taught to swim only in our territorial waters? Is this the real world?"

I also noted an excellent article, which I commend to all hon. Members who have an interest in fisheries, by the right hon. Member for Skipton and Ripon (Mr. Curry), who, as I am sure hon. Members will remember, was the Fisheries Minister for four years under the previous Conservative Government. He speaks with great authority on the subject and recently wrote in the *Yorkshire Post* that he believes that the Tory policy is "unwise and undeliverable." He went on to address, as the hon. Member for North Shropshire did not, some of the concerns raised by the hon. Member for St. Ives (Andrew George) and others about the possible cost of unilateral withdrawal. He asked the intriguing question of how much of the Royal Navy we are

"willing to deploy fighting a fisheries protection war against our European NATO allies".

Those are good, important and interesting questions, which I am sure the hon. Member for North Shropshire will address in his much anticipated green paper.

The hon. Gentleman raised a detailed problem, which he has mentioned to me before, about the situation in Fleetwood. My hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble) very much wanted to participate in the debate. It is the first time she has

[Mr. Bradshaw]

missed a fisheries debate, but she is hosting a Select Committee visit to her constituency today. She passed her concerns on to me.

There has been some misunderstanding. There is always a problem in finding technical solutions to mixed fisheries. The vessel cited in *The Daily Telegraph* article and by the hon. Member for North Shropshire has, of 16 November, used 128 days this year, which is well within the 17 days a month allowed for vessels that use meshes of more than 100 mm. There is no reason why that vessel should not use 110 mm mesh rather than the 80 mm that it used when he was with it.

The other aspect of the hon. Gentleman's contribution—I also look forward to reading about this in more detail—is that he is moving towards an effort control system as the best way of managing our fisheries, which is the Faroese system rather than the Icelandic system. I am particularly interested to know how a complete effort control system would work in the North sea, for example, and what impact it would have. I am sure that he and other Members realise that if we adopted the Faroese system in the North sea, it would mean a dramatic cut in effort and have pretty catastrophic impacts on fishing industries and boats in the constituencies of most of the Members present.

As usual, my hon. Friend the Member for Great Grimsby (Mr. Mitchell) spoke with great authority and experience on this issue. I know that we disagree on some aspects of it, but I was pleased to hear that he described the publication of the Prime Minister's strategy unit report as a turning point. That is right; it shows a real commitment from the highest level to the future of the fishing industry.

While my hon. Friend was speaking, I could not help thinking that, a few years back—I think at a Labour party conference—he changed his name by deed poll to Mr. Haddock. It is about since that date that we have seen a miraculous recovery in the haddock stocks. Perhaps I might suggest that he considers changing his name at the next Labour party conference to Mr. Cod. We will see what happens to the cod stocks. However, I take the points that he made seriously.

My hon. Friend and a number of other Members were slightly unfair about Franz Fischler as a commissioner. He had a certain robust style, but it is not an easy business to chair an annual Fisheries Council meeting. His heart was certainly in the right place on the need for reform. He saw through reforms of the common fisheries policy against pretty fierce resistance from some member states. He shared our vision of a sustainable and profitable fisheries policy for the future. The new commissioner will have a different style, and we will work closely with him and, I hope, to the benefit of the UK industry.

My hon. Friend the Member for Great Grimsby asked whether we could relax this year. Compared with some of the very difficult Councils that we have had in recent years, the background to this one is a little easier. I do not think that we can open the floodgates at this stage, but, as I said in my opening remarks, I think that we will be able to make progress on some stocks and that the fishing industry will welcome that. Although there are signs of cod recovery, it is from a very low base. However, I am determined to do what I can in those areas where the science justifies our taking action. I take on board my hon. Friend's concerns about the proposals for a cod protected area, the details of which I have not yet seen. The issue was also raised by several other Members.

My hon. Friend requested greater certainty for the industry. We are trying to move towards that with the multi-annual approach that was adopted in the reform of the common fisheries policy. We certainly want to embed that, and it will be one of our priorities when we take over the presidency of the EU in the second half of next year.

As usual, the hon. Member for St. Ives spoke with great authority, representing, as he does, Cornwall, which is one of the main fishing areas in England. He expressed frustration with the annual timetable of the whole process, and I share that frustration. I discussed the issue with Commissioner Borg at our meeting, and I think that it is a frustration he shares. If parties here and the industry would like to push for changes to the timetable, I think that we are pushing at an open door with the new commissioner. I shall certainly take that issue on board.

I acknowledge that we disagree with some of the recommendations that we expect to be made by the Commission. They include the recommendations on western channel sole. The hon. Gentleman is right to suggest that the United Kingdom has been working very closely not just at official level but through representatives of the industry to come up with an alternative plan for western channel sole. We hope to make further progress on regional advisory councils during our EU presidency and will continue to push for that.

The hon. Gentleman mentioned the Bradley report. There has been a certain amount of misreporting and Chinese whispers in what I may or may not have said about how we intend to implement the recommendations in the Bradley report. I reassure the hon. Gentleman that we have not made any decisions yet. I recognise the important work that sea fisheries committees do, and everyone agrees that we need to modernise the way in which we manage and enforce our inland fisheries. Whatever system we adopt, I want to try to retain the local expertise and democratic accountability that the sea fisheries committees bring with them.

The hon. Gentleman should not be too disappointed that a marine Bill was not in the Queen's Speech. There was never any realistic prospect that it would be in this Queen's Speech, but the fact that the Prime Minister is explicitly committed to a Bill as soon as the legislative programme allows is a good sign. I and my colleagues in DEFRA will work to make sure that it happens as quickly as possible.

The hon. Member for South Down (Mr. McGrady) has apologised for the fact that he cannot be here because he has to take a plane back to his constituency, but he made a number of points that I promise to take up and bear in mind. He gave me some good advice about negotiating tactics that might benefit his fishermen in Northern Ireland. He made an interesting point about climate change, as did others, and the role that it might play in changing the habits of fish stocks.

There is certainly evidence that, with global warming and changing sea temperatures, stocks are moving around. Stocks that were formerly further south in UK waters are moving up, and cod seems to be moving north. However, we must be careful about using climate change as an excuse to avoid addressing the problem of over-fishing. We must take all the factors that affect fish stocks into account if we are to have a successful and sustainable fisheries policy.

I congratulate the hon. Member for Banff and Buchan (Mr. Salmond), as this is the first time that we have faced each other in the Chamber since he resumed the leadership of his party. I shall, of course, keep him informed. In fact, for the first time this year, we have allocated a senior DEFRA official to keep the fishermen informed during the Council. It is difficult for me as the Minister to do so or, indeed, for Mr. Finnie, because we are trapped in the building. We never know when the commissioner is going to burst into the room and ask for a bilateral, or when a Minister representing another country will want to hold one. We cannot leave the building, and the fishermen cannot come to see us, but we shall certainly keep in as close contact as possible. Personally, I intend to meet industry representatives during the Council if possible.

It was slightly unfair of the hon. Gentleman to say that Governments have not given priority to the fishing industry. I hope that he acknowledges that the strategy unit report was a major sign that the Prime Minister was worried about what was happening two years ago at the Council, and wanted to get to grips with the problem for the medium and long-term future. I agree that there is a case for fighting for an increased TAC on prawns, and I agree with the hon. Gentleman about haddock. On monkfish, he will probably be aware that a joint industry-science project has helped to secure improved data, and we will argue for a substantial increase in the Council negotiations in December.

Mr. Salmond: Will the Minister give way?

Mr. Bradshaw: I am terribly sorry. I have four minutes left, and if I do not rattle on I will not be able to respond to all the comments made by hon. Members.

My hon. Friend the Member for Waveney (Mr. Blizzard) made a good point about long-lining, which I shall certainly take on board, as there is enormous potential for a more sustainable fishery. I shall also look into his comments about CEFAS, which does a terrific job. Talks to try to resolve the problems that he raised are imminent, and I shall shortly meet the new director of CEFAS, when I shall certainly reiterate the points that he made. The hon. Member for Argyll and Bute (Mr. Reid) made some good points about the cost of leaving the CFP, and I agree with him about west of Scotland prawns. The issue has been raised with me a number of times by my hon. Friend the Member for Western Isles (Mr. MacDonald), and we certainly intend to pursue it as a priority in the Council negotiations. I also accept the point made by the hon. Member for Argyll and Bute about annexe V and the difficulties that it has caused his fishermen.

I consulted the Shetland fisheries representative, Hansen Black, at the Council meeting in Brussels last month. I accept what the hon. Member for Orkney and Shetland (Mr. Carmichael) said about haddock permit problems, and am pleased that he welcomes the progress on regional advisory councils. As I have said, we will make further progress on that. I made clear to the new Commissioner the importance of listening to the RACs, as it would be politically fatal not to do so just as they are becoming established. I believe that that is a good argument to use in the negotiations.

I accept the point about the new funding system made by my hon. Friend the Member for Scarborough and Whitby (Lawrie Quinn). I am always keen to have debates on fisheries, but the decision is not just up to me; other people, such as business managers, are involved. My hon. Friend is right about industrial fisheries, and he will be pleased that, given their condition, there are likely to be recommendations for severe cuts. It has always been the UK position to support such a proposal.

Finally, my hon. Friend the Member for Hastings and Rye (Mr. Foster) said that I had brought him some pre-Christmas cheer. It is always good to be able to do so, but I do not think that I have ever been described as a fishermen's friend before. However, I will accept compliments wherever they come from. I am rather disappointed that he did not invite me to open his new quay, but perhaps there is still time. As for what he may want in his Christmas stocking next year, I understand that my officials are talking to his fishermen tomorrow about that very issue.

Mr. Tom Watson (West Bromwich, East) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

WESTMINSTER HALL

Ordered,

That, on Tuesday 21st December, there shall be no sitting in Westminster Hall.—*[Mr. Watson.]*

ADJOURNMENT (CHRISTMAS)

Motion made, and Question put forthwith, pursuant to Standing Order No. 25, (Periodic adjournments),

That this House, at its rising on Tuesday 21st December, do adjourn till Monday 10th January 2005.—*[Mr. Watson.]*

Question agreed to.

PROGRAMME MOTIONS

Ordered,

That Standing Order No. 83A (Programme motions) be amended, as follows:

(1) in paragraph (6) leave out 'three' and insert 'four';

(2) in paragraph (8) leave out 'a resolution of a programming committee under paragraph (5) of Standing Order No. 83B (Programming committees) or'; and

(3) after paragraph (9) insert:

'(9A) The fourth exception is where the motion relates to a resolution of a programming committee.'.—*[Mr. Watson.]*

INCOME TAX (TRADING AND OTHER INCOME) BILL

Ordered,

That the Income Tax (Trading and Other Income) Bill be proceeded with as a tax law rewrite Bill.—*[Mr. Watson.]*

Health Services (Maidstone)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

6.20 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): I am grateful for securing the Adjournment debate tonight. It concerns a matter of vital importance to my constituents. I am delighted to see in the Chamber my hon. Friend the Member for Faversham and Mid-Kent (Hugh Robertson), whose constituents will also be profoundly adversely affected by the proposed changes to hospital services in Maidstone.

Let me set the scene. Maidstone is a large general hospital that was built under the Conservative Administration in 1983. It was modern and covered a wide range of services. Since that time, the oncology services have been vastly expanded and the hospital is now recognised as a centre of excellence for oncology in the south-east. Until a few years ago, the picture was a fairly happy one, but since 2000 there has been a consistent stream of proposals to—I can put it in no other terms—plunder Maidstone.

Over the past two years, we have been raided. We have already lost, in a fairly stealthy way, almost without anybody noticing, our chronic pain unit, which has charged down the road to Pembury. That leaves citizens of Maidstone, who were used to having pain services available, with pain services available only by means of a four-hour round trip on the No. 6 bus. It is scarcely an ideal situation for people without private transport.

Earlier this year, a proposal that had been made in 2000 and rejected was raised again. It would mean our losing the most important chunk of our accident and emergency services to Tunbridge Wells. In addition, there is a proposal that we would lose a major part of our obstetrics services, again to Tunbridge Wells.

The Government decided to merge trusts. It is impossible to imagine that when Maidstone was its own trust, it would have volunteered to lose services and suggested that they wander off 17 miles away—that is the shortest possible distance. But because the trusts of Tunbridge Wells and Maidstone have been merged into one large trust, there is no unique voice, other than mine and that of my hon. Friend, speaking up specifically for Maidstone.

If there were unavoidable strategic reasons for the changes, I might admit that there was some force to the argument for bringing them about, but close examination suggests that that is not the case. One of the reasons why that has been advanced is that the changes all stem from the European working time directive, which means that junior doctors cannot work the hours that they used to. We therefore have to recruit more junior doctors, and when that proves impossible, we have to merge services, so that where there were two services before, we shall have only one.

We have also been told that the consultants involved approve the changes. I shall quote from a letter from Mr. Christopher Walker, a consultant orthopaedic surgeon who worked at Maidstone hospital from its opening in 1983 until August 2002, and still does occasional clinical work. He says this of the proposal to

take trauma services to Tunbridge Wells:

"Most importantly, the road access to the Kent and Sussex Hospital is poor when compared to that of the Maidstone Hospital. Maidstone is well placed to receive trauma rapidly having both good access to the motorways and a helipad. Indeed, in my time at Maidstone I received a badly injured motorcyclist who had been involved in a road traffic accident about one mile from the Kent and Sussex Hospital, as it was quicker to transfer him to Maidstone A&E . . . than to get a traditional road ambulance to take him at peak time to the Kent and Sussex A&E."

He goes on to say:

"If Trauma Services are moved to Tunbridge Wells, Maidstone patients will need to access another A&E. The Kent and Sussex would be very difficult for them to reach."

He says that they would be more likely to go to the Medway accident and emergency department, which is already under massive pressure.

Mr. Walker identifies as a further effect of the proposed move

"a downsizing of emergency services in general and a move of staff and facilities from Maidstone to Tunbridge Wells."

He says:

"Trauma Services cannot be managed successfully by Orthopaedic & Trauma Surgeons in isolation. Support is essential from other specialities especially General Surgery, Vascular Surgery, Anaesthetics, General Medicine and Paediatrics. Presumably adequate support could only be given by transferring support in these specialities from Maidstone to Tunbridge Wells."

As a consultant surgeon, he takes the following view:

"I believe this would have the effect of reducing Maidstone A&E to a minor injuries unit, as well as reducing the Consultant and Junior Staff numbers at Maidstone, so further disadvantaging the local population."

Mr. Walker is not alone in taking that view. Another consultant—this time a consultant physician currently practising at Maidstone hospital, where he is also a clinical tutor—contends that the proposals will have a serious effect not only on trauma services, but on training. He makes this point:

"The Acute Services Review of 2000 concluded that trauma services should remain at both Maidstone and Tunbridge Wells. It is the proposal to change this conclusion at this stage that has caused considerable disquiet."

He says that

"the proposal to downgrade the trauma service . . . will impair access to appropriate care for patients from the Maidstone area who sustain a fracture; and . . . it will adversely affect Maidstone hospital as a general hospital and training institution . . . Removing trauma services from Maidstone matters for the hospital as a whole principally because it will reduce the capability of the A&E department."

He goes on to say:

"The Senior House Officer posts in A&E are accredited for training by the Royal College of Surgeons. It is uncertain if that accreditation would remain . . . if no major trauma came to the department . . . A hospital unable to offer the full range of experience will have difficulty in recruiting the best trainees, particularly those whose career plans might include surgery or critical care."

He adds:

"A hospital lacking a full A&E department would struggle to be taken seriously as an acute general hospital".

I fully understand that point, even from a layman's point of view; the hospital would not be taken seriously as an acute general hospital, and it would find it very difficult to recruit and retain consultants in acute specialities, particularly general medicine and critical care.

Perceptively, that consultant goes on to say:

"The real problem with the current discussion is that it puts the cart before the horse. We are discussing individual services without any clear vision for the future of the hospital as a whole. There is a clear vision for cancer services in Maidstone, and there is a comprehensive vision for the new hospital in Pembury"—

for which I am grateful—

"but for non-cancer general hospital services in Maidstone, however"—

he puts this politely—

"the future is more opaque."

The future of Maidstone general hospital is a major question. Will it remain as a serious general hospital or will all its major general facilities be moved gradually and piecemeal to Tunbridge Wells, while Maidstone is promoted as Kent's answer to the Royal Marsden hospital? Is that the future that is envisaged? If it is, why do the Government, the trust and the SHA not come clean and let us know? It would cause my constituents massive disquiet.

For maternity services, consultants have stated that the European working time directive is not causing problems in obstetrics, but that difficulties will be created in recruiting serious consultants and doctors to a unit as small as the one proposed for Maidstone. Confronted with that massive reduction, the general expectation is that mothers will choose other hospitals. At the moment, 25 per cent. of mothers transfer from the birthing centre to the labour ward with difficulties. If the labour ward is 17 miles away, consultants claim that brain damage could be caused to babies.

I have also mentioned the loss, which we have already sustained—almost without anybody noticing—of the chronic pain unit. It was moved in September 2004 from Maidstone to Pembury. The first that the patients knew about it was a letter a couple of months earlier. Openness appears to have given way to at best opacity, and at worst secrecy. What is the future, and what is the vision for Maidstone as a general hospital?

Earlier, I said that it had been claimed that the consultants accepted the necessity for that disquieting decision. In fact, however, 50 senior clinicians have signed a letter to Rose Gibb, the chief executive of the trust. This is not a politician speaking; these are clinicians who say:

"We believe the proposed cuts at the Maidstone hospital to be dangerous, ill-advised and unnecessary. They will place acutely ill patients, particularly the elderly and children, at additional risk of morbidity and death by transferring them to an inaccessible and less suitable site. The loss of this acute service will result in the inevitable haemorrhage of essential skilled staff. We feel the knock-on effect on the remaining acute services will lead to their progressive erosion, reducing Maidstone to an elective hospital only."

Among the consultants who signed that statement are those in general surgery, anaesthetics and critical care, cardiology, medicine, neurology, ophthalmics, oncology, paediatrics and, of course, obstetrics and gynaecology. That is the view of those on the ground who actually have to deliver the service.

When I fully recognised the problems and their scale, I wrote to the Secretary of State for Health, who replied promptly but unhelpfully. Essentially, he told me what

[Miss Ann Widdecombe]

I already knew—that there was a consultation exercise. Yes, I had got that far. He then told me that there were proposals to reconfigure services—I had certainly got that far—and that it was a matter for the trust. This goes beyond just being a matter for the trust. There is, I believe, a serious crisis of confidence in Maidstone about the future of a large and well-respected general hospital.

On behalf of my constituents who live at the other end of the constituency, I am of course delighted that at last, after too many years, we are getting a brand-new hospital. I would not want any of the comments that I have made today to be taken to mean otherwise. However, the original plan was that essential services such as trauma and obstetrics should be available in both centres, not that there would be a share-out of some sort, as of eggs in a basket.

My first question for the Minister—who has, I am sure, been in contact with the trust—is this: what is the future for Maidstone? Will it remain a general hospital? If so, will it be taken seriously as a general hospital, given the changes that are mooted? Or will it simply become an elective surgery and cancer specialty? Secondly, as so many consultants are so worried, how can the administrators of the trust decide that this is the right way forward?

Thirdly, may we have an absolute undertaking that, if services such as the chronic pain unit are to be moved in future, there will be a proper and full consultation? Interestingly, when one of my constituents rang the local press, the people there did not know anything about that particular move—but they certainly know about the trauma services, and they are making a fuss.

Although in such circumstances there is always a fine line to be walked, between alerting one's constituents and alarming them, I myself have become alarmed by the proposals. I believe that they should be abandoned, and that the original decision taken in 2000 to retain services in both hospitals should be maintained.

6.36 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): I congratulate the right hon. Member for Maidstone and the Weald (Miss Widdecombe) on securing this debate on the proposed transfer of services from Maidstone hospital to Tunbridge Wells. Before I turn to the specific issues that she raised, I should like to take this opportunity to recognise the work across the whole of Kent in delivering good-quality services and to pay tribute to all the staff who are dedicated to that process. I am sure that she would join me in that.

All Members rightly attach the highest importance to developments in the NHS in their constituencies. It is important that local people are able to have local access to high-quality health services for users of orthopaedic and maternity services, as well as several other services that the right hon. Lady mentioned. As she knows, our policy is one of devolution to give local communities a real opportunity to plan and to develop health services according to their needs and demands. We have backed that up with significant additional funding. Over 2003–04 to 2007–08, expenditure on the NHS in England will increase on average by more than 7 per cent. a year over and above inflation—an increase of £34 billion.

The majority of that funding has been made direct to primary care trusts. In that way, we are putting resources in the hands of front-line NHS staff alongside their responsibilities for developing and running services. In the right hon. Lady's constituency, Maidstone Weald PCT will receive an increase in its revenue allocation of £36.4 million between 2003–04 and 2005–6. That represents a cash increase of 28.7 per cent.

The right hon. Lady raised several concerns, some of which touched on the proposed transfer of women's and children's services from Maidstone to Tunbridge Wells. I stress that those remain proposals and that no firm decision has been made.

The right hon. Lady concentrated most of her remarks on the trauma services and linked orthopaedic services. I can give her assurances on some of the matters on which she seeks them. I understand that she is a local Member concerned about what is happening in her patch. She graphically expressed her anxiety about the matter, and I understand that, but she need not worry about a unique voice, because many of us would say that she is a unique voice. I am sure that she is a unique voice on behalf of her constituency.

The joint Maidstone and Tunbridge trust has stressed throughout the discussions that the area and the people that it serves will always need two acute district hospitals. I emphasise the word "acute" because the right hon. Lady is worried that one will become totally elective. That is not the trust's intention: there will be one hospital in Maidstone and another in Tunbridge Wells, and they will work together in a complementary way. I understand that that can sometimes cause anxieties, and I am familiar with the situation from elsewhere, not least my constituency.

Miss Widdecombe: I accept that there will continue to be an accident and emergency unit at Maidstone, but the consultants' point is that it will be greatly reduced. All the orthopaedic trauma will go to Tunbridge Wells and the consultants point out that that cannot be done in isolation. Others will follow, and in the end, the unit will be so small that it will not deserve to be considered in the same way as a big general acute unit.

Miss Johnson: I appreciate the right hon. Lady's view, but both hospitals will continue to provide the bulk of acute surgical, medical, emergency and life-saving care for patients and each will need accident and emergency departments capable of dealing with minor and major illnesses and injuries. I am told that the strategic health authority has categorically stated that Maidstone hospital's accident and emergency department is not closing down or being run down.

I appreciate that issues such as training hospital consultants and doctors, and accreditation by the royal colleges need to be sorted out. That needs to be done locally to ensure that the mix of cases that goes to both hospitals is capable of sustaining the right accreditation by the royal colleges—for example, for accident and emergency accreditation purposes. I understand that the chief executive has met the majority of the consultants individually or collectively.

We do not deny that some concerns have been expressed. They have centred around the misconception that all the surgical services would be transferred to the Kent and Sussex hospital. Some consultants were also worried that there might be pressure on them to express certain views. Notwithstanding that, some have genuine concerns about the future. We accept that concerns have been expressed, but I assure the right hon. Lady that the strategic health authority is committed to two full accident and emergency departments in the two district general hospitals and sustaining the mix of services.

The right hon. Lady mentioned the transfer of the chronic pain clinic. I am not familiar with as much of the detail as I suspect she is. I understand that some £600,000 of additional resources have gone into the clinic at Pembury hospital, to which it is to be transferred. Extra investment has gone into that pain unit, and I am sure that that creates an improved service. We accept that we need two accident and emergency units and two district hospitals. The question is about the division of some of those areas of specialty, which can be provided principally in one or another of the hospitals.

In the past few years, Maidstone hospital has had major investment in its eye, ear and mouth unit. There has been some £11.9 million of investment. The hospital has received £2.8 million for a new breast care centre; £2.2 million for a new emergency care centre; and £1.7 million for the orthopaedic unit. In Tunbridge Wells, the Pembury hospital and the Kent and Sussex hospital have received £3.5 million investment in more doctors; the chronic pain unit that I mentioned; some refurbishment of the maternity unit; and £1.15 million for a new MRI scanner. That shows that there has been a division of resources between the two sites.

The right hon. Lady talked about the pressure on junior doctor hours as a result of the working time directive, but there is a wider rationale. That rationale includes the following considerations: to improve the quality of services for patients; to reduce the number of cancelled operations, as currently one in five elective procedures are cancelled in Maidstone and Tunbridge Wells, which the trust and the strategic health authority are looking to improve on; to reduce the risk of infection by segregating all orthopaedic patients from surgical patients, which is highly important; and the development of on-call rotas that offer consistency of care. Among all the other factors are the fulfilment of the requirement to meet junior doctors' working hours under the European working time directive, and gaining efficiencies of full day-care elective theatre lists to reduce waiting times for patients. The provision of centres of excellence for patients that offer and are able to meet national standards of care and to attract highly skilled staff is also important. Making the best use of the consultant work force, with sub-specialisation, is also a factor.

The benefits for patients that the trust and strategic health authority are looking for are: ensuring that booked operations are not cancelled; reducing waiting time for operations; reducing the risk of infection following surgery; delivering rapid assessment, out-patient, diagnostic and day-case services at both hospitals; and ensuring that professional standards are consistently met. That shows that a rationale exists that makes clear the reasons for this discussion.

Currently, we have only a proposal before us, and I realise that, sadly, the right hon. Lady did not appreciate my right hon. Friend the Secretary of State's letter. I gathered that. He was being very fair in what he wrote to her, however, as he was pointing out that this matter was still up for discussion, and that the details need to be thrashed out. I understand that such discussions raise a lot of local anxieties, and I sympathise with local MPs and local people concerned about them. I have set out a number of powerful and important reasons why it is necessary to examine these issues, including the benefits that can be gained for patients from improvement of patient care.

I want to touch briefly on maternity services, because I want to assure the right hon. Lady that we are committed to good-quality, women-centred maternity care. We have a commitment to improving maternity services by modernising maternity units, increasing the number of midwives and giving women greater choice in childbirth. There have been huge advances. It is now much safer to give birth, and women are now actively involved in making decisions about the maternity care that they want to receive. As I am sure she is aware, we published a national service framework on 15 September, and under the standard, NHS maternity care providers and primary care trusts are required to ensure that the range of antenatal, birth and post-birth care services available constitutes a real local choice for women, including home births and midwife-led care, and midwife-led units in the community or on a hospital site.

Additional funding has been made available for refurbishments, including of hospitals in Kent, to improve the environment. I hope that the right hon. Lady will agree that we all recognise that hospital services need to change if we are to continue to fulfil patients' needs and improve access. Services cannot remain static. They must be responsive to local needs and changing patterns, higher standards and the different services that can be provided as modern medicine advances. That is what we are seeking to achieve through the changes that are being implemented.

The matter in hand is still a discussion on a proposal, and I trust that the right hon. Lady will be able—

Miss Widdecombe: Very quickly, does the Minister therefore envisage a possibility that these things will not happen?

Miss Johnson: I cannot envisage anything. I was blessed with neither a cup of tea leaves nor a crystal ball. The dialogue must continue, however, so that all the parties are reassured about what the outcomes are. There cannot be a huge difference—

The motion having been made after Six o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at ten minutes to Seven o'clock.

House of Commons

Monday 6 December 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Music (Young People)

1. **John Robertson** (Glasgow, Anniesland) (Lab): If she will make a statement on the Government's strategy for promoting music among young people. [201757]

The Minister for the Arts (Estelle Morris): On 6 July this year, along with my hon. Friend the Minister for School Standards, I launched the music manifesto, which sets out our shared aims for music education for the next three to five years.

Over 150 music organisations have become signatories to the manifesto, including Youth Music, a national charity set up in 1999 with £10 million per year of national lottery funding, and the Sage, the landmark music centre in Gateshead, which is due to open before Christmas.

John Robertson: I know that my right hon. Friend is aware that various other organisations try to help with the music manifesto—for example, the "Respect the Value of Music" campaign recently launched by British Music Rights. Does she agree that we should be educating young people about the value of the creativity involved in making music? What steps will the Department take to support campaigns such as "Respect the Value of Music", which are so important for ensuring that the creators of music can make a living in the years to come?

Estelle Morris: I congratulate British Music Rights on the part that it played in the music manifesto, and my hon. Friend on the contribution that the all-party music group has made in both Houses of Parliament to heighten the importance of music and give everybody some fairly good nights out into the bargain. Music in the United Kingdom is strong. There are many music venues and a feeling that music has never been as good as it is now, but there is one threat on the horizon. We must make sure that everybody uses and accesses music in a way that protects the copyright of those who write it. Especially now, with young people having access to music online at no charge if they choose to take it, it is important that we run an education programme. I join my hon. Friend in congratulating British Music Rights on its music education programme. From what I have seen of it, it is very good and I wish it well as it is introduced.

Sir Sydney Chapman (Chipping Barnet) (Con): Does the Minister agree that in order to turn that verbal aspiration into reality, it is necessary to provide a time scale for achieving it? She mentioned three to five years. Even five years would be a good aim. Will she take on board a further point? Quite often, all it needs to encourage more primary school children to take up a musical instrument is for schools to copy the practice of the best schools. If they can do that, they are well on their way to achieving a commendable objective.

Estelle Morris: I have no problem with what the hon. Gentleman says. We hope to make real progress in three to five years. It is important that we monitor what works. His comment about learning which school is doing something well and spreading it to other schools is well made. He will know that there are a number of initiatives spread throughout the country, none of which are universal in themselves, but all of which are trying different ways of engaging young people with music—for example, through the activities of the Music Standards fund, the Arts Council music fund, Youth Music and organisations such as Creative Partnerships. In three to five years we should know which of those initiatives have been most successful at engaging young people with music, and making sure that they are properly funded at that point so that they can be rolled out nationally.

Ms Dari Taylor (Stockton, South) (Lab): In my constituency, I have many young people who excel at classical music, pop and jazz, both vocal and instrumental. How is the Department encouraging businesses to financially support the development of those young people? What is the Department doing to make sure that those businesses feel included in such partnerships?

Estelle Morris: The role of business is important. We will never get to a situation, nor should we, where the arts receive funding only from the Government, centrally and locally. It is important that all sections of society contribute to something so central to our lives. With my hon. Friend, I recognise the contribution that business has made in constituencies outside London and in London. As regards the Department's involvement, through the Arts Council, we fund Arts and Business, which has the express task of making sure that businesses offer as much to arts and music as they can. If my hon. Friend wants to know more about that, she should look at the details of what Arts and Business has achieved, and she will see that it is a steadily growing amount. I take the opportunity to thank Arts and Business for its business sponsorship, and all businesses for the money that they put into the arts.

Mr. Hugo Swire (East Devon) (Con): This summer, the Minister launched the music manifesto and announced the appointment of a music champion. One of the manifesto's aims was to

"provide every young person with first access to a range of music experiences".

That is a laudable aim, though a rather vague one. Just over 6 per cent. of pupils take up an instrument at key stage 2. The manifesto commits no extra resources to addressing that fundamental problem. Surely the best place to promote music among young people is in schools, where it should have dedicated timetabling and be properly funded by the Department for Education and Skills, rather than being left to a music champion who works only part time and the odd headline-grabbing initiative from the Department for Culture, Media and Sport.

Estelle Morris: I congratulate the hon. Gentleman on his appointment to the Front Bench. I hope that he stays there longer than his predecessor.

I am not sure why the aim of ensuring that every child has the opportunity to play a musical instrument is vague. I should have thought that it was among the most concrete of the Government's objectives and that we knew exactly what it means. Much progress has been made. Over the past three years, in conjunction with the Department for Education and Skills, we have put extra money into schools enabling us to run pilots. If the hon. Gentleman is interested, the results of the pilots, which were run by Youth Music, were published earlier this year. My colleagues in the Department for Education and Skills have now announced that local authorities will have dedicated money to ensure that they can carry through the best results of the music partnerships.

That is real progress that has been properly funded; it is doing something that was not funded before and making a real difference to children's lives. I remind the hon. Gentleman why it might take longer than he wants to make universal provision. In 18 long years of Tory government, music services in schools in all counties were run down. We started from scratch, and we have a record to be proud of.

ITV Regional Companies

2. **Miss Anne McIntosh** (Vale of York) (Con): If she will make a statement on the provision by independent television companies of regional news. [201758]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): I recognise the level of interest in this issue from all parts of the House.

The Government are committed to strong regional public service broadcasting, including regional news. The Communications Act 2003 requires Ofcom, the regulator, to determine appropriate levels of regional programming, including news, for ITV1. I note that the second phase of Ofcom's public service broadcasting television review, on which it has just consulted, proposes to maintain the level of ITV regional news obligations at five and a half hours a week.

Miss McIntosh: I thank the right hon. Lady for that answer, but may I ask what guarantee there is beyond the election that there will be that level of local and regional coverage from excellent companies such as Yorkshire Television and Tyne Tees Television? What role will the new body, the public service publisher, have in the digital age? Could it lead to job losses in such companies within ITV?

Tessa Jowell: The answer to the hon. Lady's first question is that the requirements on news will be written into ITV licences. It will be an obligation that they will have to meet. On her second question about the public service publisher, Ofcom has raised the proposal in its second public service television review. The Government think that the proposal is interesting, and it makes a strong case for maintaining the current value of public service broadcasting, but we have not yet determined a decision on it. There will obviously be a further period of consultation once Ofcom's proposals become clearer.

Mr. Austin Mitchell (Great Grimsby) (Lab): While I welcome the slight withdrawal by Ofcom of its original proposals, does my right hon. Friend accept that the principal concern for those of us who represent the civilised part of the country, which is mostly outside London and basically in the north, is that there should be no reduction in either local service or local news? To reduce those services would be damaging to the regional roots of the companies that produce them and also allow the cut-down of regional newsrooms and regional staff at a time when they need to be expanded to face the enhanced competition that the BBC is giving in regional coverage.

Tessa Jowell: I thank my hon. Friend for that question. He is absolutely right about the importance of maintaining support for local and regional news. That is why I welcome very warmly the Ofcom recommendation in this area. It is also worth noting that the Ofcom report was based on extensive consultation with the public. It was the public—the people who were interviewed—who gave regional television news a ringing endorsement.

Mr. Don Foster (Bath) (LD): I welcome the fact that the Secretary of State is properly linking regional programming with regional news and recognising the importance of both, but when the Leader of the House said 10 days ago that the proposed regional programming cuts by ITV Wales were unacceptable, was he speaking personally or on behalf of the Government?

Tessa Jowell: I suspect that the Leader of the House was, like many hon. Members, reflecting constituency concern about that issue. It is important to make the position absolutely clear: Ofcom has no proposals that ITV should cut regional news; there are proposals to cut the current requirement for three hours a week of non-peak, non-news programming to one and a half hours in order to meet the licence conditions. That is not a requirement, but it would lessen the regulatory burden on ITV.

In reaching a conclusion on the matter, I say to hon. Members that ITV faces increasing competition with the increased take-up of digital television. It is losing audience share, and with that it is losing the advertising revenue that a high level of audience share brings. It is an inescapable fact that ITV cannot continue to broadcast at its current level of operation. The Ofcom analysis is important because it rests on the views of

viewers—the people who watch television—rather than on any other interest. That context has shaped the conclusions, which are currently out for consultation.

John McDonnell (Hayes and Harlington) (Lab): When the digital replacement licences were granted to ITV companies, the ITV companies were required to provide regional news and current affairs until 2014, but Ofcom now states that that will be required only until 2007. Will the Secretary of State make it clear to the regulator that we expect it to do its job in maintaining the commitments of the licence until at least 2014?

Tessa Jowell: My hon. Friend will recognise that the negotiation of the licences with ITV continues. However, the message to both Ofcom and ITV is that hon. Members on both sides of the House on behalf of their constituents recognise and insist on the importance of high-quality regional news and current affairs and factual programming.

Mr. David Watts (St. Helens, North) (Lab): Is it not the case that Ofcom has already failed and that the quality of news broadcasting in the regions has diminished over the past few years? Will my right hon. Friend make sure that Ofcom fulfils its responsibilities and makes sure that both the hours of news and the quality of news are maintained?

Tessa Jowell: I agree that that is an extremely important part of Ofcom doing its job properly.

Swimming Pools

3. **Mr. John Randall** (Uxbridge) (Con): What plans he has to increase the number of 50 m swimming pools. [201759]

The Minister for Sport and Tourism (Mr. Richard Caborn): There are currently 20 50 m swimming pools in England. Sport England lottery funding bids have been submitted to build four additional 50 m pools in Sunderland, Leeds, Liverpool and Portsmouth. Sport England is also working with the Greater London authority, the London Development Agency and the London 2012 Olympic bid on a new aquatics centre in Stratford, which will include at least one 50 m pool. If the 2012 bid is successful next year, the facility will be increased to two 50 m pools.

Mr. Randall: That was an interesting answer from the Minister. He will be delighted to know that we plan to get a 50 m pool in Uxbridge—at the moment, we have worked-out plans for a 25 m pool. Does he agree that a 50 m pool is better than a 25 m pool? Will he come to Uxbridge at my invitation and have a look at those plans?

Mr. Caborn: I would love to take up that invitation. The hon. Gentleman is right to say that a 50 m pool is far better than a 25 m pool. Yesterday I was delighted to read the headline of a Tory press release, which said "Conservatives launch new policy to boost sports provision for the young". They spent 18 years shutting all those facilities—at their height, about 40 a month were going—but as my mum might say, if a sinner repents they are welcome to come and join us.

Kate Hoey (Vauxhall) (Lab): I welcome the move towards more 50 m swimming pools. As the Minister knows, Paris has more 50 m pools than the whole of this country. Will he give me his views on the London pools campaign, which is concerned about the increasing numbers of swimming pools that are closing down? We lose one a year, and there seem to be no proposals to deal with that apart from a new aquatic centre were we to win the Olympic bid. What are we going to do about swimming in the rest of London?

Mr. Caborn: Swimming has had more lottery money invested in it than any other sport. There are some 3,484 swimming pools in England, which make adequate provision, through the public and private sector, for those who want it.

The difficulty concerns 50 m pools. We have a 50 m pool in my city of Sheffield, but competitive use takes up a very small part of its time—it is invariably divided into three swimming pools for the community. There is always a dilemma as to whether a 50 m pool is used for elite swimming or what the community want to use it for, and Sheffield's pool is no exception.

I can clearly state that there is adequate provision for swimming, which is supported by many local authorities who are investing in free-of-charge facilities for their young people, as well as by increased private sector provision. However, a problem remains in relation to 50 m pools, and we are trying to deal with that.

Mr. Nick Hawkins (Surrey Heath) (Con): The Minister knows of my involvement in swimming as a sport, and I recognise that, as he says, there has been a big expansion in the number of pools provided. However, does he accept that there are big issues to do with the funding of swimming generally in the light of the very worrying suggestion that, because our swimmers did not get as many medals at the Olympics as had been expected, there might be a substantial reduction in funding not only for pools but for other sorts of elite swimming? Will he agree to meet me and representatives of the Amateur Swimming Association? Does he recognise that the recent great success at the short course world championships shows that competitive swimming in this country is in a very healthy state?

Mr. Caborn: I agree that competitive swimming in this country is in a healthy state. Since the lottery fund started, it has invested £297 million in swimming, which is the highest amount that has been given to any such recipient.

In Sydney, we probably did as badly in competitive swimming as at any time, but within two years, having brought in a new coach from Australia, our swimmers got the best results in international swimming in Tokyo. They then went to Athens, where they took two medals and got into 16 finals. That remarkable improvement on Sydney—by any standards—was down to the way in which lottery money was invested, coaching, and the responsible attitude of the governing body.

Mr. Bill O'Brien (Normanton) (Lab): I want to express thanks and appreciation to my right hon. Friend for the support that he gives local authorities in the

development of swimming pools and for the time that he took to come and officially open the swimming pool in Normanton. Does he accept, however, that there are still pressing needs for swimming pools? The communities of Ossett and Horbury in my constituency are appealing for support in obtaining a pool to serve them. Will my right hon. Friend pledge any such support that he can?

Mr. Caborn: Obviously, we will consider any application that comes in. My hon. Friend and I had an exceptionally pleasant day at the pool, although we resisted jumping into it to do a little exhibition of synchronised swimming, as I think people wanted us to. That pool is now serving the community in terms of health, as well as other benefits. I will give my hon. Friend as much assistance as possible in any extension of that.

Hugh Robertson (Faversham and Mid-Kent) (Con): In order to meet such demand, the Amateur Swimming Association trains, remarkably, 12,000 swimming coaches each year, but says that it faces significant difficulties with the cost of training, insurance and child protection measures. What assistance can the Minister offer it, particularly given that it is denied access to Learning and Skills Council funding because it comprises volunteers?

Mr. Caborn: That is a serious issue, not only for swimming but for sport in general. Indeed, it affects not only sport but volunteering. We are a more litigious society and have become incredibly risk averse. That has had an impact on sport, and, as the hon. Gentleman said, it is a serious matter. Together with my colleagues in the Home Office, we are considering how we can deal with that in sport. The Department has held a series of meetings with governing bodies and insurance companies.

I shall not say that there is an easy fix—there is not. A few months ago, Parliament considered a private Member's Bill on the subject. It needs addressing and I hope that we can reach some conclusion because if we do not, in my view, our young people will be exposed to more harm from some activities in inner cities than they would ever encounter through performing sport.

ITV Regional Companies

4. **Mr. John Grogan** (Selby) (Lab): If she will make a statement on the recent Ofcom report on public service broadcasting as it relates to ITV regional companies.

[201760]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): Ofcom has proposed that ITV 1's requirement to provide non-news regional programming for the English regions should be reduced from three hours to one and a half hours a week. Quotas for regional network production would be increased from the current 30 per cent. requirement to 50 per cent. As I said earlier, no reduction has been proposed in the current regional news obligation of five and a half hours a week for regional programming.

Mr. Grogan: Does my right hon. Friend agree that, given Ofcom's statutory responsibility to maintain and strengthen public service broadcasting, it is a bit odd that, a full eight years before digital switch-over, it proposes to reduce by half regional companies' obligations to produce non-news programming? Is not there a genuine danger, especially given that Ofcom is negotiating with ITV nationally to reduce its licence payments, of the body's being perceived as a soft touch in its defence of ITV regional programming?

Tessa Jowell: I do not accept that. The key issue is safeguarding regional programming as part of the public service broadcasting offer that ITV makes. It is important that, in addition to regional news, the requirements for non-news programming deliver what people in the regions want. If my hon. Friend examines the Ofcom report and the extensive data on public consultation that it provides, he will realise that public satisfaction throughout England with the non-news programming is approximately 7 per cent. In the Granada region, the figure is 5 per cent. That clearly means that something needs to be improved. The message is that we need strong regional broadcasting as part of delivering a strong public service broadcasting offer. The ITV companies must respond to what their viewers want.

Mr. Nigel Evans (Ribble Valley) (Con): I heard what the Secretary of State said on the guarantees about the news programming. Does she accept that nowadays, BBC World, Sky News, CNN, Fox News and rolling world news mean that the public have a great choice, but that that does not apply to local news? That is why it is important that regional news is not only maintained but increased, if possible. Will she give a guarantee that, if at any stage a recommendation is made to reduce the hours for regional news, she will step in and ensure that they are protected?

Tessa Jowell: I would not want to pretend that I have powers of intervention on that aspect of regulation; I do not. However, I have made the position clear, and it is clear to Ofcom and ITV through the strength of feeling in the House and the many signatures on the early-day motion that my hon. Friend the Member for Selby (Mr. Grogan) tabled. There is also a message to the BBC, as we consider the review of its charter, to examine not only the important role of ITV regional news but that which an increased BBC presence in the regions could play.

Mr. Derek Wyatt (Sittingbourne and Sheppey) (Lab): Does my right hon. Friend agree that major ITV shareholders say one thing in public about their public service broadcasting remit but an entirely different thing to the City? If ITV does not want to fulfil the PSB commitment, has she considered including in the charter renewal a BBC 3 proposal for regional television? That would mean that each region would have 24-hour regional broadcasting, thus enhancing a huge cultural change in the regions.

Tessa Jowell: No detailed conclusions have yet been reached on that specific proposal. However, it is possible that, as more people move to digital by choice, and as spectrum is released, new channels could be created, and consideration should certainly be given to my hon. Friend's proposal at that time.

Angus Robertson (Moray) (SNP): May I draw to the Minister's attention the fact that detailed proposals for Scotland, Wales and Northern Ireland have yet to be published? Worryingly, Ofcom states that

"many of the same considerations apply",

namely that, from 2007, there will be no requirement for ITV companies to produce regional or local news. If the Minister does not take this matter seriously, would she consider devolving responsibility for broadcasting?

Tessa Jowell: No, I do not intend to recommend the devolution of matters relating to broadcasting, because I take them very seriously indeed. It is important that, as part of our UK identity, we have a national approach—a UK-wide approach—to broadcasting. The hon. Gentleman will no doubt have noted Ofcom's specific recommendations on Gaelic and Welsh language broadcasting.

Lawrie Quinn (Scarborough and Whitby) (Lab): Will my right hon. Friend join me in congratulating the producers of the many programmes from Tyne Tees Television and Yorkshire Television? They produce strong regional TV that finds favour not only with my constituents but with people in the rest of the north-east of England and Yorkshire. Will she urge representatives of Ofcom to come to the House to meet the constituency MPs from those areas to discuss the strong regional identity in that part of England, rather than trying to hide behind her and her office near Trafalgar square? They should come to the House and listen to constituency MPs' strong sentiments about these services.

Tessa Jowell: I thank my hon. Friend for that question. Yes, the chairman and chief executive of Ofcom could and should make themselves available to MPs in order to discuss these matters. I understand that the managing directors of each of the ITV regions have either met or are in the process of arranging meetings with every constituency Member of Parliament in order to discuss this issue, and I know that the chief executive of ITV has made a similar offer. It is important that these discussions should take place, because what is at stake is not the status quo in regional broadcasting but clear safeguards relating to high-quality investment in news. It is important to engage in a debate with ITV about the kind of programming that our constituents want and that reflects the areas that we represent and in which we live.

Gambling Bill

5. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What measures the Gambling Bill includes to prevent the proliferation of category A gaming machines. [201761]

The Minister for Sport and Tourism (Mr. Richard Caborn): We propose that category A machines should be allowed only in regional casinos, and that there should be only eight regional casinos in the first phase.

Mr. Carmichael: I thank the Minister for that answer. As I understand the Bill, clause 56 reserves to the Government powers to deal with problems that might be caused by the use of category D machines, which would include machines such as penny slides. However, there is no equivalent provision for category A machines. If the Government are concerned about dealing with problems arising from the use of penny slides, why are they not concerned about problems arising from the use of machines that would have large stakes and unlimited payouts?

Mr. Caborn: We will take those powers. Indeed, we have limited the number of regional casinos to eight, and they will be used to see what the effects of their introduction will be over a period of time. The situation will be reviewed by the gambling commission, and we have made it clear that it will be up to the House whether to proceed with establishing any further casinos. In the real world, the category A machines will be limited to about 10 or 20 per cent. of the total number of machines in the casinos. That is what happens internationally. In this country, the highest paying machines are category B1 machines. There are about 1,000 of those, of which only a third pay out the maximum sum of £2,000. The operators clearly keep those machines at well below the maximum payouts, both internationally and in this country, and we believe that, with those safeguards in place, the experiment can take place. We will then evaluate it and bring the matter back to the House.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is the Minister aware of the grave disquiet about these machines, and the extension of gambling in this manner? The proposals disturb not only those who must deal with the enormous problems that gamblers can create, but those who feel that the general protection of the public is being relaxed far too readily.

Mr. Caborn: I do not accept that. The Gaming Act 1968 was probably one of the most draconian examples of gambling legislation, especially in respect of casinos, but if my hon. Friend looks at the remit of the new Gambling Commission, she will find that we have put a large amount of the 1968 Act into it. We have tried to make integrity, transparency and fairness to punters a major part of the Bill.

I remind my hon. Friend that during pre-legislative scrutiny it was recommended that category A machines should go into large casinos as well, but we rejected that proposal. We have limited those machines to regional casinos, of which there will be eight. We did that in response to a feeling in the House that we wanted too many of them, just as my right hon. Friend the Secretary of State said that we would. We expect the eight regional casinos to be properly evaluated, and we will report to the House before any steps are taken towards expansion.

Creative Partnerships

6. **Ms Meg Munn** (Sheffield, Heeley) (Lab/Co-op): If she will make a statement on the progress made by creative partnerships and the Government's plans to offer a universal cultural entitlement to all children and young people. [201762]

The Minister for the Arts (Estelle Morris): Twenty-five creative partnerships have been established, with a further 11 due to start in September 2005. By November 2004, there had been over 217,000 attendances by children and young people at more than 2,500 projects.

Ms Munn: My neighbours in Doncaster, Rotherham and Barnsley have a creative partnership that provides excellent events for children at such places as the Yorkshire sculpture park and Magna. I should like one in Sheffield, but failing that, what is my right hon. Friend doing to encourage others to ensure that children and young people take advantage of existing cultural events?

Estelle Morris: I am pleased that my hon. Friend is seeing good work being done by creative partnerships. It is an excellent initiative at ground level, with each partnership finding its own way of spending money while also ensuring that artists are introduced to children in schools. I am happy to say that by September 2005 there will be a creative partnership in Sheffield. I understand that a director has already been appointed, and is putting together a partnership board. I am sure that he would be more than willing to have a conversation with my hon. Friend.

We never envisaged every local authority becoming a creative partnership, but we are keen to learn from this experience so that in time we may be able to announce a universal cultural entitlement.

Theatre (North-west)

7. **Helen Jones** (Warrington, North) (Lab): What steps she is taking to sustain and develop theatre in the north-west. [201763]

The Minister for the Arts (Estelle Morris): Along with theatres across England, theatres in the north-west have benefited from the sustained extra investment that followed the 2001 theatre review. In the first tranche of the funding, theatres in the north-west received £8,084,150, which will rise to £8,352,139 this year.

Helen Jones: I am grateful for that answer, but what is my right hon. Friend doing to encourage theatre performances in towns such as Warrington that have no theatres of their own? Will she do more to encourage national companies to visit such towns, and put on more successful productions like the one by the Royal Shakespeare Company that we saw last year in Birchwood, in my constituency? What is she doing to support the Pyramid arts centre in Warrington, so that we can see more performances there?

Estelle Morris: I agree with my hon. Friend that impressive statistics showing that theatres have received more money do not mean much if constituents cannot go to them. Sadly, not every town has its own theatre. As my hon. Friend says, innovative ideas—such as making more money available for touring theatres—would help people in Warrington, and in other constituencies. Theatres in Liverpool, Manchester and Chester have already benefited from extra money for touring over the past few years. I understand that Warrington has also benefited, and has enjoyed performances that might not have been possible without that increased funding.

The Pyramid arts centre receives a £21,000 grant—not as much as some projects, but enough, I hope, to sustain it and enable it to serve the people of the town.

Mr. Peter Pike (Burnley) (Lab): Does my right hon. Friend recognise that Burnley council, given its small non-unitary authority budget, finds it very difficult to maintain the Mechanics theatre and arts centre? Is my right hon. Friend aware that councils such as Burnley that are committed to arts funding find it extremely difficult to meet that commitment with a small budget?

Estelle Morris: I acknowledge my hon. Friend's point: local authorities are huge investors in the arts, second only to central Government—I believe that they contribute more than £200 million. Local authorities of different sizes face budget pressures and have to make important decisions. Sometimes, the levers are there to spend the money on certain services, which may not include the arts, theatres or culture. That is something that, over time, the Government will address because it is clear that creativity, culture and theatres are central to local communities. Without that provision, we end up with the sort of estates that we built in the 1960s, when we built houses for people to live in but no culture for them to enjoy. The irony is that we are now knocking down those estates, as we knocked down estates at the start of the 20th century.

Television Licence

8. **Mr. Gordon Prentice** (Pendle) (Lab): Whether it is her intention to discount the BBC licence fee for licence holders who cannot receive BBC digital services. [201764]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): It is not my intention to discount the BBC licence fee for licence holders who cannot get BBC digital services. Rather, my intention is to accelerate the process and preparation for digital switchover, so that all can receive that service.

Mr. Prentice: Well, that is a bit disappointing because 27 per cent. of the population cannot get digital terrestrial services but they pay 100 per cent. of the licence fee. If that state of affairs were to continue for a year or two, that would perhaps be acceptable, but, with digital analogue switchover to be completed by 2012, that is asking an awful lot of people who cannot get digital services.

Tessa Jowell: I accept the sentiment behind my hon. Friend's comments. It is precisely because of the limited range of digital terrestrial television at the moment—only 73 per cent. of the population can access DTT—that we maintain as a principle the policy of platform choice, so that his constituents who are unable to get DTT may opt for another platform, either cable or satellite. However, I entirely accept his impatience. The public want more digital television. The process of digital switchover has real momentum, but we will proceed on the basis of the broadcasters' judgment on when it will be technically right to undertake switchover region by region. They are currently charged with providing that advice to us.

Mr. Peter Atkinson (Hexham) (Con): The Secretary of State will realise that there is considerable resentment felt by those who cannot receive digital terrestrial television and will not be able to receive it except by satellite. Will she do her best to ensure that there is a new free-to-view satellite service, so that people in rural areas in my constituency who will not be able to receive digital television until the switchover can at least be offered the satellite option at no cost?

Tessa Jowell: The short answer is yes. We have already had discussions with the BBC about that, and I know that Sky is also looking at that option. As the hon. Gentleman says, for a small number of people in isolated communities, satellite will be the only option but two principles drive this policy for Government. The first is ensuring universal access, and DTT is the most effective way of doing that, and the second is ensuring affordability. With the reduction in the price of the set-top box, DTT is set to make a free-to-air offering of up to 29 or 30 channels for people, without any additional subscription cost.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): The Secretary of State is on record as saying that she regards it as inconceivable that the licence fee might be replaced as a source of funding for the BBC. How, then, does she react to the preliminary report of her adviser, Lord Burns, who said that the growth of digital channels and multi-channel television will make the licence fee unsustainable and that it should be reviewed in five years?

Tessa Jowell: With great respect, I do not think that I have ever described the likelihood of the licence fee being replaced as "inconceivable". I have certainly said that I think it unlikely, improbable and so forth. [HON. MEMBERS: "Hear, hear."] I am glad to hear the chorus of approval welcoming that fact.

Lord Burns's report, which is published on the website, as all charter review material is published in the spirit of openness and transparency, describes the licence fee as the least worst option, alongside an evaluation of alternatives. The hon. Gentleman will no doubt also look at what the public said about the licence fee. When faced with the alternatives, they decided that they liked the licence fee best of all.

The critical question, however, is what funding will give the BBC the greatest certainty and the best capacity, first, to maintain the high-quality wide-ranging programme content that people want and, secondly, to equip it best financially to deliver its leadership role in digital switchover. For those reason, paths lead back to the licence fee, at least for the next charter.

Mr. Speaker: Order. May I appeal to the Secretary of State to give shorter replies at the next Question Time because we are now going into injury time?

National Railway Museum

9. **Hugh Bayley** (City of York) (Lab): What grant-aid her Department gives to the National Railway museum in York. [201765]

The Minister for the Arts (Estelle Morris): The National Railway museum is a branch of the National Museum of Science and Industry. Although we grant aid the NMSI, it then makes its own judgment about the grant-in-aid that it allocates to the National Railway museum, which received £6.1 million this year from the NMSI.

Hugh Bayley: My right hon. Friend is committed to broadening access to culture and heritage. Is she aware that the National Railway museum has almost doubled attendances since the Government removed admission charges and, at 40 per cent., gets more social class C2, D and E visitors than any other national museum, yet receives less funding from her Department than most other national museums? Will she address that in her forthcoming funding announcement? Will she find a date when she can come to York to discuss with the museum director what the museum is doing for the region and the nation?

Estelle Morris: I agree that since free admissions were introduced it is good to see an increase in visitors to all the museums that used to charge. The statistic that my hon. Friend quotes is pretty similar for all museums in that category. I would argue a little about the increase in grant. I am not sure that the museum has received a smaller grant than others. It is about 22.9 per cent. I accept, however, that that includes money to enable free admissions. We hope to continue investing in the arts, including museums, and further announcements will be made in due course when we announce the results of the spending round.

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough, representing the Church Commissioners, was asked—

Redundant Churches

21. **Mr. Gordon Prentice** (Pendle) (Lab): How many redundant churches have been converted to other uses in each of the last three years. [201747]

Second Church Estates Commissioner (Sir Stuart Bell): Thirteen in 2001, 28 in 2002 and 30 in 2003.

Mr. Prentice: These are significant figures. It is always sad when churches close because the congregations go away and disperse, but are there any inappropriate uses to which those redundant churches will not be put? Can my hon. Friend give me some examples?

Sir Stuart Bell: That is a double negative. First, the use of redundant churches must be by another Christian body or for wider community purposes that are generally regarded as most suitable. In terms of the second negative, the commissioners usually impose covenants on the new owner of a redundant church, restricting its use to that approved under statute and prohibiting any unauthorised architectural or structural alterations, demolition and the disturbance of human remains.

ELECTORAL COMMISSION

The hon. Member for Gosport, representing the Speaker's Committee on Electoral Commission, was asked—

Postal Voting (Fraud)

22. **Simon Hughes** (Southwark, North and Bermondsey) (LD): What steps the Electoral Commission is taking to prevent fraud in postal voting. [201748]

Mr. Peter Viggers (Gosport): The Electoral Commission has produced several reports and made a number of recommendations for changes in the law relating to postal voting, and looks forward to the Government's response in due course. It is also working with relevant authorities to develop best practice to combat fraud.

Simon Hughes: Will the hon. Gentleman join me and others who support the view of the Electoral Commission and the Office of the Deputy Prime Minister Select Committee that, in the light of the bad experience of postal voting earlier this year, and with the prospect of a general election next year, there should be some early legislation to make voting applications personal, not by household, to allow them to be seen as they are made; to allow any patterns in applications to be seen; and to clean up thoroughly the present unsatisfactory nature of applications, with fraudulent declarations of identity?

Mr. Viggers: Yes, the Electoral Commission will develop proposals for a foundation model, as suggested in its report, "Delivering Democracy", and it will report before 31 March 2005. It will consult with interested individuals, including Members and political parties, as the development work gets under way next year. The model is expected to build on the benefits of all-postal voting but also to retain use of polling stations. As for legislation, as the hon. Gentleman will well know, that is a matter for the Government and the House.

Chris Bryant (Rhondda) (Lab): Can I urge the hon. Gentleman not to get too over-excited about the issue of fraud in postal voting? Between 5,000 and 7,000 postal votes were cast in my constituency in the local elections this year, with no accusations of fraud. The one issue that most troubled many voters was that someone else had to watch over them when they were signing a form, which was enforced on us by the Liberal Democrats. Many people find it troubling that someone else must act as a witness to say that they are the person who they said that they are.

Mr. Viggers: The hon. Gentleman is right. The commission has noted that the level of allegation and prosecution in the areas where all-postal voting was piloted is at this time no higher than that noted in a conventional election in those areas. The other point that he makes is entirely correct, and the Government have now moved to eliminate that type of form.

Mr. Jonathan Djanogly (Huntingdon) (Con): Following the highly unsatisfactory all-postal vote for the north-east assembly, could the hon. Gentleman now confirm that never again will voters be forced to go to the polls without the choice of casting their vote in a ballot box?

Mr. Viggers: As my hon. Friend will have heard me just say, the Electoral Commission is now working on a foundation model, and recognises that a significant proportion of the population wish to cast their vote in a ballot box.

Overseas Voter Registration

23. **Mr. Greg Knight** (East Yorkshire) (Con): What steps the Electoral Commission is taking to promote overseas voter registration. [201749]

25. **Sir George Young** (North-West Hampshire) (Con): What technology the Electoral Commission is using to aid overseas voters in registering for the next general election. [201751]

Mr. Peter Viggers (Gosport): The commission provides information and application forms to eligible overseas electors through its websites. In addition, information has been provided to the Foreign and Commonwealth Office for use on the websites of overseas posts. Whenever the commission undertakes general voter registration campaigns, it includes targeted public relations activity, directed at potential eligible overseas electors.

Mr. Greg Knight: Why is the Electoral Commission spending £705,000 in the current financial year specifically to encourage young people to get out and vote, yet only £9,000, the majority of which, I understand, is staff costs, is being spent to encourage overseas voters to register and vote. As it has been estimated that up to 4 million people are living overseas who could take part in our democratic process, is not that discrepancy somewhat perverse?

Mr. Viggers: My right hon. Friend is on to a very good point. The Foreign and Commonwealth Office estimate of British citizens living overseas is 15.5 million, and there is no accurate estimate of the number of those who would be eligible to vote by reason of having been registered on an electoral register in this country within the past 15 years. It is difficult for the Electoral Commission to consider such a wide range of individuals because they are difficult to identify and even more difficult to reach. It is a stark fact, however, that only 11,496 persons were registered to vote from overseas in February 2001. We all have our part to play in encouraging more registrations and voting.

Sir George Young: On that theme, can I press my hon. Friend on online registration? If a citizen can file his tax return online and discharge that civic obligation, why can an overseas voter not complete his electoral registration form online and discharge another important civic obligation?

Mr. Viggers: Indeed, the Electoral Commission has given some thought to that issue, it is in its mind, and it would be one way to facilitate the registration and voting of overseas residents.

Mr. Harry Barnes (North-East Derbyshire) (Lab): Should not the Electoral Commission simply let overseas registration wither on the vine? People should be registered in the country responsible for the relevant laws and economic arrangements—a principle that should be fully adopted not just in this country, but overseas. We should at least change the law regarding a link with the past from 15 years to just five years; at the moment, the situation changes when people move overseas.

Mr. Viggers: I would prefer not to be drawn down that path. As a spokesman for the Speaker's Committee, it is not for me to comment on such matters, but the hon. Gentleman's point will be noted.

Mr. David Heath (Somerton and Frome) (LD): While encouraging those who are eligible to vote to do so, is it not important to maintain for overseas voters the same level of precaution against fraud that we are urging in respect of our domestic electorate? Is the Electoral Commission doing any work on the difficulties experienced by those who register in this country, but who are in fact nationals of other countries and are not entitled to vote in British elections?

Mr. Viggers: The hon. Gentleman makes a good point, but it goes slightly wide of the question so I would prefer to leave it for the moment.

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough, representing the Church Commissioners, was asked—

Women Bishops

24. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What assessment the commissioners have made of the funding implications of a General Synod vote to allow women bishops; and if he will make a statement. [201750]

Second Church Estates Commissioner (Sir Stuart Bell): None. By way of a statement, the General Synod has yet to decide whether in principle it wants to embark on the legislative process that would be necessary to enable women to be bishops.

David Taylor: It is very appropriate for the Church, in this season of Advent, to prepare for the arrival of female bishops, and it is proper and reasonable to provide for those who cannot accept the ministry of women in the episcopate. But in addition to its theological and practical flaws, would not the proposal for a new, third province parallel to Canterbury and York cause serious financial damage to the Anglican Church at every level—from the lowest and humblest parochial church council, such as that on which I serve, to the most elevated of bodies, such as the Church Commissioners, on which my hon. Friend serves?

Sir Stuart Bell: The question of a third province would doubtless appeal to the hon. Member for Lichfield (Michael Fabricant), who is in his place. The General Synod will be asked at its February meeting to take note of the report, and in principle, the decision as to whether it wishes to remove the legal obstacles to women's ministry in the episcopate will come later in the session. The wider point that my hon. Friend makes will of course be taken fully into account.

Mr. Robert Key (Salisbury) (Con): But does the hon. Gentleman not agree that the Church of England should have learned its lesson about separate arrangements for those who disagree with the general opinion of Synod, and that it would be very helpful if, in the interest of the good governance of the Church, the commissioners undertook a survey of the options mentioned by the Bishop of Rochester in his recent report? That survey will hopefully show that people will not be forced to come to a particular conclusion that is based on money, rather than on the very good sense that the Synod will demonstrate when it agrees to women bishops.

Sir Stuart Bell: I take note of the hon. Gentleman's point, which reminds me of a comment that you will be very familiar with, Mr. Speaker. I have no instructions to give other than this House directeth me, although in this case it is question of how the Church of England directeth me. On the financial implications, the Church is giving the Bishop of Rochester's report serious consideration and the archbishops have commended it for prayerful study. There is a very long synodical process through which we shall reach the question of women bishops, and I am sure that the hon. Gentleman's point, along with the other points raised, will be taken fully into account when Synod meets in February.

Terms of Employment (Clergy)

Mr. Ben Chapman (Wirral, South) (Lab): What recent assessment the commissioners have made of the work of the Department of Trade and Industry working group looking at terms of employment for members of the clergy. [201752]

Second Church Estates Commissioner (Sir Stuart Bell): No concrete proposals have emerged from the DTI working group's meetings to date.

Mr. Chapman: Does my hon. Friend think that satisfactory? I recognise that the wheels turn exceedingly slowly in respect of Church matters, but can he indicate whether any progress has been made, what direction the working group is taking, and when we might expect some form of announcement?

Sir Stuart Bell: The thrust of my hon. Friend's question is a matter for the DTI, since it is up to its working group to introduce concrete proposals. The working group's discussions concerning the service review have been reported back to the clergy, and a report on the second phase of its work will be submitted to the Archbishops Council later this month.

"The mills of God grind slowly, yet they grind exceeding small; Though with patience He stands waiting, with exactness He grinds all."

I would submit that, at the end of the day, we may reach the conclusion that my hon. Friend wishes.

Church Appointments

27. **Miss Anne McIntosh** (Vale of York) (Con): If he will make a statement on the consultation procedures for Church appointments. [201753]

Second Church Estates Commissioner (Sir Stuart Bell): Different procedures are used for different appointments. In all cases, consultation is extensive whether it be for the appointment of diocesan bishops, other senior clerical appointments or parish appointments.

Miss McIntosh: I thank the hon. Gentleman for that reply. Will he join me and, I hope, the whole House in paying fulsome tribute to the present Archbishop of York and wish him God speed in his new parochial duties when he steps down from his current position? Will the hon. Gentleman assure the House that the consultation to which he just referred will be as wide as possible in respect of the succeeding Archbishop of York? Will he have regard to the turmoil in the Church of England, to which the archbishop referred, and ensure that both wings of the Church—the traditional and the modern—are represented?

Sir Stuart Bell: I am grateful to the hon. Lady for mentioning the retirement of the Archbishop of York, who will take up his position as a parish priest on 15 January. I am sure that all hon. Members will wish him God speed in his new role and will welcome and appreciate the work that he has done up to now on behalf of the Church. We all read with great interest his interview, published in *The Sunday Telegraph* yesterday. As to the consultation process, I doubt whether there has ever been one as wide and far-reaching as the present one. It includes the hon. Lady herself, who was asked to give her views, as have others within the Church. As a result of the extensive consultation period, I am sure that, when it comes, the appointment will represent the widest interests of the Church.

ELECTORAL COMMISSION

The hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, was asked—

Local Referendums

28. **Hugh Bayley** (City of York) (Lab): What advice the Electoral Commission gives to local authorities on the conduct of local referendums. [201754]

Mr. Peter Viggers (Gosport): I have to tell the hon. Gentleman that local referendums are held under the auspices of the Local Government Act 2003 and, as such, are outside the remit of the Electoral Commission.

Hugh Bayley: Does not the hon. Gentleman nevertheless have a view that it would be good practice, when the local referendum takes place, for the question and supporting documents to be agreed on an all-party basis?

Mr. Viggers: It is not really my role to have views, Mr. Speaker, but I can say that the Electoral Commission can give advice where it has expertise and knowledge. It will no doubt take account of the point that the hon. Gentleman has made.

Benefits Uprating and Welfare Reform

3.32 pm

The Secretary of State for Work and Pensions (Alan Johnson): With permission, Mr. Speaker, I would like to make a statement on benefits uprating in the context of this Government's continued fight against poverty and our aim of employment opportunity for all. I shall place full details of the uprating in the Vote Office and arrange for figures to be published in the *Official Report*. I can confirm that most national insurance benefits will rise by the retail prices index, which is 3.1 per cent: and most income-related benefits will be uprated by the Rossi index, which is 1 per cent. From next April, retirement pension will go up by £2.45 a week for single pensioners and £3.95 a week for couples. When we came to office, the pension was just £62.45 for a single person: from April it will be £82.05, and £131.20 for couples.

As my right hon. Friend the Chancellor set out in last week's pre-Budget report, both next year and in the spending round to 2008, the pension credit will rise faster than inflation by average earnings, meaning that there will be 600,000 fewer pensioners in poverty than if the guarantee was uprated only in line with prices. Next year, the guarantee credit of pension credit will rise so that no single pensioner need live on less than £109.45 a week and no couple on less than £167.05 a week.

The threshold for the savings element of pension credit will be uprated so that it remains equal to the basic state pension. That means that a typical single pensioner will now gain from pension credit if they have an income of up to £150 a week, while a typical couple will gain on an income of up to £220 a week.

More than 3.1 million pensioners are now in receipt of pension credit, with an average award of more than £41 and with average arrears payments running at around £1,000. Each week, the Pension Service works to help pensioners access their entitlements in their local communities. It is a personalised service that has also led to increases in the take-up of attendance allowance, carers allowance, council tax benefit and housing benefit.

Take-up of pension credit has been strongest among the very poorest pensioners. The definitive national statistics figures on take-up rates will not be available for some time, but among those whose incomes would otherwise be below the guarantee element—currently £105—our best estimate is that take-up rates are running at more than 80 per cent. Among those with incomes at or below the basic state pension who do not gain from the savings element, we are now outstripping our expectations at the time of the spending review, in case load terms, by 25,000 households, or by at least £40 million this year in expenditure terms.

Following all the measures introduced since 1997, the average pensioner household will be £1,350 per year better off in 2005–06 as a result of our tax and benefit policies than they would have been under the 1997 system, while the poorest third will be £1,900 per year better off. In total, there will be an extra £10 billion spent on pensioners in 2005–06. That is £7 billion more than an earnings link would have given them, with almost half of the £10 billion extra spending going to the poorest third of pensioners.

As well as targeting our help at the poorest, we have done more for all pensioners than an earnings link would allow. Take for example, a single pensioner aged 76, living alone and with an income too high to be eligible for pension credit. A straight earnings-related uprating would give her £9.90 extra a week. Instead, this year, as a result of our reforms, she has a basic state pension increased in real terms by 7 per cent., a £200 fuel allowance and a free TV licence worth £121 a year. That adds up to an extra £11.62—or £1.72 a week more than the earnings link would have provided.

With 1.8 million pensioners lifted out of absolute poverty since 1997, we have made remarkable strides in tacking the pernicious pensioner poverty that we inherited in 1997, and we will continue to make its eradication our priority. We reject proposals that would see the poorest pensioners fall back into poverty and that would be an unsustainable burden on the public finances.

Around three quarters of individuals below the poverty line live in households with a pensioner or a child, so as well as tackling pensioner poverty, we are right to focus on child poverty. We have lifted more than half a million children out of relative low income since 1997. The child tax credit will increase by earnings, and the maximum eligible child care costs covered by the working tax credit have increased by 50 per cent. to £300 for two or more children.

The standard rate of maternity allowance and statutory maternity pay will be increased by the retail prices index to £106 a week. Last week my right hon. Friend the Chancellor announced the extension of paid maternity leave. Instead of the 16 weeks in 1997, it will rise from six months today to nine months in April 2007, with a goal of an entire year of paid maternity leave. Whereas the maximum maternity pay and child benefit for mothers at home with their first baby in 1997 was just £2,610 for the first year, it will rise by 2007 to £8,300—a real-terms increase of £5,000.

In addition, the pre-Budget report also announced our new measures for child care, including an extra 1 million child care places being made available by 2010 and an increase in the number of Sure Start centres from 600 to 3,500 over the same period. That will not only improve the education opportunities of children but help parents to get into work.

A job is the best route out of poverty, and continued investment in the new deal and Jobcentre Plus will help us to move even further towards full employment and away from the mass unemployment of the 80s and 90s. We have the highest employment rate of the major industrialised nations, with unemployment at its lowest level for 30 years. There are 2 million more jobs than in 1997, with 1 million people helped into work through our new deal programmes. We have seen an increased employment rate for lone parents, disabled people, ethnic minorities, the low skilled and people aged 50 and over. For the fifth successive year, I can announce that we are freezing non-dependent deductions to relieve the pressure on low-income parents who are housing their adult children.

We are determined to ensure that everyone has the opportunity and the incentives to work. Our pathways to work pilots have achieved outstanding early results, with twice as many sick and disabled people getting

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back to work in pilot areas compared with non-pilot areas. The pre-Budget report announced our intention to build on that success by extending the scheme to a third of the country, covering the areas with the greatest concentration of incapacity benefit claimants, starting from October 2005.

With nine out of 10 people expecting to work again when they first claim incapacity benefits, pathways is helping them to meet their aspirations, fostering a culture change where sickness and disability need no longer mean a withdrawal from work. We are committed to extending that culture change by working with GPs and other health care professionals to embed a more positive attitude towards the beneficial effects of work. We will make a range of support available to GPs, including improved training materials for new and existing doctors to help them to support patients in getting back to work effectively.

We are piloting a scheme, based on innovative projects such as those undertaken in Glasgow, Bristol and Camden, to place employment advisers in GP surgeries. We are allocating £30 million more to expand the number who can benefit from the new deal for disabled people. We want to try to reduce bureaucracy for GPs, but also to build up our understanding of the most effective ways that GPs are helping their patients to manage a return to work.

A key part of that culture change is eliminating discrimination. We are proud to have introduced our Disability Discrimination Bill, which is today being debated on Second Reading in the other place. Combined with our extension of the Disability Discrimination Act 1995 in October, we are radically transforming the rights and opportunities of disabled people. We are also committed to breaking down the barriers that older workers face by taking steps to tackle age discrimination and improve the financial inducements for people who decline to take their basic state pension at the age of 65.

The Pensions Act 2004 improves the rewards for deferring the state pension and gives people the new choice of taking an enhanced pension or a lump sum of, on average, £20,000 to £30,000 for people who choose to delay taking their state pension for five years. Furthermore, the rewards are significant even for choosing to defer for a period of substantially less than five years. For example, a 65-year-old single man entitled to a state pension of £105 a week who defers for two years would be entitled to an increased pension of more than £126 a week, or a lump sum of £11,600.

With today's uprating, we continue our commitment to and progress towards a fair and inclusive society of opportunity and independence for all, tackling poverty and breaking down the barriers that prevent people from realising their own aspirations in the workplace. I commend this statement to the House.

Mr. David Willetts (Havant) (Con): We broadly welcome the statement. We also welcome the Secretary of State to the House. I was half expecting someone else, when I read a story in *The Sun* today about Labour's

"New pensions supremo, Alan Simpson",

topped with a nice photo of the hon. Member for Nottingham, South (Alan Simpson)—so it is good to see the Secretary of State here.

I hope that the right hon. Gentleman will explain further the background to his plans for pension credit, because there is an interesting difference between what was stated in the official release of the Chancellor's autumn statement and what the Secretary of State has said today. According to the official release, the Chancellor was going to say last week:

"I can confirm that next year the pension credit will rise faster than inflation—by average earnings"

which of course left scope for a change of strategy after that—we know that the Secretary of State regards the pension credit as a short to medium-term policy only. However, what the Chancellor told the House, as recorded in *Hansard*, is:

"I can confirm that, next year and in the spending round, the pension credit will rise faster than inflation—by average earnings"—[*Official Report*, 2 December 2004; Vol. 428, c. 787.]

and it is that formulation that the Secretary of State has repeated today. Does he realise that if he keeps increasing the pension credit by earnings and the basic state pension by prices, the gap between the value of means-tested benefits and the basic state pension will widen? How could that possibly be consistent with what he told us he wanted when he said that we had to

"bite the bullet and look at the state pension system . . . so that if you do a lifetime's work, it will deliver a pension above the basic level of means-tested support."?

His uprating statement today is inconsistent with the strategic aim that he set out in that speech last month. We need to know what he is trying to do, and whether he believes in means-testing increasing indefinitely.

It is all right the Secretary of State being a free spirit, speculating about how he can reform the pensions system when he is giving speeches outside this Chamber or in interviews with *The Daily Telegraph*, but what happens when he turns up here and gives a totally conventional uprating statement that will lead to more means-testing and more pensioners on means-tested benefits? He must make his strategy clear. Following another of his recent media appearances, I read in the *Telegraph* on Saturday, I think it was, that he spent his youth playing in a pop group called "The In-Betweens"—perfect positioning in today's Labour party, in between the Prime Minister and the Chancellor, and in between means-tested benefits and pension reform. We want to know his strategy for pensions.

Will the Secretary of State confirm that pensioners who got an extra £100 in their benefits this year will not get that next year but will get a £50 special payment instead, so that, after allowing for inflation, there will be a fall in the real value of benefits for pensioners next year compared with this year? Will he also confirm that that is before further increases in council tax? Studying the small print of the Chancellor's autumn statement reveals that average council tax will increase by 8 per cent. next year; what does that mean for real pensioner incomes?

The Secretary of State's statement was billed as being about not only benefits uprating but welfare reform, so let me ask him about what welfare reform means to him. It is obviously important that we reform welfare, and if ever the Government get around to trying to do so seriously, the Conservatives will back them. However, I admit to a certain world-weariness when I see another

enthusiastic, fresh-faced Secretary of State, new to his office, come into the Chamber to announce that he will engage in welfare reform. We have been here before, and reform has never been delivered before. Why should it be any different this time?

Nowhere is the gap more obvious than in incapacity benefit, which the right hon. Gentleman mentioned today. May I quote what the Prime Minister said more than five years ago about reforming welfare and incapacity benefit? He said:

"we are reforming the welfare state, and in particular, we are reforming incapacity benefit ... There are now more people claiming incapacity benefit than claiming unemployment benefit. That situation cannot possibly be sustained."—[*Official Report*, 10 November 1999; Vol. 337, c. 1123.]

That was in November 1999, but since then the number of people on incapacity benefit has gone up from 2.267 million to 2.405 million. Having previously been promised welfare reform that was not delivered, why should we believe the Secretary of State this time, especially when the number of young people who are not working, studying or training has gone up since Labour came to office in 1997 and since the introduction of the new deal? It now stands at 1.112 million, which is the highest figure since 1997. Does that not tell the Secretary of State that there is something wrong with his protestations about welfare reform?

The Secretary of State referred to families, but will he comment on something that he carefully removed from his uprating statement? He talked about child tax credit and the uprating of the value of the child element of the tax credit. He did not say anything about the freezing for the second year of the value of the family element of the child tax credit. That is significant, because the child element of the child tax credit is heavily means-tested, and that is the part into which the Government are putting more money. The family element of the child tax credit goes to most families, and Labour is freezing it. The underlying policy for families, just as it is for pensioners, is more means-testing. The direction of policy on families is more means-testing, just as it is for pensioners. I am pleased that the Secretary of State has asked his officials for a note because, sadly, there are not many families in this country who can find their way around the Gordon Brown system. The statement involves more means-testing for pensioners and families, but that is not the direction in which we believe the country should go, and it certainly cannot be called welfare reform.

Alan Johnson: I reassure the hon. Gentleman that the Secretary of State for Work and Pensions still resides in Hull rather than Nottingham. I was surprised to see the photograph myself—Alan Simpson must be even more surprised.

I thought that there was terrific news in the statement about pension credit, which is something in which hon. Members on both sides of the House should be interested. Her Majesty's official Opposition do not want to do away with pension credit, and neither do the Liberal Democrats, so we all have a shared concern in making sure that we achieve maximum take-up. In my statement, I pointed out that we are succeeding in reaching the poorest pensioners who are on incomes even lower than the basic state pension because they did not make enough national insurance contributions. That is relevant to the point about uprating, as it is tremendous news for those pensioners that we will continue to index the guaranteed element of pension credit by earnings.

It is no good embarking on the task of taking millions of pensioners out of poverty—we are providing them with the reassurance of a safety net, including an additional savings element—and lifting 1.8 million pensioners out of abject poverty only to start to go backwards. The result, as I said in my statement, of linking the pension credit to prices rather than earnings would be 600,000 pensioners falling back into poverty. Indeed, the hon. Gentleman's policy of linking the pension credit to price rather than earnings would mean that, at the start of the 21st century, pensioners who are striving to get closer to average earnings—our ambition is to eradicate pensioner poverty—are, in fact, taken backwards. The statement is therefore good news for individuals on pension credit, and people would be extremely concerned about any political party that seeks to unravel what we have put in place.

The hon. Gentleman said that the proposals were inconsistent with the basic state pension, but there is no inconsistency at all. On the back of the Turner commission, we are looking at a new world for pensioners, in which there is a doubling of the number of people over 65 as a proportion of the population. The birth rate is declining, longevity is increasing and all countries must face the issue of what we are going to do in the long term. That should be a more mature debate than the debate about today's pensions. Of course today's pensions are important, but they must be sustainable into the future. We make no apology for looking at the long term. Part of the accusation was that we had a short-term approach, but there was no more short-term approach than that displayed by the right hon. and learned Member for Folkestone and Hythe (Mr. Howard), the Leader of the Opposition, who said that pensioners were more concerned with today than with what happens in 2050. Society and politicians must be worried about the situation now and in the future.

The hon. Gentleman said that there had been various speeches on welfare reform but that nothing had happened. One does not need to look at figures or statistics. One need only walk into a Jobcentre Plus office to see the transformation in welfare reform. It is not just the practical effect of merging the Employment Service with the Benefits Agency. It is the whole approach to people who need help to get back into work—the eradication of the screens and the dreadful atmosphere in those places, which made the customer feel more like a guilty party than like someone seeking assistance. Our reforms through Jobcentre Plus have been remarkable. The hon. Gentleman's policy of privatising Jobcentre Plus and abolishing large chunks of the new deal should concern us all, were there any danger of the Conservative party being elected.

The other aspect of welfare reform that the hon. Gentleman mentioned was IB. It takes a certain amount of panache and style—I give him credit for having both—to stand at the Dispatch Box as a Conservative MP and a member of the Government in the previous Administration, and speak about incapacity benefit. Let me remind the House that that trebled from 700,000 to 2.6 million between 1979 and 1997. Had we carried on that trend, there would now be 4 million people on

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incapacity benefit. The figure has risen from 2.6 million to 2.7 million because the inflow into incapacity benefit is down by a third.

We must improve the situation even further. Pathways to work is an incredibly important element of that, and I am pleased that the Chancellor last week announced its extension to a third of the country. Given that we have the most stringent gateway into incapacity benefit in the world, as measured by the Organisation for Economic Co-operation and Development, we must examine why people are coming on to that benefit. One factor—the hon. Gentleman asked for some of our thoughts on the subject—is that a third of people are flowing on to incapacity benefit direct from the workplace. They were originally on statutory sick pay. When that runs out, they lose their link with the workplace, stay on the same rate but are suddenly into incapacity benefit. Then we spend an awful lot of time seeing how we can turn those people around and get them back into a job.

There are some important lessons to be learned there, but the most important lesson from pathways to work is that so many people on IB want to be back in work. They do not want to be treated as they were by the previous Government—condemned to a life on benefits. They want a helping hand to get them into work. That is what pathways to work is all about.

The hon. Gentleman mentioned the NEET figure—those not in education, employment or training. The increase is entirely explained by the increase in population. Nevertheless, it is too high and we need to tackle the problem. That is why there were a range of measures in the pre-Budget report last week, including the concentration on skills and the change to the benefit arrangements so that those who are in full-time training unwaged can pick up some financial assistance, in the same way as others get the education maintenance allowance. There are important issues that need to be dealt with.

Finally, the hon. Gentleman asked a question about which I make no excuse for having sent for a note. My understanding, before receiving the note, was that the issue was part of the changeover to working tax credit. The family element stays at £545, so families will receive exactly the same, in nominal terms. Since we came to power in 1997, families with two children and an income of £50,000 have received a large boost, raising financial support for their children from £20 a week to £38.90 a week next year—a real-terms increase of 59 per cent.

Tom Levitt (High Peak) (Lab): There is no better way of improving the income of people at the bottom of the income ladder than helping them off benefit and into work. Will my right hon. Friend look at the pathways to work project figures for the Glossop Jobcentre Plus office in my constituency? At the beginning of the project, the office was set a target of ensuring that 12 people on incapacity benefit moved into employment over six months. It achieved that result in 40 cases, which is a real success, and I hope that my right hon. Friend will pay tribute to it. My only criticism of what he has announced today is that the roll-out of pathways to work is not fast or great enough.

Alan Johnson: My hon. Friend makes an important point about the work that our people on the ground, including those in Glossop, do to achieve such remarkable results. I am not surprised by what has been achieved. When I visited Gateshead I met the staff involved, who have years of experience of dealing with people and trying to get them into work, and they said that the results exceeded all their expectations. As for my hon. Friend's disappointment, the scheme is still in its early days. It is barely six months old, and in the expansion not only in the other areas being covered but in existing pathways to work areas, where we will now move on to those who have been on IB for three years or longer, we will have to take things carefully, so that we are absolutely sure that we are learning all the lessons to keep this remarkable momentum going.

Mr. Steve Webb (Northavon) (LD): The Liberal Democrats welcome a number of aspects of the statement, including the planned improvement in maternity provision. If I might briefly don my anorak, may I congratulate the Secretary of State on freezing non-dependent deductions for the fifth year running? When young people are increasingly being forced out of family homes, anything that reduces the pressure on low-income families and makes it easier for those young people to stay is a good thing. That is an obscure corner of the system, but I welcome the direction of Government policy.

I also welcome the courageous, visionary and pioneering way in which the Secretary of State is agreeing with the Liberal Democrats on the subject of the citizen's pension. I welcomed his weekend comments in the press about his approach to that issue. Will he give us a flavour of the response that he has received from ministerial colleagues in other Departments when he has broached with them the ideas that he is thinking about in this reform to pensions?

On the specific group of childless adults, will the Secretary of State tell us his thinking as reflected in today's statement? He will be familiar with the New Policy Institute's recent report highlighting poverty among childless adults, who have inevitably been a lower priority than children and the elderly, but are not irrelevant. Let me give two examples that arise from the statement. A woman of 59 on income support gets £56.20 a week—an increase of just 55p was announced today—but the next year her income will go up to £109, and almost double. In one sense, it is good that women can receive a generous amount at 60, but the disparity is growing every year. Can it go on like that? Can there be any logic in doubling somebody's income when she moves from 59 to 60, although her needs may be no different from one year to the next?

The other example is the case of a young woman under 25 with a partner who becomes pregnant. If the partner is not interested and disappears from the scene, she will be living on £44.50 a week—the increase will be just 45p. An expectant mother will be living on less than £45 a week. What does the Secretary of State think that it will mean for the well-being of the child if the woman receives only the single under-25 adult rate? Is it not

about time that he considered discrimination in the system against under-25s? Can it really be justified any longer?

Alan Johnson: I thank the hon. Gentleman for his support. He said that he was an anorak, but Labour Members think that he is well on the way to becoming a cagoul. I welcome his welcome of the freezing of non-dependent deductions and the increase in maternity provision.

I do not think that I will get involved in talking about internal discussions with other Ministers—

Mr. Willetts: Why not?

Alan Johnson: Okay, then. They all support the drive to take pensioners out of poverty and to have a sustainable and equitable pensions system into the future. For every Labour Member, the argument about the citizen's pension is not about whether we are for or against doing something for women pensioners or recognising that they have particular difficulties. The hon. Member for Northavon (Mr. Webb) knows the arguments about the contributory principle and the other elements that are there to help. There is, however, absolute unanimity that we must tackle the problem of women's pensions. The citizen's pension, for which the Liberal Democrats are now claiming credit, has been advanced by many Labour Members for many years. The importance of the issue among Labour Members reflects the fact that more women, although not enough, have entered the House of Commons, and that shift is reflected in many areas of policy that have changed dramatically since 1997.

The hon. Member for Northavon raised the Joseph Rowntree Foundation report, which states:

"There has been substantial success over the last decade in reducing child and pensioner poverty and unemployment."

The Rowntree report raises some points about childless single adults, and we must examine that area, but I hope that everyone understands that when we formed the Government, our priority was to tackle the fact that one in three children and 2.8 million pensioners were in poverty. The employment market is benign, and reducing unemployment has had a beneficial effect on all strata of society. We have been working to our priorities, but the Rowntree report rightly points out other areas that we should examine, now that we are seven years into government.

Mr. Frank Field (Birkenhead) (Lab): Although the Secretary of State was right to draw attention to the good news that the Government have unfolded in their programme, does he accept that voters quickly acclimatise to Government success, and then look to what the Government might do next? Given that the Tory party and the Liberal Democrats have outlined their plans for long-term reform, does he think that it will be easier for us to fight an election if our election manifesto includes a hint about our long-term pension reforms? [HON. MEMBERS: "Wait for Turner."]

Alan Johnson: We do not have to wait for Turner. My right hon. Friend is right to say that long-term pension reform will be an issue at the next election. We can point to the Pensions Act 2004, which is a crucial element in tackling that problem. It involves major reform on informed choice and security, in the form of the pension protection fund. Many of its other elements are linked with the Finance Act 2004, which merges eight different tax systems into one. Those measures are all progressive, and they will be crucial in this debate.

Many people would do well to wait for the Turner report, because Turner's analysis of the problem is exceptional. He says that even if the Government pushed him to produce his report more quickly he would not do so, because he believes that a comprehensive report that tackles the issues is much more important than a speedily produced report. *[Interruption.]* Perhaps that is Alan Simpson, asking what I am doing imitating him at the Dispatch Box.

In the foreword to his first report, Turner said that, looking ahead to 2030 or 2050, the issue is so important that knee-jerk reactions are not right, and that we—none more so than the Conservative party—were all living in a fool's paradise in the '80s and '90s. He also made the point that the problem requires a measured mature response from politicians. We should say something in the manifesto. Between now and the manifesto, however, we should not say that we have all the answers without waiting for the second report from Turner, and without having a debate, which the Turner report will instigate throughout the country.

Paul Holmes (Chesterfield) (LD): I welcome much of what the Secretary of State has said. I welcome the Disability Discrimination Bill, which is better late than never. Given that it has been introduced so late in this Parliament, I hope that it will reach the statute book. I also welcome the extra £30 million for the new deal for disabled people, which has been so successful that some of the organisations involved, such as the Shaw Trust, have been told to stop placing disabled people in work.

I also welcome the extension of pathways to work. Liberal Democrat Members have long said that it is a travesty that the disabled, who face the most obstacles to getting back into work, get only 3 per cent. of the £750 million budget for the new deal. In extending pathways to work to a third of the country, is the Secretary of State rethinking the policy of using the constant threat of benefit sanctions to try to force people into work? Personal advisers at one of the early pilots in Chesterfield in north Derbyshire told me—I have raised this before, in Committee—that they have to do a lot of work to undo the damage done when a disabled person claiming incapacity benefit receives a threatening letter saying, "You must turn up for a work-focused interview, on pain of losing your benefit, or part of it." The adviser has to try to ring the person before the letter arrives, to reassure them that the intention is to help them into work, not to threaten them or to take their benefits away.

Alan Johnson: The hon. Gentleman suggests that the Disability Discrimination Bill is better late than never, but we promised it in our last manifesto and said that it would be introduced in this Parliament—as, with a fair wind, it will be. That is why we gave it a First Reading the day after the Queen's Speech, and why it will have its Second Reading shortly.

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The hon. Gentleman also mentioned that another £30 million is going into assisting some of the problems identified by the Shaw Trust, and by other charities.

I disagree with the hon. Gentleman about sanctions. The pathways to work project has the backing of the disability lobby on the basis of rights and responsibilities. There is a responsibility to attend a work-focused interview. The £11 sanction for not turning up is fair and reasonable, given that the programme involves condition management and assistance such as a £40-a-week in-work credit to help disabled people once they get into work. I understand that insistence that they attend, to the extent of using the £11 sanction, is very rare. When I went to Gateshead I asked the people there how many times they had had to implement it, and they find not only that they do not have to do so, but that people who are not even part of the project, because they have been on IB for longer than a year, beat a path to their door to ask for help. The rights and responsibilities approach must continue. If there are any specific problems I should like to consider them, but that is the right approach, and we have wide support for it.

Mr. Tom Harris (Glasgow, Cathcart) (Lab): The Government's ambition to abolish child poverty is the most important that we have, and I welcome my right hon. Friend's comments on child tax credit. However, will he address the concerns of a constituent of mine to whom I spoke at the weekend, who had her initial award for child tax credit reduced by 80 per cent. in subsequent years because officials overestimated what she was due? She is not alone in that. What can my right hon. Friend and his Department do to ensure that such overestimates, and the misery and distress that they inevitably cause, are minimised?

Alan Johnson: I understand that my hon. Friend has an interest in these matters, his partner having given birth to a child quite recently. Every MP has examples of such problems, and we are working closely with the Treasury to try to solve them. To see what we have done to tackle child poverty, one need only look at the level of income support and child allowance that existed in 1997. Then, for a child of 0 to 11 years it was £16.90; next year, it will be £43.88—an increase of 127 per cent. We have to work to eradicate the genuine problems that my hon. Friend has identified, but that must not detract from the success of our attempts to eradicate child poverty.

Andrew Selous (South-West Bedfordshire) (Con): In the context of welfare reform, the Secretary of State will be aware that the working tax credit leaves many couples, and therefore any children that they have, up to £36 per week worse off than if they were on their own. That is in marked contrast to other social security systems, such as that in Australia. Will the Secretary of State investigate that anomaly to ensure that tax credit or benefit recipients are not worse off by living together than by being on their own? It must surely be wrong to penalise people for coming together as couples if they choose to do so.

Alan Johnson: I am not absolutely sure whether the hon. Gentleman is right—but he spoke with such panache and was so positive that I shall assume that he is, and the issue needs to be examined. However, the working tax credit and child tax credit have meant an enormous increase in reducing poverty. There are anomalies in the system, and they need to be tackled.

Mr. Peter Pike (Burnley) (Lab): My right hon. Friend knows that I support 100 per cent. the Government's pension credit policy, which helps the poorest pensioners. I also acknowledge that the pension centres have helped many pensioners in all our constituencies to get other benefits to which they are entitled. My right hon. Friend said that take-up was 80 per cent. That means that 20 per cent. do not get the credit to which they are entitled and which, in many cases, they desperately need. How do we reach that 20 per cent. and ensure that 100 per cent. of the pensioners who most need the help get it?

Alan Johnson: The first thing that we can do is knock on the door of every pensioner who we believe should claim the credit, but does not. That was suggested to us, and we will do it. On the point about the 80 per cent., we expected to have a rate of 70 per cent. take-up at this stage. The other point was that we are missing the poorest pensioners, and we must consider that carefully. Every indication that I have received suggests that part of the problem arises because some people are not sure whether the savings credit element, which can sometimes be £5 or £6, is sufficient. There is some confusion about that. There is also a belief among some people that if they claim pension credit they will lose housing benefit or some other payment. We must deal with that. We are also considering whether small payments could be paid as a one-off annual payment rather than a weekly payment, thus making the credit more attractive to claim. We are considering all those aspects, and we want to get 100 per cent. take-up if possible.

Hugh Bayley (City of York) (Lab): I welcome the success of the pathways to work pilots in helping people on incapacity benefit to get back into work. As my right hon. Friend rolls out and broadens the programme throughout the country, will he further consider the way in which medical rehabilitation services for people of working age could help to get them back to work? That could be an important part of the process.

Alan Johnson: My hon. Friend is right. That is why the Health and Safety Executive has a project under way. Rehabilitation has been underplayed by employers, who could use it to continue a link with people on long-term sickness, and do more to maintain that link and give them help. However, in pathways to work we also find that it is important for people to have not only the expertise of a personal adviser who is looking to place them in work, but condition management from the national health service, as well as GPs' awareness that getting them back into work could help their health. The suicide rate among those who are long-term unemployed is 35 times higher than that of people in work. For people with mental conditions, for example, being in work will be better than being out of work. When we all realise that and work together, that will be a success for pathways to work.

Orders of the Day

Railways Bill

[Relevant documents: The Seventh Report from the Transport Committee, Session 2003-04, The Future of the Railway, HC 145-I; and Fourth Special Report from the Transport Committee, Session 2003-04, Government, Health and Safety Commission and Executive, and Office of the Rail Regulator Responses to the Seventh Report from the Committee, HC 1200.]

Order for Second Reading read.

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Leader of the Opposition.

4.18 pm

The Secretary of State for Transport (Mr. Alistair Darling): I beg to move, That the Bill be now read a Second time.

The White Paper, "The Future of Rail", which I published in July this year, set out new proposals for reorganising the structure of Britain's railways. The Bill takes forward the legislative elements to implement that White Paper to simplify and restructure the railways and put right many of the problems caused by a botched privatisation 10 years ago.

The main provisions of the Bill are to wind up the Strategic Rail Authority; to transfer the railway safety functions to the Office of Rail Regulation; to change the way in which access charge reviews are calculated; to give the devolved Administrations more responsibility; to allow passenger transport executives and London to take greater responsibilities for services in their areas; to establish a rail passenger council as a single national body and end the formal federal structure of the passengers' committees; and to put in place a better way of changing rail services to allow more flexibility and to provide for rail, light rail and bus schemes. I shall return to all those points in greater detail shortly. Before I do, I should point out that other important changes need to be made, which were set out in the White Paper but do not require legislation, and I shall return to those later as well.

Before I turn to the provisions of the Bill, I want to put the proposed legislative changes in context. The railways are a vital public service and an essential part of the country's transport infrastructure. Whereas the railway industry was seen as an industry in decline in the early 1990s, today it is growing. Last year, more than 1 billion journeys were made—the first time that that milestone has been reached since 1961.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Does the Secretary of State put this renewed confidence in the railway industry down to the way in which the private companies have increased their customer numbers?

Mr. Darling: Actually, I would say that, despite the difficulties encountered by the railways over the past 10 years, it is to the credit of everyone involved that they are now carrying more people than at any time in the past 40 years. I am sure that the hon. Gentleman would agree that the railways have been through a very difficult time in the past 10 years, involving a traumatic privatisation—Railtrack was an absolute disaster in terms of its lack of stewardship of the railways and of its failure to get to grips with costs and allowing them to get out of control—and the dysfunctional organisation of the railways, some of which problems we are putting right in the Bill. I made it clear when I announced the review of the railways in January last year that the partnership between the private and public sectors is an important one in relation to the railways, but I am very sure that, without substantial public commitment—not just in organisational terms—and public investment, we could not bring in the corresponding private money, let alone anything else that is needed. I think that we part company with the Tories over this issue. Their idea is that all that they need to do is withdraw public funding—presumably the railways would have their share of the £1.8 billion of transport cuts that they are planning—but that would almost certainly result in a reduced amount of private money coming in. I am glad that the hon. Gentleman gave me the chance to make that point.

Mr. David Wilshire (Spelthorne) (Con) *rose—*

Mr. Darling: If the hon. Gentleman wishes to be as helpful, I shall certainly give way to him.

Mr. Wilshire: I should be delighted to help my hon. Friend the Member for West Derbyshire (Mr. McLoughlin) on this matter. If the Secretary of State chooses to describe privatisation as a disaster, how would he describe the creation of the Strategic Rail Authority? If that was anything other than a disaster, why is he abolishing it?

Mr. Darling: What I said was that the way in which the railways were privatised by the previous Conservative Government was a disaster. It was bad for the railways and hugely disruptive, and the decision to set up the SRA was—

Mr. Wilshire: A disaster.

Mr. Darling: No, it was an attempt to bring some order to a very disorderly railway system. Under its chairman, Richard Bowker, the SRA made a very good job of sorting out some of the problems that had resulted from the privatisation. I shall come back to the SRA shortly. The hon. Gentleman ought to be aware that the Conservative amendment implicitly calls for the retention of the SRA. He had better have a look at what he is being invited to vote for before he calls it a disaster.

Jeremy Corbyn (Islington, North) (Lab): I welcome the development of a publicly owned railway system in this country and the measures that my right hon. Friend is taking to ensure that the railway is publicly accountable and publicly run. Is he prepared to go a little further and say whether the train operating companies and franchises should also be publicly owned and run, where appropriate, on the ground that that can be done very efficiently?

Mr. Darling: I shall come to the question of franchising later. If I do not say anything about my hon.

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Friend's point, perhaps he will remind me of his question; I shall certainly come back to it. That is one way of guaranteeing an audience for at least another 15 minutes, because he will have to stay put until then. I would say to the hon. Member for Spelthorne that he should not worry; this would not be the first time that hon. Members had been taken aback by the fact that their amendment did not say quite what they thought it did. He should have a good look at the one tabled by the Conservatives.

There has been significant success on the railways, which is a tribute to all who work on them. Moreover, our investment nearly doubles railway investment over five years. Total investment in the four years to 2006 will be almost three times the amount at the time of privatisation. It is important to make that investment to back up the Bill.

Just 10 days ago, when we were discussing the Bill in the context of the Queen's Speech, the hon. Member for South Suffolk (Mr. Yeo)—the Conservative spokesman—made the surprising allegation that we had cut spending on transport. I did not intervene at the time, because I was puzzled by his assertion. Let me put the record straight now.

The hon. Gentleman compared the Department's spending according to the 2002 spending review—£11.2 billion—with that in the 2004 review, which he saw as £10.4 billion. The reason for the apparent reduction is that about £450 million of planned DFT spending is going into transport, £138 million of which is going into the ScotRail franchise and therefore goes through the Scottish Executive's books. About £300 million funds the Health and Safety Executive and goes through the books of the Department for Work and Pensions, while about £50 million goes directly to local authorities for concessionary fares. I do not want to labour the point, as I appreciate that it is some years since the hon. Gentleman was a Minister and the intricacies of public accounts are sometimes baffling, but I assure him that we have not cut transport spending. Only he and the Conservative party propose to do that.

Mr. Tim Yeo (South Suffolk) (Con): Is it not the case that, even if we include all the figures that have been buried in other Departments' accounts but are—we are now told—available for transport spending, the figure for the current year will be substantially below that projected for the current year in 2002?

Mr. Darling: Those figures are not buried. They are properly accounted for, as is necessary unless we are to hear a row from the Public Accounts Committee. In fact, we are spending about £200 million more than we had planned. The hon. Gentleman should note that, because we are not going to let go of the fact that, between now and the next election, he will have to explain how he will get £1.8 billion out of transport. I shall say more about that later, because it is relevant to the amendment. I did not realise that he had rubbished the David James report on efficiency savings quite so much, but I shall leave him to ponder on that for a few moments.

Dr. John Pugh (Southport) (LD): I do not know whether it was a Freudian slip, but the Secretary of State said that he hoped to get parts of the dysfunctional structure right. Are there other parts that he is not trying to get right?

Mr. Darling: Even for a Liberal Democrat, that is a pretty poor point. We had already fixed the other parts; now we are finishing the process. The Bill deals with only some of them.

The White Paper sets out six key changes that are necessary for us to build the right structure and which underpin the Bill. First, the Government will take charge of the strategic direction of the railways, because only a Government can do that. Over the years, at various times various governments have sought to distance themselves from the consequences of their spending decisions. I firmly believe that only the democratically elected Government of the day can decide how much to spend on the railways and roughly what their shape and size should be. That responsibility rests fairly and squarely with the Government.

When we looked at the organisation of the railways last year, we concluded that one of the first principles should relate to who is best placed to do what. When it comes to strategic direction, only the Government can decide.

Brian White (Milton Keynes, North-East) (Lab): The Railways Act 1993 placed a duty on the Secretary of State to promote use of the railways, which was transferred to the Strategic Rail Authority in 2000. Will that duty be transferred back to the Secretary of State?

Mr. Darling: Is my hon. Friend talking about the duty to promote freight?

Brian White: I was referring to passengers and freight.

Mr. Darling: Of course, promoting the railways is one of the Government's duties. The 1993 Act explicitly gave the SRA a role, but that is not explicit in this Bill. However, it follows from everything that I have said that, where the Government have a responsibility to decide the size and shape of the network, it is for the Government to be accountable for that. It would be difficult to impose on a Minister a duty to promote the railways. We are different from the SRA in the sense that we are elected. It would be open to another Secretary of State from another party such as the Conservative party to say, "I was elected to do something completely different." One has to live with the electoral consequences of that but, as far as we are concerned, the strategic direction of the railways and the responsibility on funding lie fairly and squarely with the Government and therefore with the Secretary of State. That is the first key point of the White Paper. It is important that people recognise that only the Government can do that, but the Government are in a slightly different position from an organisation that they may set up that has more specific responsibilities. The Government have a more general responsibility. Let us not shrink from that. It is up to the voters which Government they elect. They may want to elect a Government who slash and burn the railways, but I do not think that they want the Conservatives just yet.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The Secretary of State has said twice that it is only the Government who can choose a strategic direction for our railway system. Why therefore does the Bill give such big powers to the Mayor and Transport for London? The White Paper says:

"We will also consider whether . . . there should be any scope for Transport for London to take revenue risk from train companies".

Can the Secretary of State confirm that the Bill will not involve council tax payers in London taking risky ventures on railways in London or inflation-busting fare increases on top of the one that we have just had?

Mr. Darling: The Bill does not do that and I will come to London shortly.

The second key point of the White Paper was to give Network Rail clear responsibility for operating the network and for its performance, timetabling, route utilisation and so on. Thirdly, train and track companies must work more closely together, and they are doing that now. Fourthly, as I said, there will be an increased role for the Scottish Executive, the Welsh Assembly Government and the London Mayor, and more local decision making in London.

Pete Wishart (North Tayside) (SNP): Will the Secretary of State give way?

Mr. Darling: I will in a moment.

Fifthly, the Office of Rail Regulation will cover both safety performance as well as economic regulation. Finally, there is a better deal for freight, which will enable the industry and its customers to invest for the long term, which is an important point.

I want to talk about the proposals in the Bill that will help us to put in place some of those key changes. I will come on to the Scottish point, if that is what the hon. Member for North Tayside (Pete Wishart) wishes to raise, in a moment. First, clause 1 provides for the winding-up of the Strategic Rail Authority and will enable the Secretary of State, accountable to Parliament, to take charge of setting the railway strategy. That means that the SRA's strategic responsibilities and financial obligations will pass to the Secretary of State, although, in some cases, strategic responsibilities will also pass to the devolved Administrations. It also means that the Secretary of State and the devolved Administrations will take over some of the SRA's role, particularly that of awarding train company franchises. In order to put those changes into effect, it will be necessary for some staff to transfer from the SRA to the Department for Transport, or in some cases to Network Rail or the Office of Rail Regulation.

Again, I want to make an important point that has a bearing on the amendment that has been tabled by the Conservative party. This may be news to Conservative Members, but it wants, apparently, to keep the SRA because, it says, it does not want civil servants and/or politicians to take part in the award of contracts. Let us make one thing clear. Ministers will not be involved in evaluation and discussions in relation to the award of contracts. Of course they have to sign them off, as we did anyway with the SRA. When the SRA went through the contract process, of course it had to come back to the Secretary of State to sign off because there are huge financial implications.

As for the idea that people employed by the Department for Transport cannot do that work, they do it in the Highways Agency, which has long been recognised as an extremely good organisation in procurement. It is done on behalf of the Government, but the contract-awarding process is completely separated from Ministers, as it should be, so that will not happen. The idea that Ministers will be involved in negotiations or have any improper influence on awarding contracts is absolute rubbish, as the Opposition should know. The rail group within the Department is being reorganised to reflect that.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will my right hon. Friend make it clear that there is no question of any franchise being awarded on the basis of the known personalities or political connections of particular persons? The suggestion is going round the industry that a particular company will not get a franchise simply because of its direct connections with the Conservative party. That is ignorant nonsense and I want it denied here and now.

Mr. Darling: My hon. Friend is right to raise this point. I have not heard the suggestion to which she refers, but it is absolute nonsense and she can have the categorical assurance that she asked for. Franchises will continue to be awarded on the basis of completely open and transparent published criteria. Frankly, I do not care about the political allegiance of anyone running the railways; all that I want is for them to work and for the trains to run on time. That might not be a very high ambition but it is all that I want, and I doubt whether the public will care whether it is the Tories, Labour or even the Liberal Democrats who manage to do that.

Secondly, safety is of course of paramount importance, but we believe that it should be integrated more closely with other issues, which is why we want to combine the Health and Safety Executive's functions with those of the Office of Rail Regulation. The ORR will shortly consult on how it will organise itself to ensure that both its primary functions—economic regulation and safety—can be properly discharged.

Mr. Russell Brown (Dumfries) (Lab): On accident reports and investigations, schedule 3 states:

"The Office of Rail Regulation may authorise a person to investigate and . . . report on any accident".

Is that not duplicating the current work of the rail accident investigation branch, or is the intention to complement or supplement that work?

Mr. Darling: I see such work as complementary. It has been agreed that, from next year, when the RAIB is established, it will take the lead in the event of an accident, go to work as quickly as possible, find out what has happened and report as soon as it can, thereby operating in much the same way as the air accidents investigation branch and the marine accident investigation branch, which have worked very well for a number of years. In order that the rail regulator can discharge its safety obligations, it may well want to

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examine some of the issues arising from such incidents. What we are putting in place is a complementary system. On too many past occasions, there have been a number of people with a legitimate interest in investigating such matters. This will be a far better way of working.

My hon. Friend the Member for Dumfries (Mr. Brown) will doubtless want to pursue this issue. If he is lucky enough to get a place on the Standing Committee, those of my hon. Friends who share that pleasure with him will be happy to go through the memorandum of understanding involving the RAIB and other organisations. However, I think that he will find that the system is complementary.

Mr. McLoughlin: The Secretary of State seems to be saying that he wants to set up an organisation similar to the AAIB and the MAIB, but I think that I am right in saying that there has been no public inquiry into an air accident in this country since 1967. When the Government took office, they launched a public inquiry into the incident on the River Thames involving the Marchioness, even though the MAIB had already been set up. Is the Secretary of State saying that he hopes that, if the RAIB secures the same reputation as the AAIB, he would see no need for public inquiries in future?

Mr. Darling: No. First, the RAIB was in fact set up in legislation passed last year—this Bill is not setting it up—and it is due to come into operation early next year. Secondly, of course, no Secretary of State will ever be in a position to say that there will never be a public inquiry. The principal way in which such matters are handled is through the prerogative powers that Secretaries of State can exercise, and it would be very foolish to rule out such a possibility. What I can say is that I hope that the RAIB will do as the other investigation branches have done and satisfy many of the requirements that have hitherto led to calls for a public inquiry. Certainly, the MAIB and the AAIB—thankfully, major air accidents are comparatively rare—have proved very effective in getting to the bottom of such incidents, mainly because they begin on a no-blame basis, get on site and find out what happened. Certainly, of the three transport modes, air is probably the most mature in that everyone in an air accidents investigation branch is not bothered about whose fault it is; they just want to know what happened to ensure that it does not happen again. Ideally, that is precisely where we should be in respect of the railways.

I am not sure that the hon. Member for West Derbyshire (Mr. McLoughlin) was in his place when I made my statement following the recent accident at the level crossing in Ufton. What was good about those proceedings was that, rather than adopting a mood of identifying who was to blame, people focused on what was necessary to find out exactly what happened.

Thirdly, to return to the Bill, the Government want further to devolve decision making for public transport, including rail, to the Scottish Executive, the Welsh Assembly and to passenger transport executives, and a substantial part of the Bill deals with that.

Mr. Paul Truswell (Pudsey) (Lab) *rose—*

Mr. Darling: I will give way shortly; I believe that I know where my hon. Friend is coming from.

We believe that, where it is possible to devolve powers, it is right to do so, because it makes for better transport planning. As to PTEs—

Mr. Truswell *rose—*

Mr. Brian H. Donohoe (Cunninghame, South) (Lab) *rose—*

Mr. Darling: Hold on a moment. I promise that any hon. Member who wants to intervene will get to intervene, unless you, Mr. Deputy Speaker, call the Adjournment or something like it. It may be helpful to the House to say that I intend to say a few words about PTEs in England, then speak about London, then go to Scotland—actually, I would love to go to Scotland, but not just yet—and then back to Wales. My first subject is PTEs, so does anyone want to intervene?

Mr. Truswell: Does my right hon. Friend acknowledge the important role that passenger transport executives have played in securing, developing and monitoring rail services during some very difficult post-privatisation times? If he does, why is he seeking to reduce and remove so many of their existing powers and, if he is mindful of restoring those powers under the Bill, would that not represent an unnecessarily bureaucratic and confusing process?

Mr. Darling: No, quite the opposite. I am glad that my hon. Friend intervened because I thought that he might say what he did and it provides me with an opportunity to explain what we are doing. At the moment, franchises are the joint signatory of both the Strategic Rail Authority as it is now and the PTEs. In some cases, where the franchises involve more than one PTE, they have more than one or two parties to the contract. That means that it is complicated, because more parties are involved in the negotiations, and it can lead—let us be blunt about it—to a lot of horse-trading. At the moment, the PTEs do not have to meet the full consequences of the services that they specify because it all comes ultimately from the Government. In operational terms, we can end up with more and more services being purchased to run through a network that may not be able to take them. It may not be able physically to do so. My approach was to try to simplify the structure as much as possible, to make it less complicated and therefore less expensive. The more people involved, the greater the expense.

I agree with my hon. Friend that the PTEs are very important, not least because they must have regard to all transport within their area—not just railways, but light rail, buses, cars and so forth. The Bill provides that the Secretary of State must consult the relevant PTEs before issuing an invitation to tender, so the Secretary of State knows what the PTEs want to buy. If they want to buy more services, they can do so; if they want fewer, we intend to arrange it for them to receive the money for that and be able to spend the remainder on other things as well. In other words, they will be given greater power.

The Bill is necessary to ensure that we have a far simpler system than the one we have at the moment. Since the publication of the White Paper, I have made one change that was not contemplated in it. Because it may be necessary, for contractual reasons, to have the

PTE as a signatory, it can, at the invitation of the Secretary of State, be a co-signatory, if necessary. PTEs thus have nothing to worry about in respect of their interests, which will be taken into account. There is a statutory obligation to listen to what they have to say. What we are doing is to streamline the procedure and, critically—I make no apology for it—I am determined that, in future, if PTEs can buy more services, they must accept the financial consequences of what happens. The present position is a nonsense.

Miss Anne McIntosh (Vale of York) (Con): The position in the constituency of the hon. Member for Pudsey (Mr. Truswell) may not be quite the same as the position that the Secretary of State has set out. What is the position when a PTE has entered into a franchise agreement already? Can it be retrospectively altered? For example, Nexus in the north-east has committed to making further improvements to the metro in Newcastle and Sunderland and to improving railway stations. Will its position be altered by the Bill?

Mr. Darling: No, because it is a general rule that legislation is not retrospective, except with the express consent of the Law Officers. The Bill will apply to new franchises. Existing franchises may be varied if that is agreed, but the Northern franchise was signed relatively recently. I remember an example that led me to believe that we needed a simpler way to deal with such negotiations. In the course of the negotiations on the Northern franchise, it emerged that one PTE had one service a day that went into the Northern franchise area, but it was able to hold up negotiations because it wanted something in its own franchise area. That is not a very satisfactory way of proceeding.

Mr. David Clelland (Tyne Bridge) (Lab): Notwithstanding what my right hon. Friend has said about the safeguards that he hopes to build into the Bill for PTEs in the future, does he agree that removing them as co-signatories to franchises weakens their position with franchisees? Can he give some examples of the difficulties and complications that the present system has caused?

Mr. Darling: It would not weaken the PTEs' position. The newer franchises have a far greater degree of specification—of performance and so on—than the older ones. Those specifications can be enforced in the future because a contract to provide services can be enforced by the Department, which will be the contracting party. My difficulty with what my hon. Friend says is that negotiations have not been a matter only for the PTE and the SRA—or the Government in the future—and the TOC. Often, negotiations have been between the PTE and the Government or the SRA. Those discussions have held matters up on several occasions. To put it bluntly, sometimes matters have been resolved by a compromise under which the Government pay some money to the PTE. I can see why the PTEs might think that that is a jolly good arrangement, but it is not, to coin a phrase, a very good way to run a railway.

We are trying to develop a rational system that is simpler than the present one. It will not diminish the role of the PTE. Indeed, what we propose—this is the whole thrust not only of the railways White Paper, but of the transport White Paper published a few weeks later—is that over time we will decentralise funds as far as possible to give the PTAs greater power and, crucially, to give them greater flexibility. At the moment, railways are regarded as somehow different from the transport that PTEs do, such as bus and light rail, but they should all be considered together. In some circumstances, it might not be right to run heavy rail because light rail would do the job better.

We are planning to give the PTEs greater power; when they get greater control over the money, that will provide greater influence over the TOCs. No doubt such matters will be explored further in Committee, but our proposals are an improvement. I know that a group has been organised in the past two weeks to campaign against the proposals, but its concern is misplaced.

Mr. Graham Stringer (Manchester, Blackley) (Lab): Will my right hon. Friend give way on that point?

Mr. Darling: Yes, but then I am going to London.

Mr. Stringer: While he is still in the metropolitan areas, I remind him that I chair the group that he has just mentioned. Will he agree to a meeting with us so that we may make representations on that issue?

Mr. Darling: I am sure that either my hon. Friend the Minister of State, who will take the Bill through Committee, or I will meet my hon. Friend. I have always made it clear that it is one of the responsibilities of Ministers to meet their colleagues and I am sure that we can arrange an opportunity to go through the arguments.

In relation to London, let us again be clear what we are talking about. The Mayor and TFL have substantial responsibility for most of London's transport. It is logical that, if we can bring rail travel within the Greater London authority closer to what TFL is doing, it will provide a better transport system for the public, not least in relation to fare structures and ticketing. At the moment, it is sometimes difficult to work out why it should cost more to go between one place and another by rail, by bus or by tube, so the principle of greater co-operation is a good one.

In relation to the Silverlink services in London, which run within the GLA boundary—with the exception of the service that goes to Watford—it seems sensible to say that if TFL is responsible for transport in London, it should look after those as well.

The allegation that sometimes arises, certainly from the Conservatives, is that, somehow, we will give the Mayor of London power over all the services that run into London. The hon. Member for South Suffolk is right: about 70 per cent. of train services in this country go to London. There is no way that we will hand over power for those services to the Mayor of London. What I said was that there may be a case, in discussion with the local authorities that surround London, for looking at services—especially commuter services—that come into London where the Mayor wants to specify greater stopping in his area. Clearly, that would have a knock-on effect on services going outside London. That needs to be discussed. That will be done on a slightly longer

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timetable—it will not happen imminently—but any sensible transport planner would accept that we need to consider the way in which those services are organised.

Jeremy Corbyn: I thank the Secretary of State for giving way on the question of London, before he goes off to Scotland. In his proposals for Scotland, the Scottish Parliament will be given control over the track. I welcome and support that. Does he envisage a situation where TFL and the Mayor would have control over trains in London, as well as the track infrastructure, particularly on the entirely suburban cross-London routes that are not inter-city by any stretch of the imagination?

Mr. Darling: No, I do not, and I had better explain why. In Scotland, most of the railway network is operated by one franchise, ScotRail. Although the Anglo-Scottish services run up to Glasgow, Edinburgh, Aberdeen and Inverness and include one or two sleeper services, the dominant provider of trains is ScotRail. The track will remain under the ownership of Network Rail, but the Scottish Executive are largely involved in specifications, enhancements, improvements and so on for ScotRail, the dominant operator, so it makes sense that they should specify what is appropriate for the track. Bluntly, if they want to open up services or take them away, that is a matter for them.

The situation is almost the opposite in London. As I said, 70 per cent. of train services in this country come into London, and a large number of them start well outside London. It would be very difficult—in fact, it would be administratively and operationally impossible—to extract those parts of the track in London that no one else but London uses. I do not understand the strength of doing that, so we do not propose to do it.

However, we recognise that where something is wholly within London—such as, for the most part, the Silverlink Metro services—it is logical that TFL should take it on. In relation to services that go outside London, if commuter services might usefully take people to places with no transport links in London, that ought to be discussed. But I repeat that it can be done only after discussion and a general agreement on the way forward with the surrounding local authorities. I am sorry to disappoint the hon. Member for South Suffolk, who would love us to propose a rather different policy, but there is no question of giving the Mayor say over trains that run outside London. That is not what we are proposing at all.

Mr. Wilshire: TFL representatives tell me that they want to get their grubby little hands on all the tracks and stations in my constituency and that they plan to improve facilities by increasing fares. What guarantee can the right hon. Gentleman give to my constituents that the extra fares that they pay to TFL will be spent in my constituency, and not on some grandiose, half-baked scheme that Ken Livingstone thinks up?

Mr. Darling: I would be surprised if TFL put the proposals in the way that the hon. Gentleman describes. I do not want to repeat myself, but we have no plan at all to transfer the track, as I was just explaining to my hon. Friend the Member for Islington, North (Jeremy Corbyn); the hon. Gentleman is wrong on that.

Let me now deal with Scotland and Wales, although I have almost explained the Scottish policy.

Mr. Donohoe: Will my right hon. Friend give way?

Pete Wishart: Will the Secretary of State give way?

Mr. Darling: I shall let both hon. Members intervene, but let me say first that the Scottish Executive has run the ScotRail franchise for two or three years, and the arrangement has worked well. There will have to be a transfer of resources to reflect the fact that the Executive is to take over responsibility for specifying what they want in terms of track; that is now being discussed.

Mr. Donohoe: Will that allow the Scottish Executive to have what is called vertical integration, so that one company is responsible for both track and the train operating company?

Mr. Darling: No, but the position in Scotland is better than in some other parts of the country. Network Rail and the TOCs are now setting up joint control rooms, so that ultimately, when the number of franchises has been reduced, we will have alignment between the Network Rail regions and the single franchises, which will allow closer co-operation between track and train. That is much easier in Scotland, because ScotRail is the dominant operator; although, because of the Anglo-Scottish services, it is not the only one.

Pete Wishart: I have been keen to intervene to congratulate the Secretary of State on overseeing the biggest devolution of power since the Scotland Act 1998 was passed. It confirms the view of devolution as a process, not an event. Hopefully, the Railways Bill will represent the first of many steps in that process. However, can the right hon. Gentleman convince the House and Scottish Ministers that resources will follow the devolution of powers, so that the Scottish Executive can pursue their objectives in the coming years?

Mr. Darling: The Scottish Executive are well provided for thanks to the excellent spending settlement for the next three years that we were able to make in the summer because of the strong state of our economy and the strength that we derive from being part of the United Kingdom, something on which the hon. Gentleman might want to reflect. He should not count on a stream of further devolution measures regarding the railways; the Bill is sensible and practical, but it is all that is required.

Mr. Clifton-Brown: Returning to the subject of London, clause 15(3) refers to consultation that must take place before an invitation to tender for a franchise agreement is issued in respect of services that

"are or include London railway passenger services".

Given that 70 per cent. of all rail services pass through London, is not the Secretary of State setting up a huge bureaucracy, whereby he must consult and agree with

the Mayor of London before such invitations are issued? If not, what will happen if there is disagreement between the two?

Mr. Darling: No, that is not so. The hon. Gentleman is letting his imagination run riot. The franchises will be awarded through a division within the Department for Transport set up for that purpose. Yes, we have to consult all sorts of people where appropriate, but the position will be infinitely simpler than it is now.

Mr. Iain Luke (Dundee, East) (Lab): I welcome the proposals that will lead to the Scottish Executive having more influence in discussions with the Department for Transport and Network Rail on the strategic objectives of the system as a whole. That will require resources to be transferred. Is it clear that the Scottish Executive will be responsible for all improvements to rail infrastructure throughout Scotland, including the whole of the east coast main line from Edinburgh north?

Mr. Darling: The Scottish Executive will be responsible for specifying and paying for those enhancements that they want. As for the east coast main line, the Scottish Executive might want to administer a series of comparatively minor upgrades, but so might Network Rail, depending on its requirements for, say, Anglo-Scottish services. However, the White Paper makes it clear that if a major upgrade were in prospect like the one for the west coast main line, the decision would be made by the Department for Transport in association with the Scottish Executive. However, the Scottish Executive could decide to upgrade the line from, say, Edinburgh to Aberdeen—a stretch that my hon. Friend knows something about—if they chose to expend their resources in that way. The Executive will now have that power, which I think is a major step forward.

Under the asymmetrical devolution that we have in this country, each part of the country has to be dealt with differently. The Welsh Assembly Government will be able to, and will, specify the Wales and Borders Trains services, but we will remain responsible for the few Wales and Borders Trains services that operate wholly within England. That is consistent with devolution.

The Bill includes greater powers to make it easier to change services. Earlier, I spoke about wanting to encourage better decision making when choosing between heavy and light rail and so on. Such procedures must be changed because the SRA is going, but the procedures will be much better than those we have at present. Changes to the Rail Passengers Council have been largely instigated by the council itself to enable it better to represent passengers' needs and have been welcomed, by and large.

I said that there were other changes that do not require legislation. Network Rail will be given clear responsibility for operating the network and changes to the agreement between Network Rail and the Department are being discussed at the moment. In reply to my hon. Friend the Member for Cunninghame, South (Mr. Donohoe), I said that track and train companies must work together more closely.

The House may be interested to know that, in January this year, I opened the first joint control centre between Network Rail and South West Trains. In the first nine months, performance has improved by 35 per cent. If anyone had any doubts about the wisdom of separating track and train, which was contemplated by the authors of privatisation, that example shows that there is a huge difference in performance, which will continue. I also said that there would be a reduction in the number of franchises; on 19 October, I said that they would fall to 19, and that there would be a further reduction to align them with the Network Rail regions. Network Rail will take over responsibility for drawing up utilisation strategies to make the best use of the network. Finally, the discussions on the rolling stock companies are continuing.

Before I conclude, I ought to do justice to the amendment tabled in the name of the Leader of the Opposition; it is only a courtesy to do so. I do not want to labour the point, but while it is critical of the Government, as one would expect, it is hardly illuminating about what a future Conservative Government might do. That is curious; at this stage in the electoral cycle—unless the hon. Member for South Suffolk is a 2006 man—one would have expected the Conservatives to give a hint of what they would do in the unlikely event of their being returned to power.

The hon. Gentleman is silent about the £1.8 billion-worth of cuts that he would impose. Implicit in his amendment is his wish to keep the SRA, given that he is critical of the changes that we are making to abolish it. I should tell him that Mr. David James, who was hired by the Tories to look at efficiency savings, has banked the savings that derive from abolishing the SRA. I was therefore surprised by the amendment, until my attention was drawn to something that the hon. Gentleman said in an environmental publication in September:

"There's no commitment to implementing these recommendations"—

the efficiency savings—

"I'd be surprised if there is not some scope for efficiency savings but whether those are of the order that the James committee suggested I don't yet know. It isn't a priority for me—it's much more important to get our policy indicators clear so people know exactly what we stand for."

The hon. Gentleman has shot himself in the foot regarding savings; at the same time, he has disappointed us, as we do not have a clue about where he stands. We do not know what the Conservatives' policy is, except that they want to cut £1.8 billion from spending on transport. It is difficult to see how on earth we could have an effective railway system, especially as they have some history, or baggage, as the privatisers of the railway, which led to so much difficulty.

I believe that the railways in this country have a very good future. I accept that there are difficulties and problems to be overcome—reliability, for example, needs to be improved—but we now have the funding and management, and the right organisation, for the railways to make sure that they carry more people and freight. I am optimistic about the future of rail, and I commend the Bill to the House.

5.4 pm

Mr. Tim Yeo (South Suffolk) (Con): I beg to move, To leave out from "That" to the end of the Question, and to add instead thereof:

"this House declines to give a Second Reading to the Railways Bill because it increases the extent to which politicians and civil servants interfere in the running of the railways; gives the Mayor of London power over train services which begin or end beyond the boundaries of the Greater London Authority; perpetuates instability in the rail industry with regard to franchising; fails to encourage additional private investment; offers nothing to improve conditions for passengers and the travelling public; and exposes the Government's continuing disarray over the strategic direction of the industry."

I shall start by helping the Secretary of State, who looked frightfully pleased because his researchers had dug out a quotation from some remarks that I made in September about the recommendations of the David James committee. Had he or his researchers done their homework properly, they would have discovered that those remarks of mine made in September referred specifically to the David James committee recommendations in respect of the Department for Environment, Food and Rural Affairs, and that the more recent recommendations of the David James committee were, when published last month, accompanied by a specific statement from me, which said that any savings that were achieved as a result of those recommendations—I believe that significant savings will be made—will of course be redeployed entirely in the transport field. So I am grateful to the right hon. Gentleman for drawing attention to that point, which has clearly been causing some confusion in his mind and that of this staff.

The Secretary of State said that the Bill was needed to put right aspects of privatisation. Even by his standards of accuracy, that is a pretty extraordinary claim, because everybody knows that there is one reason, and one reason only, why the Government have introduced the Railways Bill: it is because they need to put right one of their own blunders. The right hon. Gentleman lapsed into his slightly more patronising style, as he does from time to time, when he said that it was some years since I had been in government. That is absolutely true. It is also true that he has been in government for quite a long time. One of the hallmarks of people who have been in government for quite a long time is that they acquire a complete inability ever to admit any mistake by their Government.

The Secretary of State would have been a great deal more convincing this afternoon if he had recognised publicly even for an instant that the Strategic Rail Authority was an utter and total failure. It turned out to have no strategy, no railway and no authority. Five years ago the Deputy Prime Minister said:

"The Strategic Rail Authority will put railways at the centre of an integrated transport system".

I wonder how that ties in with the decision of the Strategic Rail Authority to end the dedicated Gatwick express. I thought the Gatwick express was quite a good example of integrated transport, so that an international traveller, coming off an overnight flight, is at least guaranteed a seat. But the SRA, the body which the Deputy Prime Minister himself said would put

"railways at the centre of an integrated transport system"

is proposing to put an end to the Gatwick express, so that international air travellers will come off an overnight flight and have to stand all the way to London because some commuter has got their seat, having got on the train at Hayward's Heath.

The quotation from the Deputy Prime Minister continued:

"with proper public accountability and investment, putting the passenger's interest at the top of the agenda in a long-term strategic framework with the focus on a plan for growth."—[*Official Report*, 20 December 1999; Vol. 341, c. 539.]

In 2001, Labour's election manifesto stated that the Strategic Rail Authority would provide a clear, coherent and strategic programme for the development of the railways so that passenger expectations are met. Just two years ago the Department for Transport's own review of the 10-year transport plan said that the SRA would provide

"the firm leadership envisaged for it, that of providing strategic direction and funding for the rail industry."

Today the Secretary of State is consigning the Strategic Rail Authority to the dustbin. Predictably, its failure has not led to a single ministerial resignation, even though £250 million of taxpayers' money has been wasted.

Jeremy Corbyn: As part of the public catharsis that he wants us all to go through, will the hon. Gentleman say a word about the fantastic costs of privatisation, the waste of resources that accompanied it, the sale of assets by Railtrack and the huge public subsidy to private rail operators that has often disappeared into profits? Does he not think that even a moment's apology for the privatisation strategy is worth giving at this time?

Mr. Yeo: Indeed, I intend to touch on some of those issues later in my speech. It is significant that none of the issues that the hon. Gentleman has just raised are among the areas of policy that the Government are proposing to change. They have accepted hook, line and sinker every one of the points about which the hon. Gentleman seems so upset. My concern was that the Secretary of State has not admitted to the House that the reason he has to introduce the Bill today is that the Government made a blunder of the hopes that they had for the Strategic Rail Authority. Those hopes turned out to be unfounded.

For the avoidance of doubt—the Secretary of State seemed rather confused on this point—the Conservative party does not oppose the abolition of the SRA, but we condemn the muddle and incompetence of a Government who have had to oversee such a massive U-turn in the centrepiece of their railway policy—a Government who, after almost eight years of responsibility for railways, find that the main change that they need to make is to reverse one of their own decisions.

There are some aspects of the Bill that we do accept, such as the transfer to the Office of Rail Regulation of the functions previously carried out by the Health and Safety Executive, but we have very strong objections to several parts of the Bill, as our amendment makes clear and as I shall explain. The fundamental problem is that the Bill gives politicians and bureaucrats far more say in running the railways. That is the precise opposite of what the Government should be doing. Indeed, the only

hope for railways is leaving management to get on with providing the service that customers want without constant political interference. Unfortunately, nothing in the Bill—not a single clause—will make life better for passengers, make trains more reliable, encourage more investment in the railways or increase the amount of freight carried on the railways.

Mr. Darling: Purely as a matter of interest, where would the hon. Gentleman transfer the SRA functions on the awarding of franchises and so on?

Mr. Yeo: As I have implied, my view is that the companies that are closest to the customers should be given a bigger say, not a smaller one, in how the railways are run. I would discuss with the operating companies how the process of franchise allocation can best be made totally independent of political interference. The system that the Government have set up—I shall return to this point presently—increases the potential ministerial interference in franchise allocation. From a Government who have shown on more than one occasion that they are willing to bend policy in response to political supporters, donors to the Labour party and so on, the Bill introduces a highly dangerous situation.

Mr. Darling: If the hon. Gentleman wants to make franchise awarding independent of the Department and of Ministers, surely it means setting up another body or quango to do it?

Mr. Yeo: As I said, I propose that we will have discussions with the industry and with those who are most affected by this policy area about how to ensure that important decisions about the allocation of franchises are taken out of the hands of Ministers.

Mrs. Dunwoody: Will the hon. Gentleman give way?

Mr. Yeo: In a moment.

It is not clear now what the Government think the railways are for. Are they there to carry commuters, run services between big cities, maintain rural and cross-country lines and to carry freight? Let us look at the record over the past seven and a half years, and in particular, compare it with what was said in the 10-year plan launched by the Deputy Prime Minister four years ago. According to that plan, trains were to be made more punctual. In practice, twice as many trains now run late as did so in 1997. According to the plan, the amount of freight carried on railways was to increase by 10 per cent. by 2010. In practice, in the past two years, the amount of freight carried has fallen. According to the plan, Thameslink 2000 and the East London line were both to be built by 2010. In practice, those targets cannot be met. Ministers promised that rail fares would not rise faster than inflation. In practice, they have done so, and the latest increase last week amounted to 4 per cent.—the second 4 per cent. rise in only two years. Last but not least, the British Transport police have just reported a worrying increase in violent crime on and near to the railways.

In summary, after seven and a half years of Labour government, train fares are up, trains are running later, freight is falling and new projects are either postponed or cancelled. Just last week, we learned that because Network Rail could not inform train operators of where it would be working on the lines over the Christmas holidays until extremely late in the day, the operators could not publish their Christmas timetables in a timely manner, thus making it hard for people both young and old, who particularly depend on the railways at this time of year to see their families, to make their plans.

I acknowledge that the situation on the railways is not bad in every respect. As the Secretary of State said, the number of passenger miles travelled is now at its highest for more than half a century. Investment in the railways has also risen sharply since the private sector became directly involved in their operation. Neither of those important achievements could possibly have occurred if the railways had remained entirely in the public sector, as the Secretary of State acknowledges.

I shall now set out some of our concerns about the Bill. First, as I said, it gives politicians more control over the railways. Let us start with London: more than two out of three of all train journeys begin or end in London, which is central to the success or failure of the railway system. If the Bill is passed, the Mayor of London, Ken Livingstone, will have a direct say in the running of all trains coming in and out of London, rather than trains that serve the Greater London area only. Clause 15 requires the Secretary of State to consult Ken Livingstone on how tenders for franchises are handled and allocated, on whom franchises are allocated to and on the terms on which franchises are allocated. It specifies that those powers, which Ken Livingstone will exercise, will apply to rail services anywhere in the country that begin or end in London.

I am glad that the Secretary of State is reading the Bill, because he may discover something that he did not acknowledge in his speech. Clause 15(7) defines a "London railway passenger service" as one which includes trains that travel to or from places outside Greater London. It is clear that the Secretary of State has not read the Bill, which he is examining with great interest. I know that he cannot wait for a Cabinet reshuffle—he has never shown great enthusiasm for his present brief—but he is deluding himself if he thinks that the Bill does not give Ken Livingstone the powers that I have described. If he thinks otherwise, he has obviously failed to read his own Bill.

Mr. Clifton-Brown: I intervened on the Secretary of State on exactly the same point. My hon. Friend will have heard the Secretary of State's complacent reply that the measure will not increase bureaucracy and council tax for the people of London and that it will not lead to inflation-busting fare increases. Given the record of Transport for London, of which the Mayor is in charge, on running the tube, on which fares have increased hugely, and the fact that the council tax for London has increased by more than 50 per cent. since the Mayor took over, does my hon. Friend think that the Secretary of State has any credibility on that matter?

Mr. Yeo: My hon. Friend has made a powerful point succinctly, and he is right. The Secretary of State has tried to deny the contents of his own Bill, the effects of which will be exactly as my hon. Friend has described. I shall enlarge on those effects, because if the Secretary of State has not read the Bill, it is even less likely that he has read the regulatory impact assessment, to which I should like to draw hon. Members' attention.

[Mr. Yeo]

The RIA makes it clear where the Bill is heading. According to it, clause 16 has been worded to ensure that there is

"flexibility built into the legislation that allows the Secretary of State to potentially extend the mayor's responsibilities for London rail services"—

remember that the Bill defines those as any train that begins or ends in London, regardless of how far outside the Greater London area it travels—

"in line with policy development."

The RIA admits that

"potential costs include the risk of greater interference in the rail industry imposing delay and higher costs on train companies. There is also a risk that projected passenger benefits do not materialise ... as previously noted, the incremental costs associated with policy implementation are not yet known."

The RIA blows the gaff.

I wonder what persuaded the Secretary of State, of all people, to give Ken Livingstone those powers. Was it the cost-effectiveness of the congestion charge, which, as hon. Members know, costs £97 million to administer and raises £68 million after expenses? Was it, as my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) has suggested, the rigorous way in which Transport for London has negotiated holiday entitlements for tube workers? Does the Secretary of State think that giving Ken Livingstone more power will make it easier to attract investment into the rail industry, and are the train operators clamouring for such a change?

One group of people who I am sure do not seek such a change are commuters who travel into central London from outside Greater London. They may find that instead of services being developed that make it easier for them to travel in from stations such as Colchester and Manningtree, which many of my constituents use, the congested tracks on which those trains travel may be occupied by services designed to suit the needs of Ken Livingstone's voters in the Greater London area.

Mr. Tom Harris (Glasgow, Cathcart) (Lab): I wonder whether the hon. Gentleman is making too personalised an attack on the Mayor of London. He has already mentioned the name Ken Livingstone six or seven times. The hon. Gentleman is, in effect, speaking against the principle of consulting locally elected politicians about rail services. If he is opposed to that power going to the Mayor of London, is he also opposed to provisions in the Bill that allow Scottish Executive Ministers to make exactly the same decisions about journeys that begin or end in Scotland?

Mr. Yeo: No, because the situation as between Ken Livingstone and Scotland is wholly different. I mention Ken Livingstone because, as he happens to be Mayor of London, he is the person to whom these powers are to be transferred. Members of the Government might wish it otherwise; they might think, for example, that Steve Norris would have made a better Mayor. I mention Ken Livingstone also because his record of running almost any kind of service is one of appalling waste and extravagance. I can scarcely think of a single politician less suited to being given the responsibility that the Bill bestows upon him. The situation in Scotland is wholly different. Only a tiny fraction of the services for which the devolved Executive is responsible go outside Scotland, whereas a vast number—in fact, the majority—of services for which Ken Livingstone will be responsible begin or end outside London.

Let us move on from Ken Livingstone. Another big gainer of power is Network Rail. Having sought and obtained control over train timetables, its new responsibilities include devising route utilisation strategies, directing network operations, driving up operational performance, and delivering infrastructure maintenance and renewal. That sounds pretty impressive, but to whom exactly is Network Rail accountable? Certainly not to its shareholders, because it does not have any; certainly not to passengers, because it is not burdened with the inconvenience of coming into direct contact with them; and scarcely even to its members, one of whom wrote to me a few days ago, rather plaintively pointing out:

"We are appointed via a mystery process ... We have no sanctions over the board ... Unless Network Rail call the meetings we cannot claim expenses."

It does not sound as though the management of Network Rail has much to fear from anyone. I worry about the effect of that on services. Network Rail's first responsibility, as the Library paper helpfully points out, is to the track. It has no incentive to attract extra passengers on to the railways; indeed, it will be able to cut services if they interfere with its duty to maintain the track. It sounds suspiciously like the worst periods under British Rail, when, having complained about the poor service offered to my commuter constituencies in South Suffolk, I was often left with the impression that it would be able to run the trains much better if it did not have so many passengers to bother about.

What is more, how can we be certain that Network Rail, with its monopoly position in the industry, far-from-transparent operations, unconventional structure and curious lack of accountability, is operating efficiently? Are the cost and speed with which the railway infrastructure is maintained and improved in Britain comparable with the performance achieved in other countries?

Mr. Darling: Again purely as a matter of interest, can the hon. Gentleman tell us what his proposals for Network Rail are? Would he keep it, or privatise it, or nationalise it?

Mr. Yeo: It is pretty clear that there is no possibility of Network Rail's being privatised, given the way in which the Government treated its predecessor body, Railtrack. That matter is still being pursued through the courts. If there had been any wish on the part of the Government to try to boost private sector investment into Network Rail, that wish was greatly obstructed by the way in which Railtrack's assets were seized by the Government and those associated with them.

Mr. Darling: I must press the hon. Gentleman for an answer. What are his proposals for Network Rail?

Mr. Yeo: It is impossible to privatise Network Rail, because of what this Government did previously. No one is going to put money into assets that the Government seized from a predecessor body, so we have

ruled that one out, at least for the foreseeable future. What is needed is a review of the structure of Network Rail to give it a clear line of accountability to passengers; to its customers, the rail operators; and, if necessary, to Parliament. However, it is clear that it suits the Government to be able to hide behind Network Rail. They will say that the industry is not nationalised or part of the Department but part of a separate body, which nobody quite knows how to call to account. I daresay my hon. Friends have had the same experience as me. It is difficult, even for those of us on the Front Bench, to get information about exactly what Network Rail is doing.

What incentive is there for Network Rail to speed up the exploitation of its huge property assets? For more and more rail passengers, getting on a train at a provincial station is the same today as it was 100 years ago. The contrast between airports, which are firmly in the 21st century, and most stations, which remain in the 19th century, is painful. Massive amounts of capital can be drawn in from private investors for the benefit of the rail industry, without taxpayers or passengers having to fork out a single penny, simply by unlocking the huge potential of brownfield development opportunities in and around stations. Unfortunately, the Bill will make that process harder rather than easier.

The train operating companies are among the losers from the Bill. Their response has been muted so far, but it is hardly surprising when one realises that another change in the Bill would give the Secretary of State and his civil servants direct control over the allocation of franchises. Woe betide any train operator who dares to point out that the Bill does nothing to help passengers but merely cushions the lives of Ministers and bureaucrats. What chance would such a company have of getting a new franchise even if it was delivering a high quality service for its passengers? The nature of the changes in the Bill will silence opposition from potentially well informed sources, such as train operators, who are much closer to rail users than Ministers, civil servants or Network Rail will ever be.

There is no longer any pretence that the process of franchise allocation is independent of political interference. However, we know that passengers rank pretty low in the Government's priorities. That is clear from the changes to the way in which lines can be closed in future. Would it not be great to have a Bill that dealt with making it easier to open railway lines where demand existed? There is not much chance of that from a Secretary of State who has kicked almost every project for expanding railway capacity into the long grass.Unfortunately, the Bill is not about making it easier to open railway lines but to close them. To be more precise, the measure makes it easier to close lines and ensure that someone other than the Secretary of State gets the blame.

The rail network has remained roughly constant in size since one third of it was chopped in the Beeching cuts of the 1960s. It is widely assumed that the Government's latest wheeze, dressed up in the cuddly title of "the community rail development strategy" is little more than a smokescreen behind which Ministers will try to conceal a new round of Beeching-style cuts. It is a pity that the Secretary of State has not had the courage to come clean about that. After all, it is possible to make a logical case for saying that railways should concentrate on commuters, inter-city journeys and freight. If the Government thought strategically, they might want to do that. However, their transport strategy, like their strategy in almost every other policy area, is simply about spin and massaging public opinion.

The community rail development strategy transfers more responsibility for financing rail services to passenger transport executives—although, significantly, it does not transfer any extra money to them—while simultaneously taking away from those executives their role in determining the local rail franchises that should be awarded. To provide extra local services, a PTE must get approval from Network Rail. Since Network Rail cannot tell us, with three weeks to go, who can run services over Christmas, one can imagine the difficulty a PTE might meet if it had the cheek to say that it wanted to run a new service.

No such problem arises, however, if the local PTE wants to cut a service. In that case, it is free to switch the spending to "other transport modes" as the White Paper delicately puts it. That means a bus. Although Network Rail is there to block the provision of new train services if some of its engineers want to do that, there is no comparable hurdle to starting a new bus service, however congested the roads that the service may have to use.

An interesting insight into where the Government's sympathies really lie is provided by the fact that when new rail services are considered, the extra infrastructure costs and compensation to other operators must be calculated in advance and paid by the local passenger transport executive. In the case of new road services, however, such considerations apparently do not apply. In the White Paper, this is all hilariously described as "streamlining". What it really means is that the Government want to shift traffic from trains to buses, but do not want to say so, and—most of all—do not want to take the blame for the rail closures that they are planning.

I am not against facilitating decisions about new forms of transport service—light rail, guided buses and so on might well have a bigger role to play in the future—but I am utterly against a policy of closure by stealth, which has been designed to ensure that when closures are carried out, the local passenger transport executive will be blamed, although the Government are actually responsible. Furthermore, I share the concerns of the PTEs about the way in which the Secretary of State is removing some of their powers. Kieran Preston, the chairman of the Passenger Transport Executives Group, has said:

"it makes no sense to hand over the planning and management of regional rail networks to unaccountable civil servants in Whitehall who lack the local knowledge and expertise".

I turn now to an important relationship that the Bill will change: the relationship between the Secretary of State and the Office of Rail Regulation. Again, the change that the Bill will introduce increases the power of the Secretary of State and cuts that of the independent regulator. The effect of the change will be a return to the days when capital spending on the railways was subject to constant Treasury cuts, the consequence of which was the largely clapped-out rail infrastructure that resulted from half a century of state control.

[Mr. Yeo]

At present, for all its flaws, the Office of Rail Regulation can act as a driver for new investment. Through the way in which it sets access charges, it can help to ensure that sufficient money is attracted to renewing and improving the network. The Treasury has now taken fright, however, at the way in which that process breaches its own power to exercise absolute control over public spending. I understand why the Treasury has taken that view, but the consequences are significant and potentially damaging. The terms of schedule 4 of the Bill make it clear that in future, whatever the Office of Rail Regulation decides in relation to access charges can be overruled by the Secretary of State. In the absence of assurances from the Secretary of State about funding levels, we have to assume that the Department for Transport will be under constant pressure to make such cuts.

The change will have another serious consequence. Until now, the Office of Rail Regulation has had the power to set access charges and a duty, in doing so, to apply an important list of statutory criteria, such as the promotion of efficiency and economy in the industry, the interests of freight and passenger users of the railway, and the growth and development of the industry. It is not allowed to apply political criteria, as it is recognised that the application of short-term political considerations is harmful to private sector confidence and to the medium and long-term needs of the railway industry. The establishment of independent economic regulation, free of political controls, is essential to private sector confidence and investment. That duty has no doubt provided comfort to private investors in the railways, but if they are putting money into new rolling stock and improved services, there must be at least a reasonable prospect that the infrastructure will be provided for the results of their investment to function.

Mr. Stringer: I have listened carefully to the hon. Gentleman's arguments. Is he really saying that he is satisfied with a situation in which, over the past two or three years, the rail regulator has been able to add £7 billion in expenditure to the public purse without any recourse to the Government? If he is not saying that, what is he saying?

Mr. Yeo: I am pointing out the consequences of the Bill. We are here to debate its Second Reading, and I am highlighting the areas about which the Opposition are concerned, which we shall seek to improve in Committee. The consequences of the proposal to allow the Secretary of State to overrule any recommendations from the Office of Rail Regulation will be quite serious, and we need to understand what they will be. The Secretary of State himself stated on 9 February that the Government

"rules out any change to the rights of third parties, which will be protected."

He also said that

"maintaining fully effective and independent economic regulation is critical for retaining investor confidence. There will be no diminution in the regulatory protection of the private sector investors in the railway."—[*Official Report*, 9 February 2004; Vol. 417, c.1237W.]

Just how that statement to Parliament can be reconciled with schedule 4 will be examined in more detail in Committee; just what its effects might be on future private investment in the railways may take rather longer to be revealed.

Mrs. Dunwoody: Will the hon. Gentleman simply answer the question? Does he really think that the taxpayer should have no protection at all?

Mr. Yeo: I am not suggesting that the taxpayer should have no protection. I am suggesting that when the Government effectively go back on an assurance to Parliament, the resulting instability makes it harder to attract the investment that the railways need if they are to be brought up to date.

My worries about the Bill are reflected in the Opposition amendment. While we recognise the need for the Government to reverse the mistake that it made in setting up the Strategic Rail Authority four years ago, we remain concerned about the impact that the Bill will have on the future of the railways. Even in the darkest hours of British Rail, even when state control of the railways was unquestioned, there was never a time when quite so much power was seized by the Secretary of State and his civil servants in the Department.

Following the SRA's demise, just who will have any duty or incentive to promote rail travel? Not the Secretary of State, not the Department's civil servants, not Network Rail, not even Ken Livingstone.

We will pursue our objections to the Bill in Committee and during its later parliamentary stages. As a regular user of trains all over Britain, I believe passionately in their future. I believe that their role in providing environmentally friendly, sustainable transport for freight, commuters and long-distance inter-city travellers could and should grow. I believe that that end can be achieved with far less taxpayer subsidy than is being poured into the railways now. I also believe that it will be achieved only if we draw in more private investment through intensive exploitation of the enormous assets of the rail network, if we allow train operators the freedom that they need to respond to consumer demand, and if we take politicians and officials in the Department and in London right out of the running of the railways—if, in fact, we do the exact opposite of what the Government now propose.

The difference between the Secretary of State and me is that I want our railways to succeed and believe that left alone they can do so, whereas the Secretary of State does not mind whether they succeed or not, but does want to make sure that if they fail, he does not get the blame. Tragically, if they do fail—which will be much more likely if the Bill is passed unamended—it will not be the Secretary of State or the Government who pay the price, but the travelling public and the British economy.

I commend our amendment to the House.

5.38 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): I am almost aghast when I consider where to start. The hon. Member for South Suffolk (Mr. Yeo) sounded to me like the leader of a gang of vandals blaming those trying to clear up the mess for creating it in the first place. I have my own speech to make, but I could spend an hour or so simply responding to what I have just heard.

I welcome the Bill in so far as it is another significant step away from the disasters of privatisation and back towards the sanity of public ownership of Britain's railways. I believe that it is a staging post towards transfer of power from the SRA to the Secretary of State, and towards public accountability. There are those who are concerned about that prospect because, although Ministers are known to be committed to the railways, the Department does not have a glorious record for supporting the railways. I hope that it has had a change of heart, and that it now has officials who are dedicated to the railways—as, indeed, am I. I speak as one who has travelled to work by rail every day for 35 years, and I have a considerable interest in railways, not just because I am a commuter but because I think that they are a vital part of our economy. Our economy could not operate without our railways. Indeed, I think that they should be expanded, to the benefit of us all.

There are ongoing concerns. Indeed, there are concerns about the Bill, but we should dwell on what has happened since privatisation, because that is where the problem has lain. The costs to the Exchequer have been enormous. Public subsidies per journey have been multiplied by five in 10 years, and track renewal costs have been multiplied by four. In British Rail's time, the average cost of a mile of rail track was about £350,000. It is now between £1.5 million and £2 million. That is way beyond inflation; even if one takes account of inflation, the cost is at least three times higher than it was.

Non-rolling stock investment has risen from about £1 billion 10 years ago to nearly £5 billion. I only wish that output had risen by the same amount. At that time there was a system for measuring output called CRWS. I cannot remember what the acronym stands for, but it was developed by BR to keep careful control of costs and ensure that it was getting value for money. That was conveniently junked by Railtrack when it took over, because it thought that markets and competition would take care of efficiency. How wrong it was.

The privateers have, effectively, been ripping off the taxpayer with a complex network of overlapping and interlocking companies paying each other out of public money. The Treasury has been treated as a milch cow by the private companies, and that is where the money has gone.

Let us look at some examples of how the scams operate. There are lots of agencies hiring staff to companies in the industry. Typically, an engineer may be paid £100 to £150 a day, but the agency hiring to the subcontractor will charge three times that amount, just pocketing the cash. A bridge should have cost £3 million to build but the charge was £12 million. The old BR engineers who know how much such things should cost were kept well away from the scheme, as was anyone who had anything to do with Government or the Treasury. Companies want to make sure that they get their money.

There are frequent press reports about the proportion of profit made by rolling stock leasing companies. Typically, there is a 30 per cent. leasing charge for rolling stock. As the money eventually comes out of the public purse or from the fare payer, they are not particularly worried, but 30 per cent. return for a leasing contract is outrageous—and as I have said, track renewal costs are now four times as high as they were.

What happens when a contract is undertaken? The company takes the specification and works rigidly to that specification, even if it is wrong and it can see that there are little mistakes, because it knows that it will be inspected, the mistakes will be found and it will get another contract to put right the mistakes that it failed to deal with in the first contract. It is making money—why should it worry?

Contrast that with the days of BR, when track work was undertaken by direct employees working to tight cash limits and making necessary corrections when jobs were in process. The recently published Catalyst report suggests that Britain's railways, far from being inefficient, were the most efficient in Europe. There was under-investment and they were under-financed, but they were efficient. They had the lowest subsidy, but the highest productivity. One can have high productivity in an under-invested company, because to keep the show on the road, it has to operate efficiently. That is what the railways used to do.

The shadow Minister said something recently about "ramshackle" BR—but Tom Winsor, the rail regulator, said in my hearing in the past year that BR handed over the industry to the privateers "in good order". Despite decades of under-investment, it was in good order. Engineers and people who worked directly in the industry really cared about what was happening. Contrast that with what happens now.

Public ownership worked and privatisation does not. Under public ownership, there was direct employment. We saw the integration of operations and track work. The cash limits made a real difference. At the time, perhaps we did not like cash limits because they made life more difficult, but we have engineers in the other place who say that they worked ingeniously to use the money as best they could to ensure that they did the best possible job within the cash limit.

Mr. Peter Atkinson (Hexham) (Con): The hon. Gentleman is living in an unreal world. Any passenger who travelled regularly from the north-east of England to London in the days of British Rail, and who now travels under the auspices of the Great North Eastern Railway company, would say that the service is 10 times better than it was under British Rail. The idea that the service was better under British Rail is a complete fiction. It was awful.

Mr. Hopkins: I am not saying that the railways are worse than they were, given the billions poured into them—they receive much more money than they did—and the fact that they are now more essential because more people travel by rail. The situation was, however, one of under-investment; when the amount of money that they received is taken into account, they performed brilliantly. I could quote examples at length to demonstrate that, and I refer Opposition Members to the report by Catalyst, which demonstrates it clearly.

Mrs. Dunwoody: Does my hon. Friend remember that the line that GNER took over was not only modernised just before then, but had the best rolling stock and facilities? Indeed, it was a good cheap buy.

Mr. Hopkins: I thank my hon. Friend for that helpful intervention.

[Mr. Hopkins]

As I said, I travel by train every day. I may be a bit of a trainspotter, but I listen for wheel flats—that is when the wheels make a banging noise on the track because they have not been reground. The ROSCOs—rolling stock companies—are not concerned, because it only damages the track, and they charge the cost to the public purse or the travelling passenger. Almost every train has at least one wheel flat and some have six or seven. That damages the track and the trains—but who cares, because someone else is paying?

My final point relates to public ownership. Ministers have said that that would cost a lot of money. The reality is that have we paid out such vast sums in the past 10 years that any cost of bringing the railways back into public ownership would be miniscule by comparison. The track is effectively in public ownership already. The franchises can be handed over to a public sector organisation as and when they mature. The rolling stock is the only thing that the public would have to buy back—but they do not even have to do that, because they could negotiate a better deal with the ROSCOs and pay less, at least for the foreseeable future. So there is no problem of cost.

The real argument is, unfortunately, political. When my right hon. Friend the Member for Tyneside, North (Mr. Byers) did the necessary and important job of getting rid of Railtrack and bringing activities into Network Rail as a stage towards public ownership, I publicly congratulated him on that. He was applauded by Labour Members, although he got great deal of flak from Conservative Members, no doubt representing the shareholding interest.

We now know that my right hon. Friend was told by the Prime Minister that whatever he did, he was not to nationalise the railways. Unfortunately, that put on the brake. The Prime Minister is the leader of the Government and he had his say. However, I refer hon. Members to the recent report by the Transport Committee, chaired by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), which says:

"the Government needs to keep an open mind on the provision of these services directly by the public sector."

I ask my right hon. and hon. Friends to take note of that, and to keep an open mind on public ownership in the future. That is the way forward. Privatisation has been a disastrous failure.

5.48 pm

John Thurso (Caithness, Sutherland and Easter Ross) (LD): The Bill sets out the legislation required to enact the changes to the railways and railway management consequent on the rail review in the White Paper. As the Secretary of State said, however, much can be delivered without legislation. The critical requirement is for a long-term strategy that has a clear vision of where the railways are going and how that will be delivered. In my view, that can be delivered only by Government. Consequently, the Bill's main principles are right. They are to establish clear responsibility for strategy, operation and regulation.

Clarity is required to ensure that those responsible for delivery in the three categories have a full understanding of what is required of them and what they are responsible for, as well as to ensure value for money, both for the taxpayer and for passengers, and clear accountability from each segment. We will, therefore, support the Bill on Second Reading.

Railways are and should be a vital part of our transport infrastructure. They can and should, however, be able to contribute more than they do. Many parts of the network are at capacity, which constrains growth and will continue to do so, yet we will look to the railways to contribute solutions to road congestion, both through carrying more passengers and more freight. Rail is therefore a national asset that deserves support and investment.

As the Secretary of State has often stated, and reiterated this afternoon, we have reached this point because of historic circumstances: decades of under-investment by Governments of all shades over many years and a privatisation that clearly failed to live up to its prospectus. It is important to understand the past, if for no other reason than to know where we are going in future. Passengers, however, are not particularly interested in the past and apportioning blame does not improve the network. What passengers want is an efficient network, which delivers a safe, reliable and affordable rail system and allows them to get where they want to go punctually. They want a clear strategy for achieving that, and a Department for Transport that is committed to supporting the railways and producing the railway that they want. I was interested by the comment made by the hon. Member for Luton, North (Mr. Hopkins) that the Department for Transport has a reputation of not always delivering that support. I hope that, under its current leadership, it will dedicate itself to ensuring that the railways operate well and efficiently.

Let me therefore begin with general principles. As I have said, there are three separate functions, and the first is strategy. There is a clear need for a strategy so that the public will know what is happening, when it is happening, and who is accountable for it. No one can pretend that waving a magic wand will cure all the troubles of the railways in an instant. That is simply not possible. It will be a long road to putting in the investment necessary for a modern infrastructure and delivering all the services as they should be delivered. Most passengers understand that. What they want is a strategy that sets out a route map for delivering that with clear milestones to be achieved. They want to see who is responsible for delivery in terms of operation. They want that clear strategic framework so that the operators can see what they are doing.

It is clear to me that strategy must be the responsibility of the Government because the Government specify policy and are responsible for public expenditure. The railways will receive public support for some years to come—of that I am sure—so it is absolutely right that the Government shoulder that responsibility clearly and unambiguously.

The second function is delivery. It seems logical that the delivery of the infrastructure should be the role of Network Rail and that it must deliver the operating plans to deliver the strategy. It is for the train operating companies to deliver the services. The way in which franchises can be developed has a role in this regard. I agree with the Secretary of State that there should be fewer franchises, which makes a great deal of sense, and

I would argue that franchises should be much longer to encourage operating companies to commit to the line that they are running and invest in rolling stock.

One of the worst aspects of privatisation was the creation of ROSCOs. The fact that they are all now owned by banks merely indicates that they must have huge money-making potential, because banks do not buy things that do not make money. I believe that that money can be better spent elsewhere in the railways. Were there longer franchises, we could put together a system that would enable those who take on the franchise to invest in rolling stock, which would be a tremendous benefit.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): Does my hon. Friend agree that success should be rewarded in the franchise process and that, if Great North Eastern Railway's bid to renew its successful east coast franchise were to be rejected by the Strategic Railway Authority so that it could get a bigger premium from an operator offering a lower level of service, that would destroy the logic of the franchising system?

John Thurso: My right hon. Friend makes a point that I would have made later: success should be rewarded and, where a franchise operator is clearly delivering a good service to the public, within the parameters that have been set for it, there should be a degree of presumption that such an operator will have that counting in its favour at the time of renewal.

Jeremy Corbyn: The hon. Gentleman's point about ROSCOs is well made and well put. Does he therefore agree that it would be ideal for the national rail network to own the ROSCOs and therefore the rolling stock? Clearly, it is an extraordinarily profitable area with minimal risk involved.

John Thurso: The hon. Gentleman makes an interesting point. I have not studied the matter in sufficient detail to know whether that is the right answer. Other answers might work. For example, if we consider ferries, particularly in Scotland, the franchise is relatively short, but the Scottish Executive guarantee that, where an investment in a new ship has been made, at the end of the franchise, if the franchise company loses that franchise, the asset is transferred. The Scottish Executive therefore act as a kind of banker. The point is that no third party takes a cut on the way, which, as he would agree, is the evil that needs to be addressed.

The third function is regulation. My hon. Friends and I have long argued for a model of rail regulation more akin to that of the Civil Aviation Authority. The Bill moves in that direction and we are therefore happy to support it. We want a regulator that deals not only with financial aspects of regulation but with safety and, we would add, environmental matters.

The Bill puts both safety and consumer representation into the remit of the Office of Rail Regulation. I agree with the inclusion of both those, but as I have just mentioned, I would like responsibility for the environmental aspects of rail also to be given to the Office of Rail Regulation. Interestingly, in France, locomotives have generally become more fuel-efficient, but that is not the case in this country. That is because neither the size of the engine, nor the amount of fuel consumed, nor the amount of fuel per passenger is taken into account in the specification of the rolling stock. A whole list of aspects come in front of those and, if we are to ensure that rail is among the transport solutions that deliver in terms of using fewer carbon fossil fuels, we must include the environmental consequences in the mix. The best way to do that would be through the Office of Rail Regulation.

We therefore support those principles and the main thrust of the Bill, but there are considerable areas of concern in relation to the details. We look forward to working constructively with the Government in Committee in the hope that they might take on board some of those concerns.

My first concern relates to some of the consequences of the abolition, of which I approve, of the Strategic Rail Authority with regard to the powers that go to the Secretary of State and how he will accountable for them. An allied concern relates to the powers that will go to the devolved legislatures, to London and to the passenger transport executives. It seems to me that the objective is twofold. The first aspect, as I have said, is to have a clear strategy for the railways. It therefore seems extraordinary that the Bill does not lay a specific duty on the Secretary of State to publish that strategy, and neither does it do so on the national bodies. There is a clause in the Bill saying that the national bodies, the Scottish Parliament and the Welsh Assembly, may, if they so choose, publish a strategy, but not that they must do it. It seems to me that if the objective is to have a strategy, there should be a clear duty on both the Secretary of State and the devolved Administrations to publish that strategy.

The second objective is a clear line of accountability. The SRA failed largely because no matter what strategy it came up with, it had no way of putting it into operation; ultimately, it is the Government who have the power to do that. The Bill therefore puts strategy into the Government's hands—I hope that the strategy will be published—but there is no requirement for the Secretary of State to report to Parliament on what has happened during the year. I want him to have a duty to make an annual report, in which he comments on what he has done in the past year, on the bodies for which he is responsible and on updating the strategy. I genuinely hope that the Government will be receptive to that suggestion. It would make them more accountable for their actions and reinforce such actions, rather than diminish them.

I certainly agree with the principle of devolving power. I have always believed that the devolution principle should be, "What can be devolved should be devolved," so it is right that the existing powers of the Scottish Parliament and of the other devolved bodies be reinforced. However, I have two specific concerns, the first of which relates to the representation of passengers. The Bill foreshadows the Rail Passengers Council moving to the Office of Rail Regulation—absolutely right, as that is the correct place for it—but it also envisages the RPC becoming one body for the entire United Kingdom. There is much in that proposal that is good and the current RPC system is fairly unwieldy, to say the least, but while the Bill devolves power to Scotland and Wales so far as responsibility for delivery to passengers is concerned, at the same time it centralises

[John Thurso]

passengers' ability to make representations. That is both illogical and perverse. At the very least, the Bill needs to state how the bodies responsible for delivery—the Scottish Executive and the Welsh Assembly—will relate to passengers.

My second concern, on which the Secretary of State briefly touched in response to an intervention, is how much money will be given to the devolved bodies. Nothing in the Bill sets out how the funding will be apportioned or how the investment will be made. I assume that the Government do not intend to cease funding the devolved bodies completely and say that everything for the rail network must come out of the existing block grants. I assume that there will be some finance, but there should be greater clarity as to what it will be.

The money required splits into two areas: maintenance and investment. Maintenance is not a problem as it can be dealt with on a straight per mile basis, but investment is more difficult. For example, how much money will go to Scotland for new investment? One could decide to use the Barnett formula, but that clearly would not work. It is based on a per capita calculation and works out at about 7.3 per cent.; at the very least, any ratio should be based on mileage. Scotland has some 13.3 per cent. of the national railway mileage, so that factor could be taken into account.

Alternatively, one could use a ratio based on current spend, but there is a danger in that method. The investments made in the past few years have largely centred on major English projects, particularly the west coast main line. Such a method of funding would therefore freeze in a future bias against Scotland. We need a formula that is reasonably flexible and that permits the Scottish Executive and the Welsh Assembly to know what funding they will have to introduce the improvements that they want to make. We want the Bill to ensure that improvements in the service from Edinburgh to Aberdeen or to Inverness are more likely, rather than less.

The Secretary of State's proposal concerning the ORR makes a great deal of sense, but we want to ensure that the safety duties are properly carried out and not conflated with the functional side. Part 3 sets out the modification to the Rail Passengers Council. As I have pointed out, the general principle is fine, with the proviso that we need to consider the important issue of how to deal with the devolved Administrations.

Perhaps my greatest worry relates to part 4, which appears to have only one purpose: to make closures and reduced services easier to implement. Why do the Government want to do that? In the light of that and of last week's announcement on community rail, there is serious concern that this could be another back-door Beeching. Beeching made some serious errors in his approach to the railways, not least in his appreciation of cost. One problem is that branch lines' costs are apportioned to them by Network Rail on an average cost basis—in the days of Beeching, they were apportioned by British Rail—but the true cost could be much less. In averaging out those costs, all the high-class, high-speed lines are included with the lower-class, lower-speed ones. It is the branch lines that tend to be the much slower, lower specification lines, and we need to ensure that a true costing of them is made, so that they are not closed in error. Beeching failed to take into account that closing branch lines removes passengers from main lines, because those who need to travel to a connecting line end up going by car, rather than taking the train.

The role of the railways in moving freight is also important and needs to be encouraged. I was sorry to discover that, in the more recent rail targets, the previous ones have been dropped. It is important that freight move from road to rail, so I hope that when the Secretary of State's long-term vision is published, it will not only make room for freight but clearly indicate that the Government regard rail freight as a way to help combat road congestion.

Mr. Hopkins: Does the hon. Gentleman agree that there is a real need for new lines, particularly dedicated freight lines? Such lines might ease the pressure on passenger lines and allow them to run trains at much higher speeds; indeed, they might enable the creation of dedicated passenger lines.

John Thurso: I certainly agree that new capacity is needed. The biggest challenge that the Secretary of State for Transport will face—whoever it may then be—will be the lack of capacity. Indeed, many are saying that the east coast main line will run out of capacity by approximately 2015. However, I have a slightly different solution from the hon. Gentleman's. I would take the fast trains off the existing network, put them on a dedicated high-speed line and create a fast intercity connection, particularly on the north-south route. The capacity that such a removal of high-speed trains would deliver could then be used to create more freight lines and, indeed, more passenger lines.

Dr. Alan Whitehead (Southampton, Test) (Lab): Does the hon. Gentleman agree that we should also consider maximising the slots set aside for freight, which often has to compete with an increasingly overloaded passenger network in some parts of the country, through strategic methods such as upgrading lines and planning properly the interface between freight and passenger routes? Should not a key part of any strategic view of the future of rail be such an integrated view of freight and passenger travel?

John Thurso: I believe that a critical indicator on which the success of the Government's changes will be measured is whether that capacity for rail is maintained and maximised in the way that the hon. Gentleman suggested. I agree with him on that.

I have no doubt that the railways face considerable challenges in the years ahead. Quite apart from the investment needed to catch up on decades of under-spend, new investment will be required over the years. As I said, the east coast main line is forecast by many commentators to reach capacity by 2015. We will need new solutions and other areas will have similar problems. One day, I hope that we will accept the need for a dedicated high-speed rail network.

The Bill provides the framework in which a genuine and much needed long-term strategy can be put in place. That is why I and my hon. Friends will support it.

However, it is for the Secretary of State and his Department to live up to the expectations created by the Bill. For the sake of future rail passengers, I sincerely hope that they are achieved.

6.11 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I welcome the opportunity to speak after the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) because I have always wanted to say the name of that constituency, which is such a wonderful title.

The Bill is important, but small. If we choose to criticise certain aspects, it is not because we fail to regard it as a positive assessment of the real problems that the railway industry faces. Rather, it is because we want to tell the Government that they are doing pretty well, but ask them if they can please do a little bit better.

It is important to understand that some of the problems arising are not new, but need a bit of new and lateral thinking. It is essential for the Government to provide very firm leadership. The Strategic Rail Authority did not provide it and in the new round of franchises, we must be quite clear about what passengers want, what efficiencies are needed and what changes are necessary.

I hope that the Secretary of State will look closely into what is happening in the centre of the railway system around Birmingham. It is a sort of central node, yet the organisation of the services is, frankly, not working. People experience great difficulties there, but an opportunity exists now that much of the rolling stock and diesels have been freed up and are available to run longer services; from the south-west to the north-east and from the south-east to the north-west. By using those trains and providing an hourly service, we could begin to sort out some of those difficulties and provide a much higher standard of service for customers.

When one gets beyond the day-to-day determination of what is needed for the various franchises, it becomes clear that the Railways Bill, which has some useful parts, is worrying in one or two small details. I hope that the Secretary of State will forgive me if I highlight one of them, but I will not be doing the sort of rant about local government personalities that we have heard from Conservative Front Benchers tonight. When I hear determined attempts to make Ken Livingstone into a bogeyman, I wonder whether he has some arrangement with Conservative Members, by which they give him all that free publicity and build him up in a way that, undoubtedly, he warmly welcomes. If they could tell me what the arrangement is, perhaps I could make a contribution and they could demonise me in the same way. I am sure that it would improve my chances of re-election.

There are some real problems with the franchises. I want to comment briefly on those who are choosing to suggest, for reasons that I do not understand, that the next round of franchises will be greatly influenced by personalities and the relationship between various personalities and various political parties. Whatever one says about granting franchises and whatever one's view of companies' abilities to run the franchises that they take over, I do not think that anyone has seriously suggested that those decisions were taken on the basis of the popularity or otherwise of the management of the companies concerned.

Yet the rumour is now gaining considerable weight within the eastern region. A case is already being built; if there are any difficulties with GNER, they will be due entirely to the fact that the Labour Government are not prepared to allow certain people to take over certain franchises. That is so bizarre. Usually, I would not bother to comment on such things, but it is important to make it clear once and for all that if we are to retain a franchise system, it will be done simply on the basis of efficiency and value for money for the taxpayer and the passenger.

Personally, I would like to see much tougher conditions and quality of service written into the franchises. I am sure that the Secretary of State is not only alive to that possibility, but wants to ensure that it happens in the next round. We cannot allow the sort of interpretation of "flexibility of programming" whereby if an efficient and timely service cannot be run, bus substitution or some other cheaper way of providing a service is viewed as acceptable to assist the overall finances without consideration of what that means for the passengers. I am afraid that bus substitution is no substitution for an efficient and competent service.

Jeremy Corbyn: I wholly agree with my hon. Friend that bus substitution is no substitute; indeed, it often ends up driving people away from the public sector altogether. However, is she concerned about the possibility of the community rail initiative going in that direction, with the Devon and Cornwall branch lines, for example, being viewed as appropriate for bus substitution? That would be rather similar to what Beeching did for many of the Norfolk branch lines, as it resulted in fewer passengers using either bus or rail transport.

Mrs. Dunwoody: The Secretary of State knows that the community rail partnerships are capable of producing really high-quality services. The combination of the needs of local people with the desire to provide a good railway system often improves not just the stations, services and passenger information, but even the quality of ride.

I sincerely believe that the Secretary of State wants to develop that and I do not concur with any suggestion that it is all about some hidden attempt to cut services. I know that my right hon. Friend will not expect us to sit quietly here, should there be a move, even by default, towards such a policy. He and I both know that using taxpayers' money well means providing what taxpayers want, which is continuing community involvement in railways and continuing provision of links between smaller railway lines and the main lines. We all know what happened in the past when, for one reason or another, those lines were discontinued. I am quite convinced that the Bill is not a back-door way of cutting community services. Indeed, I hope to see them developed and improved under the Bill.

However, I do have some concerns. I hope that the Secretary of State will make it quite clear that the rearrangement whereby safety becomes the responsibility of the Office of Rail Regulation should

[Mrs. Dunwoody]

not be regarded by anyone as a cost-cutting measure. It will, I hope, produce a high level of safety, and we should not assume that it will be a cheaper service to run. I think that it will, in fact, be cheaper because it will be much more efficient. By definition, that should mean not having the same overheads, but it must be made clear to the people concerned that it is not a means of spending less on safety. We are seeking a higher standard and we want to maintain it across the network because we happen to think that that is how it should be in the future.

What will determine that will be the quality of the staff in the new office and their experience. Network Rail could undertake much of its own safety work, in the way that British Rail did, because of its particular involvements and the experience that it will build up. However, we need assurances from everyone that that particular development will not be regarded as a cheaper approach. For example, £578 million was spent on the installation of the train protection and warning system, but safety is not only a question of an immediate response to a problem, but of long-term value for money. That is essential. I also hope that the Transport and Works Act inquiry into the extension of the railway in the west midlands will be made available in due course, because it will have an impact on major lines.

I know that my right hon. Friend the Secretary of State intends to streamline the rail passengers committees, which will be an improvement. No matter how genuine and hardworking the individual members of those committees are, the structure is unwieldy. The passengers do not know where to go to complain, there is no clear line through which to answer complaints and many hon. Members have had to undertake inquiries that would be best left to the committees. I hope that the streamlining will include the provision of a reasonable advertising budget, so that in the future no one need be unclear about where to go to obtain redress for what are real problems.

I should have liked my right hon. Friend the Secretary of state to address the issue of rolling stock. We have already debated the untenable position of rolling stock companies or ROSCOs, which will walk away with large sums of money. Can my right hon. Friend give us an assurance that ROSCOs will be asked to contribute to retaining the rolling stock industry in the United Kingdom? That would be a source of great comfort. It is frightening that at a time when the taxpayer is at long last committing large sums to rolling stock, including improving general carriages, the work will go to overseas companies.

The companies, sensibly, have made strong efforts to produce the responses that the Government want, but we are losing jobs in the rolling stock industry very quickly. Once the expertise is lost, it cannot be regained easily or speedily. However, we know that we will soon need more and more new contracts fulfilled, and I want to see them fulfilled in the UK.

Mr. Hopkins: Does my hon. Friend agree that one of the problems for the rolling stock manufacturers is that they do not have stable ordering programmes? Planning is required at a national level to guarantee stable orders for a long-term future.

Mrs. Dunwoody: I agree. Indeed, the Government should accept that we must have a research unit—including manufacturers, universities with transport departments and the industry generally—that plans new rolling stock, freight services and new provision across the board. We are investing the cash, but we are losing jobs. People in the industry have the right to expect that their expertise be not ignored or forgotten. I am sad that the Bill contains no indication of any such development in the future.

The changes in the Bill are long overdue. The SRA, for reasons that are well known, was not working. It did not have the powers and it was not capable of translating imaginative leadership into practical results for the rail industry. We desperately need decisions to be taken now. There are worries about the removal of powers from the PTEs to sign rail franchises and the granting of franchises to those who run bus companies; those concerned regard rail and bus services as parallel and do not understand the differences between them. However, the Bill offers an opportunity to begin to bring the benighted rail industry into shape, so that passengers no longer have to demonstrate stoic resignation in the face of difficulties, but can say cheerfully that this is the first Government to commit large sums of money to the issue, the first to show imagination about the rail industry's problems and the first to deliver the goods.

6.26 pm

Mr. David Wilshire (Spelthorne) (Con): The general thesis of this debate is that Britain's rail network is in a mess. That mess is of the Government's making. Even if Labour Members dispute that and claim that it owes something to privatisation, it is no justification for the Government to claim that it has nothing to do with them. The Government have had seven years to do something. To try to blame the mess on other people after all that time is total nonsense. The British railway system is in a mess and the Government have been the main architects of that.

The Bill will make matters worse rather than better. I am content to support some items in the Bill, but overall I oppose it. As the representative of the usual channels who will sit on the Committee, and unfettered by the rules that apply to my opposite numbers, I will be able to explain in some detail why I do so.

Mr. Tom Harris: The hon. Gentleman opposes this Bill and I understand that he also opposed the previous Act. Would he have been content for the 1997 situation to continue unchanged?

Mr. Wilshire: Of course I want to see the railways improved, but this Bill is the not the right way to go about it. If the hon. Gentleman is lucky enough to have to put up with me in Committee again, he will hear in some detail exactly why I think he is wrong and my party is right.

The Bill is an admission by the Government of their failures. In 2000, the Government told us that they had the answer to the railways' problems—the SRA. We did not think that the SRA was a good idea, and it gives me little satisfaction to say, "We told you so." We were told that the SRA was the solution, yet—without apology

from the Secretary of State—we are now told that it is the cause of the trouble. The Government have failed, but either they cannot see that or they have the brass neck not to say sorry. That is a bit much.

The Bill also shows a failure to understand a basic truth that I like to think most people have now grasped. It is that politicians and bureaucrats are useless at running businesses. I am sorry that the hon. Member for Luton, North (Mr. Hopkins) is no longer in his place, because I listened with amazement—and a little amusement—to his contribution. It appears that dinosaurs are not extinct yet. The thrust of his argument was that nationalised businesses are good and the private sector is evil.

I thought about that for a moment, while the hon. Gentleman began to talk a load of other nonsense, and I realised that what I had heard from the Labour Benches was an argument that vehicle makers—the makers of aircraft, cars, trams and trains—should be nationalised because they are in the private sector, that private sector road builders and road repairers should be nationalised, and that airport builders and operators should be nationalised because they apparently do not work, according to the hon. Member for Luton, North. Of course, using the same argument that only nationalised businesses are any good if they are involved in transport, he would presumably advocate the nationalisation of airlines, bus operators and taxi operators. It is nice to know that good old-fashioned, left-wing Labour flourishes.

Jeremy Corbyn *rose—*

Mr. Wilshire: Ah.

Jeremy Corbyn: My hon. Friend the Member for Luton, North (Mr. Hopkins) is not in the Chamber, but one should give credit to his argument, which I support. The railways and the buses in particular in this country would not survive but for the massive public investment in them and public support for those services. Some £10 billion invested in rail subsidies has resulted in £1 billion of profit to the private sector. Is that a good return on public money?

Mr. Wilshire: I disagree with that argument. Just because someone puts up the money does not mean that they must own everything. I am glad to see that the hon. Member for Luton, North has returned to the Chamber. I am sorry that he missed my comments, and I am sure that he will thoroughly enjoy reading them in *Hansard* in the morning.

Not only does the Bill fail to address past mistakes, but it will make at least another mistake that will make matters worse: it will give the Mayor of London more power. I take the strictures suggested by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) not to give names to those people, but the Bill will give the Mayor of London, whoever it may be—the hon. Lady might want to stand for that post one day, who knows?—more power, particularly over things outside London. I shall say why that is a huge mistake in a moment. I worry about another issue that I fear could be a mistake. Again, I shall explain it in a moment. I am worried that, rather than improving safety, the Bill might run the risk of making matters worse in some respects.

As for the main part of the Bill—the abolition of the SRA—the Secretary of State said that things had gone wrong in the past, but he could not bring himself to say that the SRA was a disaster. It was a good thing—so good that he wants to abolish it. When I intervened on him about that, he accused me of not understanding the reasoned amendment tabled by the Conservative party. Despite the fact that the Secretary of State said that the reasoned amendment says that we want to keep the SRA, try as I might— reading and re-reading it—I have failed to find the words "We want to keep the SRA." The Secretary of State was wrong in attributing something to the reasoned amendment that simply is not there. All we say in respect of the SRA is that, in abolishing it, the Government are giving powers to politicians and bureaucrats. That is what we are against in relation to the SRA, as our reasoned amendment makes clear.

The SRA was not only ineffective, but a waste of money. Let us simply look at the facts of the matter. The Office of Passenger Rail Franchising cost the British taxpayer £13 million and employed 187 staff in 2000–01—its last year in existence before its replacement by the SRA. We are now asked to abolish its replacement, which costs the British taxpayer £102 million and employs 454 people. Not only was the SRA a failure, but it was a waste of time and money too.

I am only too pleased to support the abolition of the SRA in principle—to that extent, I support what the Government propose in the Bill—but I am not happy to pass the responsibility upwards to politicians and bureaucrats. I want the responsibilities and work passed downwards to where they can really make a difference—to the travelling public.

Mr. Hopkins: I am following what the hon. Gentleman says; but in effect, this noble House keeps being maligned. Ultimate accountability will be closer to the House, so we will have some say in the costs and the running of the railways. We do not have that say now.

Mr. Wilshire: One must distinguish the input of taxpayers' money from the operation of the service. I do not understand what is gained by passing responsibility and accountability for what the passengers must endure to the House. I accept that the hon. Gentleman is a regular passenger, but he has an input to make not in his capacity as the Member for Luton, North, but as a regular user of train services. The real accountability for the railways ought to lie with the people who depend on them and use them, not with politicians, because our record—I almost said track record, but I ask the House to forgive that sort of pun—in these matters is not something that we can be proud of.

The issue of the SRA, politicians and bureaucrats is not the only thing that concerns me; I am also concerned about giving more responsibilities to Network Rail—that wonderful, unaccountable organisation. We are not quite sure what it is, who is in it or how it is established, but the one thing that it is not is accountable to anyone. The White Paper made a fair point when it said that the franchise operators tended to try to pass the buck and that, somehow or other, they could wriggle around their responsibilities by pointing the finger at Network Rail.

[Mr. Wilshire]

What is the wondrous solution that the Government come up with? They want to make it easier for the franchise operators to say, "Nothing to do with me, guv." As we go through the Bill, we discover that Network Rail will be responsible for the performance of the railways. The people who operate the trains should be responsible for that. The Government will make Network Rail responsible for planning. Again, the people who operate the railways should be responsible for that.

Worst of all, the Government will make Network Rail responsible for the timetables. I find that quite extraordinary. If a train does not arrive or something is changed, my constituents rightly complain to South West Trains, asking, "What do you think you're playing at?" In the future, South West Trains and the other companies will say, "Nothing to do with us. This is what we were told to do." That is the exact opposite of making the franchise operators more accountable. Network Rail's job is to hold the operators to account, not to take the responsibility itself. When responsibility is removed, those involved become irresponsible.

Mr. Tom Harris: On a point of information, the hon. Gentleman may well be right, but I understand that the SRA, not the train operators, sets the timetables. In fact, the situation for the train companies will remain the same when the Bill is enacted.

Mr. Wilshire: The arrangements are all very vague at the moment. If I understand the White Paper correctly, the responsibility is split, but no one is quite sure. The allegation in the White Paper is that it is possible to pass the buck. To stop that happening in future, everything will lie with this wonderful thing called Network Rail.

The Secretary of State told us in magisterial terms—if I noted this down correctly—that only the Government can handle strategy. I think that he said that twice. That was his great assertion. Let us give a little thought to the Secretary of State's performance in respect of the strategic handling of the railways. My hon. Friend the Member for South Suffolk (Mr. Yeo), who opened the debate for the Conservative party, mentioned the Gatwick Express. The strategic thinking about the future of the Gatwick Express involves getting commuters to use it, making life more difficult for air travellers, thus driving the people who use Gatwick back on to the roads. Is it joined-up thinking and an integrated transport policy to attack a success, turn it into something else and undermine the principles in the aviation White Paper? That is really "strategic".

Dr. Whitehead: I have listened carefully to the hon. Gentleman's alternative theory of how one moves towards a strategic view of the railways. Will he explain how, for example, one might increase and enhance freight capacity on the railways? Would that strategic responsibility lie in the hands of the freight companies or the passenger companies, or perhaps with the travelling public?

Mr. Wilshire: I am sure that my opposite number in the usual channels will have listened with some care to that intervention and spotted another volunteer to sit on the Committee and listen to me explaining at some length the answers to precisely those questions. I am having difficulty finding people for the Standing Committee, but it appears that my contribution is helping to produce Labour Members who are willing to serve and hear my pearls of wisdom.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): Will the hon. Gentleman give way?

Mr. Wilshire: Ah, here is another one.

Mr. Howarth: Will the hon. Gentleman reflect on the fact that, as we listen to his speech, those of us who wish to serve on the Committee become less likely by the minute to do so?

Mr. Wilshire: You ain't heard nothin' yet, is my response to that.

The lack of joined-up strategic thinking by the Government does not end with the Gatwick Express. It has taken some effort to beat off the stupid idea that the Heathrow Express should be turned into part of Crossrail and made to stop here, there and everywhere. Not only do the Government want to undermine Gatwick's success, but they want to undermine Heathrow's as well and put at risk a large number of jobs in my constituency.

Jeremy Corbyn: Will the hon. Gentleman reflect on the fact that the Heathrow Express is the world's most expensive railway, bar none, to travel on? Would he not be better employed in endeavouring to bring its prices more into line with those on other train services that operate along almost the same piece of track, apart from the short distance into Heathrow airport itself?

Mr. Wilshire: The cost of the Heathrow Express is a separate issue from the attempt to prevent it fulfilling its function, which is providing a service to Heathrow for passengers. I hear the hon. Gentleman's comment about the cost—I, too, have reservations in that respect—but the cost has nothing to do with trying to close it and turn it into part of Crossrail.

It is not only with the Heathrow Express that the Government's joined-up thinking comes adrift. Consider the attempts to build Airtrack at Heathrow. The Government produce an aviation White Paper that states that Heathrow has a role to play in the future of air transport in this country, but it can develop only if surface access is via public transport, not by road. However, we encounter attempts to stop the Heathrow Express, which is part of that strategic policy, and obstacles in the way of building Airtrack, which is a route from Heathrow into my constituency and thence to Waterloo or Victoria. That has happened because the Government choose a priority—commuters—and do not think through the implications for something just as important, namely, the successful continuation of British aviation. That does not make sense.

The position worsens when we examine the Bill's provisions for London. All the rail services into my constituency and all the stations in my constituency are targets for Transport for London—its representatives told me so in a meeting on 19 October and made their

desire to take over all of that crystal clear. When I asked them what they meant by taking over, they told me that TFL wanted to organise the timetables: never mind my constituents, it would be done for the convenience of London. They said TFL wanted to control fares: never mind what rail travel ought to cost my constituents, fares would be decided according to what is good for London. They told me that TFL would be responsible for improvements made to train services in its greatly expanded empire. That worried me, because I saw what happened to the buses in London—the huge expenditure and losses, and fares jacked up to pay for them. I realised that my constituents were in danger of having their rail fares increased to pay for—who knows what? Almost certainly not rail services in Spelthorne.

South West Trains has a programme of improving stations and platforms in my constituency and others outside London. I have no confidence, unless the Bill is amended, that money taken from commuters living in my constituency will not be squandered elsewhere in London for some politically correct programme that Transport for London prefers to helping my constituents. I cannot help wondering whether the plan goes further than the Bill admits. The Mayor of London has an undisguised desire to grab areas surrounding London and make his empire even bigger and he has made it crystal clear that my constituency is one of his prime targets. Perhaps he thinks that if he gets control of my rail services, he will be able to argue that Spelthorne ought to be part of London, after all.

The Bill suggests that we can overcome the problem of taking representations from people who do not live and therefore do not vote in Greater London by having two members of the board of TFL from outside the capital. I thought that, in principle, that might work, but then I looked at the details, and what did I find? The Mayor has to consult the regional assembly—that discredited body that no one in the south-east wants. What do people on the Isle of Wight have to contribute to a discussion about what is best for rail services in my constituency and Heathrow? Nothing. Surely consultation ought to be with those who will be affected by the change. Another thing I have discovered about the arrangement to try to buy us off and keep us quiet is a restriction that only two members of the board of TFL can be elected members of a principal council.

Mr. Greg Knight (East Yorkshire) (Con): My hon. Friend is making a powerful point. Is it not possible to engage in consultation, then totally ignore the views expressed therein? Is that not likely to happen in the situation that he is describing?

Mr. Wilshire: That is precisely what the Department for Transport seems to specialise in doing. It consulted on dualling the A303 in south Somerset down into Devon, and the proposal commanded widespread support from local councils, which thought it was precisely the right thing to do, but the Department ignored their views—a wonderful arrangement.

As I was saying, only two members of the board of Transport for London may be councillors. I have not discovered what the present membership of the board is, but let us suppose that there are two elected members on it. Even if people outside London are given some sort of representation on the board, therefore, they will be barred by statute from being represented by persons who have a democratic mandate to speak on their behalf. That is not democracy. It is a sop to try to keep us quiet—but we have spotted it.

I mentioned my concern about safety—an issue that I raise with some trepidation. I know that one of the responses is that the proposed arrangement is modelled on the air accidents investigation branch and on the Civil Aviation Authority's system, about which I know a fair bit and which seems to work. However, I have always had some reservations both about the CAA's safety arrangements and the AAIB. I note that as well as being responsible for safety, the Office of Rail Regulation is responsible for performance and costs. I would not mind if it was only responsible for safety—we could have a discussion about that. However, trying to improve performance and keep costs down often produces pressure to cut corners, and if an organisation that is responsible for safety faces that pressure to cut corners, I worry. I am sure that my concern can be laid to rest and that the Government can deal with the issue, but I believe that, as the Bill stands, there is a risk to the safety of rail passengers.

The hon. Member for Crewe and Nantwich said that it might be cheaper to transfer functions carried out by the Health and Safety Executive to an existing body. I accept that argument, and understand why some people say that the CAA carries out such a role for air travel. However, there is a fundamental difference between air travel and surface transport. Everything that happens in the air can easily be brought within the ambit of aviation, so a single-issue approach is appropriate. However, on the ground, railways and roads are both involved, so people would ask whether something was wholly a railway matter, it partly a railway matter or something else. There is a danger of duplication, so perhaps we should consider making surface accidents the responsibility of a single organisation. Although I am concerned about those issues, I am not prepared to assert that I am right. I hope, however, that the Government are prepared to address them.

The Bill represents yet another missed opportunity by the Government, who are merely moving deckchairs around the Titanic. The White Paper said that the railways should be "more customer-focused" and "more passenger-friendly." The Bill, however, does the exact opposite. It marginalises people who work with customers and weakens passenger input, substituting remote national politicians and the unaccountable Network Rail. It is, as I said at the beginning of my speech, an admission of the Government's failure, and it will make matters worse, not better.

6.51 pm

Mr. Graham Stringer (Manchester, Blackley) (Lab): To reassure the hon. Member for Spelthorne (Mr. Wilshire), I can tell him that the railways were in charge of their own safety for many years before that responsibility was handed over to the Health and Safety Executive. There has been a century of improvement in railway safety, so although the hon. Gentleman made some interesting points, we do not need to worry about them.

Our debate has lacked annoyance, perhaps even anger, at what has happened to our railways in the 11 years since the Railways Act 1993. To try to gain

[Mr. Graham Stringer]

some perspective, I looked at the Second Reading of the Bill that set up the Strategic Rail Authority in July 1999. Fascinatingly, in that debate, Opposition Members were completely satisfied with privatisation. I am caricaturing, of course, but the essence of their argument was that nationalisation of the railways had never worked and never would, thus justifying the extremely high costs incurred in selling the railways to Railtrack. Interestingly, in 1999 the railways were valued at six times the price at which they were sold off—the Public Accounts Committee concluded that the railways had been undervalued and sold in haste.

Sir George Young (North-West Hampshire) (Con): Does the hon. Gentleman think that by any chance the attitude that the Labour party took at the time of privatisation had some influence on the price?

Mr. Stringer: The major influence on the price was the deep underlying philosophy of the Conservative party that it had to do something to get the problem off its hands. On the other side of the equation, ROSCOs—rolling stock companies—were sold off in an unregulated way and were sold on almost immediately for a third more.

That was the situation that we faced, but it became a great deal worse. Labour Members were keen that the SRA should provide a sensible direction for the disparate rail industry, which, admittedly, was giving a good financial performance. The hon. Member for Rochford and Southend, East (Sir Teddy Taylor), for example, said on Second Reading of the Railways Bill in 1999 that eventually the railways would be operated without any cost to the public sector. Even though he was right according to his own terms of reference, events proved him wrong.

Railtrack was not a railway company, so it was not controlled. It turned into a rapacious property development company that paid scant regard to the safety of travellers and passengers. "Broken Rails" by Christian Wolmar sets out in great detail the way in which privatisation of the railways and the establishment of Railtrack led to poor railway maintenance. The chief executive of Railtrack got off extremely lightly. Hon. Members may not know that before the accident at Paddington he claimed that the station was the safest in the world. That was mere bravado, and he was not interested in the problems. Subcontractors to Railtrack and smaller groups were operating at a large profit without any direct control, so it was clear that the chief executive had no idea what was going on.

Railtrack has now been replaced by Network Rail, and there is a huge subsidy for the railways. It is difficult to know from the figures what is investment and what is subsidy, but the Government have made two attempts prior to the introduction of the present Railways Bill to put things right. I have already talked about Network Rail—*[Interruption.]* Opposition Members may laugh, but I do not think that the Government got it right at the time, and I do not wish to defend everything that they did. They acted to provide a sensible direction for a disparate industry, which was beginning to show the cracks.

It is clear, however, that the overlap between the responsibilities of the SRA and the rail regulator were not properly thought through. In its report on the future of the railways, the Transport Committee said that the rail regulator could effectively overrule the SRA, the Secretary of State for Transport and the Treasury and decide how much money went into the railways. I do not believe that that situation was envisaged by the then Secretary of State in 1999; it was a mistake that led to the spending of a great deal of public money, not all of it on investment.

The Government made another attempt to put things right when they created Network Rail after Railtrack had failed both as a property company and in its fundamental duty of running the railways. Network Rail is an improvement, but it is an odd body, and it is difficult to know whether it is in the public or the private sector. It cannot continue in its present form for long, because there is clearly no direct accountability for the money that is spent, either to shareholders or to the Government. It is run by people with vested interests in the railway system. It may work better than Railtrack did, because those people have the interests of the railways at heart, but it will not work in the medium term.

I am disappointed that the Bill does not provide for an improvement in the structure of Network Rail. I see the Bill as a step forward, and in the right direction, but I do not believe that Network Rail is the right medium or long-term solution for the railways. We do not know how taxpayers' money is being spent in the rail system. Network Rail is a vehicle for keeping £100 billion worth of debt off the public accounts. Everybody knows that, and it does not seem sensible to keep an unsatisfactory structure in place to hide something that everybody has seen. That is not a long-term solution.

On the amount of extra money that has been spent and attempts to disaggregate it, Professor Roderick Smith told the Transport Committee that for between £11 billion and £27 billion—the amount of money wasted in the rail system is probably within that range of expenditure—we could have had a new rail system. That is the extraordinary sum that has been wasted.

I support the Bill, and I will vote for it on Second Reading, because it addresses some of the problems in the rail system. Primarily it addresses the need for public accountability for money. The hon. Member for South Suffolk (Mr. Yeo) did not tell us how the large amounts of public money that have been put into the rail system should be accounted for. I believe that there should be accountability for taxpayers' money, and the Bill makes the Secretary of State accountable. That does not mean that the Secretary of State will control the entire railway system. Many of those responsibilities will remain within the rail regulatory system and within Network Rail, but the Secretary of State will take responsibility for the public money and some of the major strategies involved.

There are three aspects of the Bill, to which I shall speak briefly. I mentioned the first in response to the contribution from the hon. Member for Spelthorne—the removal of responsibility for health and safety in the rail system from the Health and Safety Executive. I fully support that decision. It is clearly a brave decision for a Secretary of State to take, because if there is an accident—and there can be an accident in any system—

people will tend to point the finger at him. That would be the wrong conclusion to come to. It is clear from the evidence to the Select Committee of Mr. Osborne, who for a period was in charge of safety at the HSE, occupying the position recommended by the Cullen inquiry, that the rail industry had lost confidence in the HSE to pursue safety in the rail industry.

The Select Committee also found many cases of gold-plating—public money spent on minor safety improvements. The money would have been much better spent elsewhere within the transport system. Spending £1 billion in one place to achieve very little improvement in safety means that £1 billion less is being spent elsewhere—for example, on the roads, where 3,000 people a year are killed. I am pleased with the change, and I would hate to see it misrepresented. I was a great supporter of the Health and Safety at Work, etc. Act 1974 when it was introduced—

Mr. Greg Knight: The official Opposition broadly agree with the points that the hon. Gentleman is making about the Health and Safety Executive. Subject to hearing what the Minister has to say further in Committee, we think that the decision is broadly the right one.

Mr. Stringer: I am grateful to the right hon. Gentleman. I am not sure that it is always career-enhancing to have Opposition Members agreeing with me, but I thank him for that intervention.

The other two aspects on which I shall comment are, first, rail substitution, and then the right of passenger transport executives to sign franchises. On rail-bus substitution, there is an implication in the Bill of a one-way ratchet. If the PTEs are willing to take the money currently applied to rail lines and put it into bus services, as a reward for transferring that money they will be allowed to regulate those buses. In some cases that might be sensible. In some urban areas there are probably a very few railway lines that do not have a future use. None the less, I ask the Secretary of State why, if a failing railway line triggers bus regulation, bus regulation is not triggered by failing bus services, such as those in north Manchester, and other major cities and metropolitan areas? It does not make sense to say that if a railway fails the PTE can regulate the buses, but if buses fail, there is no competition and the bus companies rip off the public sector with cartels, the PTE cannot undertake regulation.

There is a further point about rail-bus substitution. Regulation and quality contracts will be allowed if the Secretary of State agrees and they are within the terms of the local transport plan. The local transport plans have been given four objectives by Government—to reduce congestion, improve road safety, improve accessibility and reduce pollution. Nobody could disagree with those aims, but having served on a passenger transport authority and on a city council for a long time, I know that those are not the only objectives of public transport systems. They are good objectives, but two related objectives that should be recognised are getting more people into city centres and something that is probably even more important—supporting urban regeneration schemes.

There are some urban regeneration schemes in Greater Manchester that will not happen if there are only bus services. They need light rail and in some cases heavy rail, or light rail substitution for heavy rail. The Government are too narrow in their objectives for local transport plans if that is the basis on which they allow the substitution of heavy rail for buses. When I asked the Secretary of State about that in the Transport Committee, he said that it was very difficult to measure urban regeneration. Indeed it is.

It is very difficult to measure congestion. The Department for Transport and the Secretary of State have failed for some years to come up with a universally agreed measure of congestion. I ask the Secretary of State a simple question: is Leeds more congested than Manchester? Is Leeds more congested than Birmingham? Is Birmingham more congested than Manchester? If there were a simple measure, there would be a simple answer. The degree of difficulty in measuring something does not mean that it should not be measured. For most councils and most passenger transport authorities, one of their top priorities would be urban regeneration.

The issue of the passenger transport executives' right to sign franchises has been touched on by other speakers. I have said on a number of occasions that I agree with the Government's declared intention to devolve responsibilities to the passenger transport executives, and I listened carefully to what the Secretary of State said in response to a number of interventions on that subject. To summarise, he said that there had been at least one difficulty when a PTE had used a delay in signing to haggle for extra resources. Surely he could take to himself the power to intervene if PTEs unreasonably withheld the signature; I do not seen any problem with that.

It was also suggested that it would be simpler if the Secretary of State took control and effectively devolved responsibility back to the PTEs, allowing them to sign franchises if he agreed. I think that that is a complicating factor, as PTEs and members of PTAs are much more likely to end up spending a lot of time negotiating with Whitehall officials, who will almost inevitably not understand the circumstances in Manchester, Birmingham, Leeds, Newcastle or elsewhere. That arrangement will be more time-consuming than allowing PTEs to do what, with only one exception, they have done successfully and without any problems.

I welcome the fact that the Secretary of State told the Select Committee that on that matter he would consider representations, and what was said in the Standing Committee. He also said today that he would meet a delegation from the House of Commons passenger transport executive group, which has recently been set up. I hope to persuade him in those discussions that the current proposals are centralising ones that conflict with the objectives set out in the White Paper, with which I agree.

I support the Bill as a step forward and a way of ensuring more accountability for public money. It does not go as far as I would like, it leaves some odd structures in the railway industry that are probably not as effective as they could be and will not deliver as well as they should, and there are some detailed parts of it that I look forward to discussing in Committee.

7.12 pm

Richard Younger-Ross (Teignbridge) (LD): I wish to start with an apology, as I will shortly be chairing a meeting that I have organised and must leave the Chamber immediately after my speech. No disrespect is intended.

It is a matter of only a few weeks since the tragic rail disaster at Ufton near Newbury. My constituent, Emily Webster, a schoolgirl, was sadly one of the five who died. I have since had conversations with her family and her father, and they are all concerned about rail safety. Her father in particular has raised the issue of seat belts in trains, which I shall come to later. The Bill transfers health and safety responsibilities to the Office of Rail Regulation and the question that we must ask now and on which we have to test the Government in Committee is whether that will improve rail safety.

My hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) likened what is proposed to a Civil Aviation Authority approach. The one thing about the CAA is that it responds and carries out its inquiries quickly and looks into what needs to be remedied, after which the air industry does its repairs promptly. One aspect of the rail inquiries that we have had in the past is that they have taken a long time. Recommendations made in other inquiries are often not fully taken up and are sometimes not implemented. It is all very well to say that rail travel is a safe mode of transport. Yes, it is—it is far safer than flying or driving—but that is no excuse for saying that we should not improve standards even further.

I had a conversation earlier with my hon. Friend the Member for Newbury (Mr. Rendel), two of whose constituents tragically died. He cannot be present because of previous commitments, but he raised a number of safety issues relating to the Ufton disaster. It appears that the emergency hammers that are used to break the glass broke before the glass did, so the windows could not be knocked out. Perhaps people were hitting the windows in the wrong place, but could not see the emergency signs. He asked whether there should be additional emergency lighting.

It appears that the points near the crossing may have added to the disaster. If that is the case, it is a safety issue that needs to be explored further. Perhaps all crossings near points need to be looked at in detail to see whether it is possible to ensure that a chain of events that was perhaps a freak, but a tragedy none the less, cannot be repeated.

Another point that my hon. Friend made was about people leaving the accident scene without their names having been taken. That may cause problems in relation to post-traumatic shock, but evidence is a problem. We have referred to the noises that passengers hear, perhaps from the rails, but it is a problem if they cannot be contacted to find out whether they have any evidence. I hope that the new safety mechanisms will ensure that such details are not only looked at, but acted on, as I am sure they would be in many other areas.

I come now to the concern of Peter Webster, who has raised the issue of seat belts. I often use a term used by John F. Kennedy:

"ask not what your country can do for you—ask what you can do for your country."

It is not a matter of whether we should have seat belts, but a case of why we should not have them. Seat belts demonstrably improve safety in the air and on cars. Common sense says that, if somebody is in a moving vehicle that comes to a halt very abruptly at high speed and turns over, a seat belt will aid their chances of survival and reduce any injuries that they receive.

The Finnish transport authority is often quoted as saying in part that such a proposal could not be recommended, largely on the ground that people would not wear seat belts. Passengers felt that there should be seat belts, however, and the authority felt that they would reduce the number of injuries and deaths. Peter Webster has done his own research on a train. He spoke to a large number of passengers and gave them a quick survey to fill out. He found that the vast majority were in favour of seat belts on trains. When it came to children, the vast majority of passengers said that although they might not wear belts themselves, they would insist that their children did so. That may have saved Emily's life. We do not know.

Mr. John Bercow (Buckingham) (Con): I respect the sincerity of the hon. Gentleman's argument, but I would take a great deal of persuading about the merits of installing seat belts, which it would presumably be compulsory to wear. However, may I put to him this prosaic but serious question: what about those on trains who are standing?

Richard Younger-Ross: I take the point. I think that I recall that the number of people standing on the train was a contributory factor to the injuries sustained in the Clapham rail disaster and that the injuries in the Paddington rail disaster were compounded by passengers standing up and moving through first class to the front of the train, as the train came into the station. Standing passengers on a train are at risk. People do not spend a lot of time standing on trains—if seats are available, they may go to and from the buffet car. Peter Webster researched how long people spend out of their seats, and, by and large, people on long journeys spend only a few minutes out of their seats.

Some trains are overcrowded. In my constituency, some people are left on the platform because the trains are too full, which is unacceptable. In the transition to full privatisation, the overcrowding on trains in my constituency led to the rail company putting up fares to try to relieve congestion. In that case, the rail company doubled school fares because the trains were too crowded. It did not put on extra carriages and tried to force people off the trains to reduce overcrowding. We need investment in the rail service to increase the number of seats on trains and to reduce the chance of people standing.

Seat belts on trains need not be compulsory—the hon. Member for Buckingham (Mr. Bercow) referred to that issue, which is not the point—but they should be optional and they should be there to give passengers the chance to affect their lives and those of their families. That does not cover all eventualities, and I do not say that it does. On an aeroplane, one is not compelled to wear a seat belt all the time, but one is compelled to wear one on take-off, landing and when the pilot says so. Vacuums occur, and people have been injured in accidents because planes have suddenly lost height. One

cannot take account of such events, although I am not saying that one should take account of all eventualities, because we would wrap everything in cotton wool if we did so.

In my view, the provision of seat belts would certainly aid safety at a cost that would not be considerable. A company has contacted the rail companies and offered to fit out carriages on a trial basis. Why not? Rail companies should fit out a carriage or two to measure use and passengers' responses. Having done that, they might say, "No one uses seat belts. They are a waste of money," which might be a valid argument in those circumstances. Until someone does that, however, they cannot argue that point.

Finally, I shall comment on some other issues. The accident at Ufton involved a car on a crossing in which a train hit the car and derailed. Crossings are seen as a problem for the rail operator, but I should like to ask why, because the Bill does not address that point. A crossing is an interconnection between road and rail. If improvements to the crossing are needed for rail safety, they are also needed for road safety. Whether the matter involves a trunk road or a county or other local authority road, the road authority should logically bear part of the cost of improvements, which might involve constructing a bridge.

The road authorities often pressurise Railtrack on gate-closure times, which is one of the reasons why indicators on crossings may not work—the train stopping time may be greater than the time that the gate is shut for traffic. If the length of time that a gate is down is a traffic concern and if a congestion problem relates to that period of time, the road authorities should perhaps deal with the situation by constructing an underpass or bridge.

If one constructs a bridge or alters access, one requires planning consent. One of the Bill's oddities is that rail authorities have permitted development rights: they can put up mobile phone masts for their own use along the track and do a lot of other work without planning consent. On planning, Network Rail and the rail operators should be accountable for all that they do. They may not need full planning consent, but they should be accountable, which does not mean the limited accountability to which they are subject at the moment.

The Bill touches on finance. My background is in architecture. One can examine the costs of running an organisation in terms of whole-life costs or on a cash-flow basis. One of the problems with rail privatisation is that it considered the rail companies in terms of cash flow rather than in terms of whole-life costs. When we examine the costs and how we fund the railways and discuss budgets with the Chancellor of the Exchequer, we should do so not only in terms of today's budget, but in total and in the round. If one always worked on cash flow, total costs would exceed the costs if one had built in maintenance costs from the beginning. The road network is a classic example: if a county council cuts its maintenance programme to save money, the structure of the road is eventually damaged, which means that structural repairs are required.

Bypass loops past stations such as Newton Abbott and opening up platforms to improve capacity would improve the Waterloo rail line. Creating an alternative route to Cornwall for whenever Virgin Trains get stuck at Dawlish because water is on the line or because a storm has damaged the sea wall is vital for the Cornish economy. Whenever the Tamar bridge is closed for repairs, it affects districts and towns further down the line.

Thank you, Madam Deputy Speaker, for the opportunity to contribute to today's debate. I ask members of the Committee to examine and test improvements to health and safety, and the measures that I have described will work to that end.

7.27 pm

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): In view of the source behind the observations of the hon. Member for Teignbridge (Richard Younger-Ross), I am sure that they will be listened to seriously. The points that he raised, particularly in relation to the sad accident that involved one of his constituents, will be taken seriously.

I originally intended to speak on local matters. Having listened to the hon. Members for South Suffolk (Mr. Yeo) and for Spelthorne (Mr. Wilshire), however, neither of whom is currently in his seat, I think it is appropriate to make some observations about the argument between the Opposition and the Government. Those speeches were similar and addressed the same issues. My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) commented earlier on Conservative Members' antipathy towards the Mayor of London. We all have our own opinions about the present incumbent, but Conservative Members have overreacted in basing a large part of their opposition to the Bill on their fears about what the Mayor of London might do.

The role of central Government is the second issue that divides us. The hon. Member for Spelthorne put it more robustly, but the hon. Member for South Suffolk made the same argument; the more the Government are out of the railroads, the better the railroads will be. That argument may or may not be true, although I reject it, but the question is this: who created the problem in the first place? It was not this Government; they did not allow many years of underinvestment in the railway system or create a botched privatisation system, the consequences of which we are still trying to recover from.

I have to say to Opposition Members, in a spirit of great friendship, that if they intend to sustain their opposition to the Bill through Standing Committee and beyond, they will need to find a better set of arguments, because on the basis of what they have said today, they simply do not have any. It is opposition for opposition's sake.

The Government, rightly, wish to ensure that we get for value for money in our expenditure and that what is spent is invested wisely in the network. My interest in the Bill relates particularly to the Merseyrail electrics network, a unique system in the United Kingdom. It is local, segregated and electrified, and constitutes a regional metro system.

In July 2003, Merseytravel—the passenger transport executive for Merseyside—and the passenger transport authority took over responsibility from the Strategic Rail Authority for letting and managing the contract to provide passenger services on the Merseyrail electrics

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network. I should say a few words about Merseytravel, particularly its chief executive and director general and its chair. My hon. Friend the Minister, who is preoccupied elsewhere in the Chamber, knows very well Neil Scales, the chief executive and director general of that esteemed body, and is also very familiar with the work of Councillor Mark Dowd, who is its chair.

Mr. Bercow: He is now searching for inspiration elsewhere.

Mr. Howarth: Councillor Dowd does not need to seek inspiration from anywhere; he is a very inspired politician.

The Government had enough confidence in those involved to let them have this unique arrangement. They have proved in many ways how capable they are, and it is a tribute to them and to the authority that the Government allowed them to go ahead on that basis. Merseytravel accordingly awarded a 25-year contract to Merseyrail Services Holding Company Ltd.—Merseyrail—which is a joint venture between Serco, NedRailways and Merseyrail itself. That marked a new era in the provision of local rail services on Merseyside through the creation of a long-term and genuinely locally controlled public-private partnership between the public transport authority and the train operating company. The confidence that the Government showed in Merseytravel and Merseyrail has proved well merited.

Since these new arrangements have been in place, performance on the network has been transformed. It is currently operating at more than 94 per cent. PPM, which, I am reliably informed, stands for passenger performance monitoring; whatever it is, we have achieved 94 per cent. of it. Punctuality and reliability are at record levels and, according to the latest Strategic Rail Authority figures, Merseyrail is the best performing train-operating company on the UK mainland. Next January's fare rises are one of the lowest in the UK mainland and are pegged to the level of inflation.

Dr. Pugh: Before the hon. Gentleman goes too far in his praise of Councillor Dowd, may I point out that when I last went back from London on Thursday the train broke down on me?

Mr. Howarth: I hesitate to say that Councillor Dowd might have been aware of who was travelling on it; I am sure that that was not the case. Every system has its failures, and it is unfortunate that the hon. Gentleman was caught up in one of those. Nevertheless, the fact remains that it is the best-performing train service in the UK, and I am sure that he is as proud of it as I am.

The experience of the Merseyrail electrics network demonstrates the benefits of enabling local people to deliver local solutions to local issues. That is entirely consistent with the objectives set out in the White Paper. Full local decision making will place overall responsibility for the railway infrastructure, alongside overall responsibility for passenger services, in the hands of Merseytravel. That transfer will ensure that this unique local railway is locally controlled and can deliver further improvements to the community on Merseyside that uses it. The people of Merseyside will therefore benefit from local people taking local decisions for long-term and day-to-day management of the entire segregated network. Merseytravel will ensure that local solutions to local problems are provided quickly and properly; indeed, it has a long track record of doing just that. The result will be a more efficient service to passengers with greater accountability and responsibility, as well as reduced operating costs.

Although the transfer is technically possible under the existing legislation—indeed, it took place—it would be prudent for the Government to include in the Bill a reserve power to ensure that Ministers can be satisfied that all railway infrastructure is managed as efficiently and effectively as possible.

I commend the Bill and hope to return to some of the issues if I am fortunate enough to serve on the Standing Committee.

7.36 pm

Mr. Robert Syms (Poole) (Con): We have had a fairly wide-ranging debate, which is not surprising given that we are talking about changing structures in the industry.

The hon. Member for Teignbridge (Richard Younger-Ross) argued for seat belts in trains. He has a case, and it should be investigated. However, all the research and evidence shows that seat belts work well in cars because they are attached to the frame of a vehicle, which provides their strength. That is less applicable to coaches, because seat belts tend to be attached to the seats, and someone involved in an accident can find themselves attached to a seat that is itself moving. I suspect that there may be a similar problem in trains. Moreover, as my hon. Friend the Member for Buckingham (Mr. Bercow) observed, in a train many people will be standing. Last time I went on the train between London and Reading well over 100 people were standing until Reading, when they started to thin out a bit. In that situation, one is likely to be hit by a flying passenger or an object such as a bicycle, so there are wider issues beyond seat belts to be considered.

When my hon. Friend the Member for Tunbridge Wells (Mr. Norman) was shadow Secretary of State for Environment, Transport and the Regions in the last Parliament, he thought that the issue of passengers standing should be dealt with, and suggested for starters that they should not have to pay a fare as they had not got a seat. If one does not get a seat on an aircraft, one does not travel, but on the railways one pays the full cost and has to stand in the aisles. Many people greeted his suggestion with horror. Nevertheless, we must consider the wider issues of people standing and of bags in corridors. Some trains are so crowded, partly because of the success of privatisation, that getting out of them can take a while even in normal conditions, let alone in an emergency or an accident.

Mr. Bercow: Does my hon. Friend accept that although the hon. Member for Teignbridge gave a thoughtful answer to my question, it raised a problem, for did not he suggest that either far more seats should be provided, which would be an extremely expensive and long-term enterprise for any Government, or all carriages should be all-seater in the interim in any case,

which would serve only to exacerbate passenger frustration and the length of the delays that people experience?

Mr. Syms: The hon. Member for Teignbridge made a thoughtful contribution that doubtless reflected the genuine concerns of his constituents. However, his questions raised even more questions about the way in which we manage the railway and whether there should be more seats or more cars added to trains. Nevertheless, I am sure that the Minister heard his comments and will consult his civil servants about what can be done.

We tend to concentrate on first principles and I am sure that a few unreconstructed Members would like to revert to the nationalised rail structure. The railways in Britain were a great private sector success. We have heard much about fortunes made and lost and that certainly happened in the mid-Victorian era. The private sector ran the railways for 100 years before it was decided to take them into public ownership. Apart from the ideological concerns of the then Labour Government, it happened because the railways played a major part in our economy in the second world war. They were heavily used and needed massive investment, and it was believed that the public sector would be better able to provide the investment for them to grow in the post-war years.

As many hon. Members, including the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso), said, decades of under-investment under British Rail caused the railways' problems. However, if one considers the matter, it is inevitable that a publicly owned railway system, in which the investments are measured against education, health, foreign aid and everything else in the public sector, will be affected by investment rationing. I remember talking to a Minister in the first Thatcher Government of 1979 who worked at the Department of Transport. That person said that, when the Government came to office, any capital investment in British Rail of more than £250,000 had to be referred to the Secretary of State. That was 25 years ago and £250,000 would be some millions today. Nevertheless, that was essentially the cost of a station refurbishment and it had to be referred to the political masters. No railway can run in the long term if politicians deal with that amount of detail.

Mr. Tom Harris: I am sure that the hon. Gentleman knows that the Bill explicitly provides that proposals to refurbish stations will be in the remit of Network Rail, not the Secretary of State.

Mr. Syms: I am glad the hon. Gentleman pointed that out.

We reached the point when the Conservative Government decided to privatise the industry. Did they get it completely right? No. We have acknowledged that from the Opposition Benches. My hon. Friend the Member for North Essex (Mr. Jenkin) acknowledged on several occasions that we would do some things differently. The industry was probably too fragmented. Various local operating companies did not have long enough to undertake the work; seven years was too short for specific contracts. It is a matter of common concern that too many experienced people who had worked for British Rail took the opportunity to leave the industry. That meant that it was bereft of many experienced people.

I am a veteran of the Transport Act 2000. Apart from the aspects that affected National Air Traffic Services and quality contracts with buses, it also created the Strategic Rail Authority. On Second Reading, the Deputy Prime Minister said:

"The Strategic Rail Authority will be the new guardian of the public interest: it will close the loopholes in the Government's rail legislation, and will provide tough enforcement to protect the passenger."—[*Official Report*, 20 December 1999; Vol. 341, c. 540.]

The Government did not essentially change the architecture that they inherited from the Conservative Government, except to provide for another tier in the SRA.

When other hon. Members and I asked in Committee from where people would come to work for the SRA, it was said that some of the BR people had transferred to the Department for the Environment, Transport and the Regions on privatisation and that they would doubtless work for the SRA. There was already a shadow authority, but the staff would move. Four years later, we are now suggesting that those people will move back to the Department. We are shuffling people around and the magic solution of four years ago has turned out not to be magic. As my hon. Friends said, the Government have acknowledged it to be a failure but it would have been better if they had not pursued it four years ago.

The major change has occurred through Railtrack's financial difficulties, leading to the creation of Network Rail. Several hon. Members have said that there is unfinished business to do with Network Rail, not only on public debt but on accountability. Many of us who have had dealings with Network Rail do not find it the most responsive organisation in the world when it tackles constituents' problems. Perhaps the Bill would be more welcome to Opposition Members if we were tidying up some of the details or at least aiming to do that when some of the legal actions had been expended.

Although privatisation was not perfect, it has led to a vast expansion in rail travel. As the Secretary of State said, we have more than 1 billion passengers for the first time since the 1960s and 45 per cent. more freight on the railways than in 1995. There has been much success and the Conservative Government who provided for that should be congratulated more. If there were a free vote on the matter, the result would be interesting because I suspect that many Labour Back Benchers hark back to the old BR days.

There are several other concerns. I was pleased when the Secretary of State reiterated at the beginning of the debate the duty on Government to promote the use of the railways for the carriage of passengers and goods, for which the Railways Act 1993 provides. I am glad that that remains in place; several people were worried about it. People are generally happy about provisions to allow the Welsh Assembly and the Scottish Executive to prepare strategies for those parts of the United Kingdom but there is no reference to a railways strategy for England. That should be considered when the Committee examines the Bill in more detail.

As several hon. Friends said, the number of clauses that deal with closures is interesting. Clauses 22 to 44 deal primarily with closures and there is anxiety

[Mr. Syms]

about what will happen in future. Concerns have been expressed about the community strategy and several hon. Members have mentioned Beeching. I therefore look to the Minister to provide reassurances, and perhaps a much broader explanation of the extent of the focus on closures, in his winding-up speech.

Several explanations have been given about accident reports and investigation. I will not dwell on that, but the subject causes concern. There is also anxiety about schedule 4 and the ability to determine the scope and size of the network. Concern exists about its general wording and especially proposed new paragraph 1G. It has been suggested that the provision, in granting the Secretary of State the ability to determine the scope and scale of the network, allows him to override private sector contracts, contrary to his undertaking to Parliament earlier this year. The Bill is silent on compensation if that were to happen and I hope that the Minister will comment on that.

We have a private sector industry that has done pretty well. It was not in a perfect state and, in retrospect, things could have been done better. The SRA was the Government's big idea. Earlier, I cited the Deputy Prime Minister's words on that. They were similar to those of the Secretary of State, who said that the Government were tidying up the problem and that, when they get rid of the SRA, they can sort things out. Yet the structure remains essentially the same as that that they inherited. The Government ought to back the system that they have inherited and stop fiddling around with other tiers. People would have rather more respect for them if they did that. At the moment, civil servants, having been transferred out of the Department for Transport to the SRA, are now being transferred back to the Department. Seven and a half years on, the private sector has been running the railways for longer under this Government than it did under the previous Conservative Government, and I think that people would expect the Government to have achieved rather more than they have done through the structural changes that they have introduced.

7.50 pm

Mr. Tom Harris (Glasgow, Cathcart) (Lab): Madam Deputy Speaker, I must begin by apologising to you and to the House for being absent for a short period at the start of this debate. My presence was once again required at a delegated legislation Committee.

I broadly welcome this new legislation. For the three years immediately before my election to the House, I worked as chief public relations and marketing officer for Strathclyde passenger transport executive. I note that, since I left, the executive faces being wound up and merged with a new organisation. Perhaps it is a tribute to my work there that those who make these decisions waited until I had gone before deciding to abolish it. Or perhaps not.

We must accept that there is a high level of public cynicism whenever a Government—however well meaning—try to reform the railway system in this country. Politicians tend to talk in the abstract on this subject, while voters tend to talk in the specific. One example of that occurred a few weeks ago, when the hon. Member for North Tayside (Pete Wishart) was telling a delegated legislation Committee about how awful the railways in Scotland were, based on his own recent experience of a delayed train journey. I pointed out to him that the Scotrail franchise had in fact performed better than all other rail franchises on the mainland of Great Britain, excluding the Isle of Wight. I accept his point, however, that a swathe of statistics will not provide much consolation for someone stuck on a delayed, dirty or cold train.

The main debating point so far today has been the abolition of the Strategic Rail Authority, and the House has the right to ask whether the Government got this one wrong in the first place. The hon. Member for Spelthorne (Mr. Wilshire) asked why the Government had not apologised for creating the SRA, only to abolish it four years later. This Government could learn lessons from the Conservatives in regard to instituting legislation that turns out to be wrong but refusing to accept that it is wrong. I am grateful to the hon. Member for Poole (Mr. Syms), who came as close as any Conservative Member has done to apologising for the way in which the rail industry was privatised. However, his comments—conciliatory as they were—were in marked contrast to the belligerent tones of some of the other Conservative Members who have spoken today.

I am glad that we have a Government who are willing to change direction when circumstances demand it. I am reminded of John Maynard Keynes's saying:

"I change my mind when the facts change. What do you do, sir?"

The answer from the Conservatives seems to be, "We maintain that we were right in everything that we have done." They ought, however, to accept that the general public see the privatisation of the rail industry as an unmitigated disaster. They should also examine the part that that privatisation played in their eventual electoral demise in 1997. There were clearly a number of factors involved, and the privatisation of the railways was only one small part of the fabric, but they should be aware that their own focus groups and internal polling—if they can still afford to carry out internal polling—will surely provide evidence that the general public view is that privatisation in 1993 was an unambiguously bad thing.

I am glad to see that the right hon. Member for North-West Hampshire (Sir George Young) has returned to his place. It is one thing not to apologise for rail privatisation, but it is quite another for him to stand in this Chamber and claim that the capital value of the rail industry was so low when it was privatised because of scare tactics on the part of the Labour party. It beggars belief to suggest that the Labour party was in any way responsible for the disaster that was the Conservative rail privatisation.

Let us examine the history behind the Conservative Government's decision to privatise the railways. Baroness Thatcher had refused to privatise the industry because she recognised that it would be far too difficult and electorally unpopular. However, when the new Conservative leader, John Major, took office, he knew that because most of his support came from the right wing of his party, he had to prove his privatisation credentials. The rail industry was the obvious target, and he went ahead without taking due cognisance of the dangers and pitfalls that his predecessor had recognised. We are paying the penalty for that action today.

The SRA has not been a success. It has achieved very little over the past four years, and at very high cost. Another change that is being proposed, alongside the abolition of the SRA, is a fundamental change to the way in which the Office of Rail Regulation works. It is remarkable that some Conservative Members seemed to suggest that taking away the powers to invest and to set budgets from the ORR and giving them to the Secretary of State for Transport was somehow undemocratic. You say "tomayto"; I say "tomahto". You say "political intervention"; I say "democratic accountability".

It was remarkable that the hon. Member for South Suffolk (Mr. Yeo) spent so much time criticising the fact that locally elected politicians, including the Secretary of State, who are accountable to the House were to be given more responsibility. Yet the Conservatives also criticised the fact that Network Rail was not accountable to shareholders. Apparently, it is perfectly acceptable for a company as important as Network Rail to be accountable, but unacceptable for democratically elected politicians—Members of this House—to be accountable in this regard. There is a fundamental flaw in the Conservatives' thinking on this issue.

I wish that the right hon. Member for Bromley and Chislehurst (Mr. Forth) were present in the Chamber this evening. He has very sound views on unelected quangos and commissions—I regard the SRA as such—having some kind sovereignty over this Chamber, and having the final say on budgets, which Members of Parliament do not have. The very idea that the Office of Rail Regulation can set budgets for investment in the rail industry, while this House is powerless to do so, would be anathema to the right hon. Gentleman, and I wish that I could hear his views on the matter. I am sure that they would be more in accord with mine and those of my hon. Friends than with those of his Conservative colleagues.

I hope that Conservative Members will accept—even in their opposition to the Bill—that certain achievements are real and can easily be measured. Is the 28 per cent. increase in passenger miles since 1997—the highest figure since 1946—something that the Government should be ashamed of? Would the Conservatives wish to denigrate that? The 27 per cent. increase in passenger numbers, which have reached 1 billion for the first time since 1961, is also something about which we have every right to be proud. Furthermore, there has been a 27 per cent. increase in the amount of freight carried on the railways, which is important when we consider the need to cut congestion on our roads. Those achievements are to the credit of this Government, and it is simply not enough for the Conservatives to say that our stewardship of the rail industry has not been successful.

I want to take this opportunity, however, to point out that neither I nor the vast majority of Labour Back Benchers share the views of my hon. Friend the Member for Luton, North (Mr. Hopkins) on the renationalisation of the rail industry. The travelling public are entitled to something a bit more substantial than the sterile old 1980s view that everything in the private sector is bad and everything in the public sector is good—or vice versa, depending on which side of the political spectrum we come from. I actually think that there is a third way. I think that there is a possibility of the genuine public-private partnership that the Government are trying to achieve.

It is too easy to look at the effects of privatisation with blinkers on. It is too easy to say that privatisation is all about private profit and lack of investment in the industry. The facts do not support that. The truth is that there is more investment in the privatised rail industry today than there was under British Rail, partly because, pound for pound, public money is being matched by private investment. We should not give that investment away lightly, and we would lose it if we opted for renationalisation.

One example of the benefits of the current arrangement is Chiltern Railways, nowhere near my constituency. A local train service has blossomed and increased capacity and reliability specifically because of a local franchise that was withering on the vine under nationalisation. We should try to duplicate that best practice throughout the railway network.

I want to concentrate on the threat that the Bill poses to passenger transport executives. As I said, I am a former employee of Strathclyde PTE, which has existed for more than 30 years and is the oldest part of Scotland's local government set-up. Unfortunately, as we speak legislation is winging its way through the Scottish Parliament that will eventually abolish the PTE, or at least merge it with a wider body covering the whole of Scotland. I think that regrettable, because Strathclyde PTE's achievements speak for themselves. During its time in charge, there has been an unprecedented expansion in the Greater Glasgow rail network and in other train and underground services, not to mention ferry services.

I fear that, not just in Scotland but throughout the country, PTEs will lose their right to sign rail franchises. In Scotland the justification is that we have a Parliament, and Ministers in the Executive who are responsible for transport. Although I have reservations about that, there is a clear democratic argument for saying that Ministers rather than the PTE should have signatory powers. I understand that argument, but I would prefer Strathclyde PTE to continue to exist and to be co-signatory to the franchise in the west of Scotland, along with the Scottish Transport Minister. In England there are a number of passenger transport executives with a similarly successful track record, and although local services have improved under their stewardship they are being told that they will no longer have signatory rights following the Bill's enactment.

I hope that the Minister will deal with this when he sums up the debate. If the reason for removing signatory powers in England was the same as the reason for removing them in Scotland—the prospect of a devolved Administration—we could ask whether, given the difficulties in the roll-out of regional assemblies in England, the argument had not been somewhat weakened. Might the Government consider changing those provisions in Committee? If I am lucky enough to be appointed to the Committee, I shall hope to table amendments to that effect.

Ironically, in Scotland—particularly in the west, where my constituency is—because of devolution we face an immense amount of centralisation. In the context of this Bill and the Transport (Scotland) Bill, the situation is bizarre: having started with devolution, we are ending up with the centralisation of services. At present, passenger transport decisions are made by democratically elected councillors in the west—in

[Mr. Tom Harris]

Glasgow. Those decisions affect the daily travel of members of the public, including my constituents. Following the changes made by the two Bills, they will be made in Edinburgh by the Transport Minister, who is currently an MSP representing an Aberdeen constituency. I think my constituents have a right to be concerned about the fact that local knowledge developed over 30 years by Strathclyde PTE will be wasted, and they will no longer have any say over their own affairs.

Mr. Greg Knight: I am following the hon. Gentleman's argument closely, and I wonder where it is leading. Is he about to suggest that we should abolish the Scottish Parliament?

Mr. Harris: Heaven forfend. The Scottish Parliament has many great achievements to its name, and I am sure that it will have a similar success rate in relation to transport. What I am saying—setting aside the fact that Scottish legislation would get rid of Strathclyde PTE in its present form—is that there is a strong case for allowing the PTE to become a co-signatory to the ScotRail franchise in the west, given the experience of its personnel.

In fact I must thank the last Conservative Government, who accepted the argument for PTEs to be signatories. Strathclyde PTE has made a huge difference to the negotiations on the ScotRail franchise, first when it was won by National Express and again when FirstGroup won it this time. It devoted many thousands of staff hours to negotiating with the franchisee on all sorts of standards and efficiencies, and on demands that democratically elected politicians in the west of Scotland were naturally making for rail services. As a result, we in the west of Scotland have a much higher level of satisfaction with rail services.

In my constituency, I am privileged to benefit from the Cathcart circle, which is heavily used by my constituents and by people throughout the city, particularly in the south. My constituents also rely heavily on the Strathclyde PTE underground, colloquially known as the clockwork orange. I shall explain that later: I see a quizzical expression crossing the face of the hon. Member for Poole. It is the third oldest underground system in the world, after those in Budapest and London. That may interest the train anoraks. In fact, it is called the clockwork orange because when it was reopened in 1980 after refurbishment the carriages had been painted orange, and they are entirely clockwork.

Mr. Syms: I thought for a moment that it had something to do with ancient sectarian politics.

Mr. Harris: I would not blame anyone for assuming that. It was probably a risky nickname, but it was not conferred by any authority in the city; it was conferred affectionately by some members of the community.

When I was in charge of public relations for the clockwork orange—the Glasgow subway—I came in for a huge amount of personal criticism. My job was to publicise the underground, and one of my brainstorms was to suggest to the travelling public that football fans should not use the underground to travel to Ibrox, the Rangers football club ground, because the system was not big enough for that to be safe. Allowing 6,000 fans to travel to Ibrox station in the space of half an hour would run a high risk of people being thrown on to the track in front of trains. I will not repeat the language that was used about me in certain Rangers fanzines; I will merely say that all that was said was untrue, but I did not sue.

I go back to the serious issue of local transport services, how those are developed and how political decisions are taken in the west of Scotland post this Bill and post the Transport (Scotland) Bill. There is already a perception that transport infrastructure projects such as the Edinburgh airport link and the light rail transport system in Edinburgh have been given precedence over similar projects in Glasgow, simply because the political focus has inevitably shifted in Scotland from Glasgow to the east coast, because of the Scottish Parliament. That is probably a welcome development for some MPs, for example, the MP for an Edinburgh constituency, say, Edinburgh, South or thereabouts—

Dr. Pugh: Edinburgh, Central.

Mr. Harris: That is what I was thinking of. Those MPs may not have any objection to that, but for those of us who represent a constituency in Glasgow, it is worrying.

Let us remember the ethos behind setting up the passenger transport executives in the first place. They were initially proposed in the White Paper published, I think, by Barbara Castle in 1968. The whole point of them was that they focused on the country's conurbations. A conurbation was defined then, as now, as a metropolitan area whose population exceeded 1 million. Using that definition, and no one has come up with an improved one, Strathclyde remains the only conurbation in Scotland, yet effectively, we are about to lose the passenger transport executive that was set up specifically for that conurbation.

That is a huge shame and I deeply regret it. I only hope that, post the changes, politicians in Edinburgh will be able to work closely with politicians in Glasgow and in the west of Scotland to ensure that some of the infrastructure changes for which we have campaigned for many years, including the Glasgow airport link and Crossrail, are not left to wither on the vine, as some people fear they may be.

The community rail partnerships have been denigrated by some Conservative Members. I am surprised at that. This week, *The Economist* rather unkindly referred to the people running community rail partnerships as do-gooders and train nuts. That is a bit harsh. We are talking not about a back-door way of the Government closing under-used rail services, but about the possibility of rural rail services being brought out of mothballs and run by the local community—by people who are extremely interested and enthusiastic about running local rail services. That may not be appropriate for every mothballed service but 40 of those partnerships already exist in Britain. Surely, if they work—it is probably a bit early to decide whether they do—and if they provide what is intended, which is the

rejuvenation of small lines with variable passenger numbers, every hon. Member, whatever side of the House they sit on, will welcome it.

Economies of scale are mentioned in the White Paper and in the Bill. One of the problems with the existing regime of the SRA and the Office of Rail Regulation is that costs are running out of control. As I have said, currently, Ministers have no legislative right to call those costs into line or to question how the ORR is coming up with those sums of money.

It happens with every capital project in this country and it has become a truism: anything that we buy in Britain costs more than what we would pay for it on the continent, whether we are downloading music, buying a suit or eating in a restaurant. It is accepted that in Britain things cost more money. That does not explain why in Germany the cost of building a new train station is the equivalent of £240,000 but in Britain we would not get much change from £1.5 million.

The Government must look at that urgently. If we are going to get value for money for our constituents and to make the money that we spend, and that is a lot of money, go as far as possible, we must ensure that every penny is spent wisely. Why are capital projects on the railways costing six to eight times the amount that the same projects cost on the continent? We must look at project supervision, at building standards and at the process for initiating those capital projects.

As I have said, I warmly support the Bill. There is a level of cynicism among our voters and the general public. Whatever improvements are made in rail services, it is no consolation to be told that a particular franchise has been performing well when one has been stuck on a cold and dirty train for two hours after it broke down. That is a difficult public relations barrier to get over, but I feel quite optimistic about the Bill. Some hon. Members are being unnecessarily oppositionist in their approach to it.

Mr. Greg Knight: One of the reasons why Conservative Members have concerns is that there are 22 clauses in the Bill to do with closures. Does not that worry the hon. Gentleman?

Mr. Harris: That is an issue that I look forward to debating in Committee, if I am lucky enough to be appointed to it, but few of the criticisms made by the hon. Member for South Suffolk focused on the closure clauses. Most of his criticisms focused on the SRA. He criticised it, but then he criticised the Government for wanting to abolish it. He also criticised the amount of money that has already been spent on the rail industry under the Government's stewardship. Few of the criticisms focused on closures. However, all of us have railways in our constituency. Obviously, none of us wants to see any particular line closed. That is a legitimate concern, but it is not what we have heard this evening from Conservative Members. We have heard criticisms, a defensive attitude and, with the honourable exception of the hon. Member for Poole, a reluctance to admit that most of the problems we face in the rail industry stem from the botched privatisation. I see the right hon. Member for North-West Hampshire shaking his head, but he is not getting up to intervene and frankly I do not blame him.

The Conservative Opposition confirm public perceptions. Having made a mess of privatisation, they have no solutions to offer. We have sat in the House for quite some time and we have heard many positive ideas from the Labour Benches—from the Back Benches and the Government Benches. We have heard almost nothing from Conservative Members that will address the problems that we all face day-to-day on our railways.

I hope that the Conservative party continues with that attitude for the next five months at least. I hope, too, that the hon. Member for Spelthorne will be appointed its transport spokesman and put on the "Today" programme and on "Newsnight" every night between now and the general election, because that would do us nothing but good.

The Conservative party has not learned the basic lesson from its defeat of 1997. It has not learned to say sorry. Even when the Leader of the Opposition is questioned on pensions, instead of saying, "We got it wrong 20 years ago and we are trying to put it right now," which is what he should have said, even though he would be wrong in doing so, he said, "We were right then and we are right now." The Conservative party cannot win the debate on transport by saying that it has always been right and has never made a mistake—but strength to its elbow. That is exactly what it is doing and I hope that it continues to do it for a long time to come.

8.18 pm

Dr. John Pugh (Southport) (LD): I seem to have temporarily become a Front-Bench spokesman—but I appeal to you, Madam Deputy Speaker, not to be taken in by that.

It is some years since I was on the Select Committee on Transport, or the Transport Sub-Committee of the Select Committee on Transport, Local Government and Regions as it was then known, under the benign and kindly chairmanship of the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), but I hope to be on the Standing Committee and I will venture a few modest observations at this stage.

Under the stewardship of the right hon. Member for Tyneside, North (Mr. Byers), railways were right up the political agenda and debate was febrile and heated. Under the current Secretary of State, however, the atmosphere is calm, even at times positively soporific. We have the illusion that all is going well under his steady control, but that is not quite the case. Were he the captain of the Titanic, no one would be unduly alarmed and all would be calmed by his generally mellifluous tones. However, the essential problems of the railways still exist and, as many hon. Members have said, have been there since privatisation.

Fragmentation was the buzz word when I was on the Select Committee. It is still manifestly present, several times over and writ large, in recent reports. The Transport Committee says precisely that in "The Future of the Railway", its most recent report. It comments that fragmentation is not only still in evidence, but in some ways more in evidence than ever before.

The Bill appears to get rid of one fragment—the SRA—by taking powers upwards to the Department for Transport and devolving some powers downwards to the PTEs. That is the central thrust, as I understand it.

[Dr. John Pugh]

The rest of the Bill is largely concerned with strategies for what is called "network modification", which is ministerial talk for closure and contraction. As has been explained, that is what most of the clauses do. We are in a new phase. Gone is the bold new dawn of the 10-year transport plan. In theory I cannot, and my party certainly cannot, object to one fragment less. However, as many hon. Members have stressed, that falls short of linking track and train, which others have asked for and see on the horizon. It leaves all the old excuses for failure in place, with each side claiming that the other side is at fault.

I come from an area in which the railway service is performing relatively proficiently, as the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) said. We come from the same area, and I can testify to the fact that the Merseyside passenger transport authority is go-ahead and positive in its general effect. However, every local authority—even the most positive and compliant—should always fear a Government bearing gifts and devolving powers, because it often means little more than transferring the responsibilities for subsidies, or transferring only part of the subsidy. The sub-plot is for central bodies to subsidise less and local bodies to subsidise more. That leads to the prospect of underfunded lines being closed by underfunded PTEs, and the Government not taking the rap for it.

If that is what results—and it need not necessarily be the case—it is hard to see that as a complete answer to fragmentation. However, I venture to say, possibly in compensation and perhaps to excuse the Government, that there cannot be a worse and less efficient public subsidy system than the one that we had before. I defy human ingenuity to come up with something less competent.

In my area—if I can put in a plug for it—a pittance spent on restoring one mile of rail track—the Burscough curves—could turn the whole Mersey railway system from a radial shape to an efficient loop, increasing massively the utility of disconnected railway lines, such as the Ormskirk to Preston line, currently vulnerable and seemingly under threat. That would provide enormous customer and economic benefits. We could do that with the small change, or even the tea money, from projects like the west coast main line or Crossrail. In many ways, PTEs can achieve far better effects.

My local PTE would not fall for the suggestion that the Southport to Manchester airport line was vulnerable or uneconomic, which it was listed as a few days ago. That is an SRA view. The real reason for saying that is that it might delay for a few seconds the west coast Glasgow to London main line, on which so much money has been spent—expenditure that the Government must try hard to justify. It is as though those few seconds matter more to passengers, whose main gripe on that line is overcrowding on trains that are half empty because half the carriages are first class, and a first-class ticket costs the same as a week in the Algarve.

If the Bill passes power to the PTEs, I genuinely do not think that they can do a worse job unless—perish the thought—they do not get properly resourced. The Bill can be read—although this is perhaps a cynical reading—as providing what the accountants used to call a special purpose vehicle. They used to say that when they were closing down Railtrack. Its special purpose could be to please the Treasury and contract the network, which has hitherto been so hopelessly mismanaged. I would go into Committee with an open mind to discover what the Government said about their legislation, but their approach could give the signal, which it should not, that they have given up on railways, and perhaps also on public transport as a whole.

8.25 pm

John McDonnell (Hayes and Harlington) (Lab): We heard the Secretary of State present the Bill with his usual efficient good nature. We heard a range of views from the Conservative party, its Front-Bench spokesman and others, in defence of privatisation. We also heard the views of the Liberal Democrats from the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) and, more recently, the views of new Labour.

I thought that I would speak on behalf of the Labour party and address the Bill on the basis of Labour party policy, which was fairly straightforward at the conference in October this year. It does not seem to be contained in the Bill, but not to worry, because I shall draft a new clause, which I am sure will be acceptable to the Front Bench as it will reflect the partnership in power policy-making process that the Prime Minister introduced into the Labour party to enable people to introduce a minority report on a particular decision and policy. That is then brought to the Labour party conference, and delegates at the conference, which is the supreme policy-making body of the party, vote on it. In this case there was an overwhelming vote in favour of what can only be described as a policy to introduce legislation for an integrated, publicly owned and public accountable railway system. That is what I shall suggest the Bill be amended to reflect.

Mr. Tom Harris: I do not want to pre-empt my hon. Friend's comments, but I assume that he is about to mention that 78 per cent. of constituency delegates voted against that policy.

John McDonnell: What is interesting about that statement is that I did not support the partnership in power process that the Prime Minister introduced into the Labour party—but it is supposed to have an impact on the Government's policies as part of democratic accountability. However, there is a break in the chain of the accountability of the Prime Minister to the Government to party. Overwhelmingly, the Labour party conference—

Madam Deputy Speaker (Sylvia Heal): Order. This is a Second Reading debate, and I request the hon. Gentleman to confine his remarks to the Bill.

John McDonnell: Certainly.

The overwhelming decision at the Labour party conference was for the Government to introduce legislation to bring rail back into public ownership. The Bill does not do that. It does not do what the Labour party decided, but this is the view of the Government. I thought that someone in the Chamber should at least

represent the Labour party in the debate, and that is what I am trying to do. In addition, the Bill also does not implement London Labour party conference decisions made on Saturday—I think unanimously—to ensure that South East Trains is kept in public ownership and control, so that it continues to be publicly run. Again, I thought that someone should stand up and represent the London Labour party as well.

The gap in the Bill is that there is now no clause to bring forward public ownership and public accountability. I agree with my hon. Friend the Member for Luton, North (Mr. Hopkins) that this is one in a transitional series of Bills that overcome the problems of privatisation introduced by the previous Government. Slowly but surely we are reintroducing a publicly owned and publicly accountable railway system. The first Bill that the Government introduced tried to overcome some of the problems of privatisation by trying to establish at least some form of rational structure for strategic policy making, and established the Strategic Railway Authority, which was neither strategic nor much of an authority on railways. The Government are seeking to address that through legislation that will bring many of its powers back under their control. I welcome that as the next staging post to a fully publicly owned and publicly accountable system.

Why are the Government moving towards the reinstatement of a mechanism that is like British Rail? The reason is clear. In every opinion poll, two thirds of the British public say clearly that they want a move back to public ownership and public control. Why are they introducing this legislation today? It is a reaction to privatisation over the last decade and a half.

It was clear from the comments of some Opposition Members who have tried to justify privatisation that lessons have not been learned. As a country, we poured £10 billion in subsidy into private companies, which took the profits from the privatisation, £1 billion of which went directly into the pockets of shareholders. Each time, the argument is that if legislation is enacted to end privatisation, we will lose the supposed £70 million a day subsidy from the private sector. At some stage in the debate, we must go past GCSE economics—"failed". Where does the £70 million from the private sector come from? It comes from the public subsidies that we pour into the private companies, making their profits, or from the fares that we impose on passengers. It is recycled public money, for which we are supposed to be grateful. In the days of British Rail, it came as a direct subsidy. We have heard a lot of criticisms of British Rail today, but if we read the Catalyst report that was prepared, we see that pound for pound, in terms of investment and return, British Rail, despite being starved of resources for a long period, was the most efficient and productive railway system in Europe.

What could this Bill do? First, it could introduce a new clause bringing rail back into public ownership and making it publicly accountable. I will draft that clause for the Minister later. Secondly, it would be easy to amend clause 12 so that South East Trains is not forced out into another franchise. I agree with my hon. Friend the Member for Glasgow, Cathcart (Mr. Harris)—if it ain't broke, don't fix it. At the moment, South East Trains is proving to be an effective and efficient railway service within the public sector. And what are the Government doing? They are privatising it again. Bizarrely, it is likely that South East Trains will probably still be state owned—but it will be owned by the Danish state railway company, which will bid for it in future.

The Bill therefore has the potential, first, to hold back further privatisations, and secondly, to include a simple clause to enable the Government to take back into public ownership individual franchises as they run out over the coming years. In that way, without any cost—although we have heard from the Secretary of State previously that the cost of bringing rail back into public ownership would vary from £3 billion to £20 billion, to which it increased at the Labour party conference—rail could be brought back into public ownership, as the public demand.

I do not think that the Government have the guts to go along that path. In due course, however, they will, and new legislation will be introduced. This Bill is just a staging post. In the meantime, let us at least use it to address some of the anomalies within the industry.

First, I want the Government to address the anomaly of a two-tier work force in the rail industry, particularly with regard to travel facilities. I have drafted an amendment—it will be available to Ministers in Committee—which will end the two-tier work force, whereby staff employed prior to privatisation enjoy safeguarded travel facilities, whereas those employed following privatisation do not have such a guarantee. Before the privatisation of the rail industry, all British Rail staff received nationally negotiated travel facilities, which were subject to the same universal rules and principles.

In a written parliamentary answer in 1993, the then Minister confirmed that about 500,000 people enjoyed such concessionary rail travel, and that the cost was negligible and largely administrative. More recently, the National Union of Rail, Maritime and Transport Workers secured with one infrastructure company a 75 per cent. reduction on standard fares for staff when travelling on services provided by three train operating companies. The scheme costs £1,000, which covers basic administration costs for 475 workers. The cost is fixed, and would not increase if more workers used it. As a result, the company has provided travel facilities for its staff at a cost of just over £2 per worker. It would be easy to amend the Bill to establish a universal scheme, thereby ending the two-tier rail work force.

Another anomaly under the current system is that the SRA can intervene in industrial disputes. It can subsidise companies engaged in disputes with their work force simply by guaranteeing, through the grant regime, that companies affected by industrial action will not disbenefit financially in any way by failing to meet their targets. There is thus no incentive for such companies to settle disputes. That power, which currently pertains to the SRA, is being transferred to the Secretary of State. I did not think that it was the Secretary of State's role to intervene in industrial disputes in any industry. In fact, in dispute after dispute the Government have consistently made it clear that it is not their role to intervene between management and workers. Yet if this provision is retained in the Bill, that power will be transferred to the Secretary of State. Again, a simple amendment to clause 1, which deals with the transfer of

[John McDonnell]

functions, would enable the Secretary of State to have clean hands and not become part of the rail industry's industrial relations machinery.

There are some other worries that we need to express today. I reiterate the concerns expressed about the transferring in clause 2 of the Health and Safety Executive's rail safety functions to the Office of Rail Regulation. My simple amendment would do away with that proposed transfer, and would enable an independent safety regime to be maintained. The problem with transferring safety to the ORR is that it is not guaranteed to be independent of economic pressure. The Government's proposal subordinates rail safety to economic regulation and brings the two elements within the same organisation. That flies in the face of Lord Cullen's recommendations following the Ladbroke Grove train crash.

During the consultation process, I urged the Government to listen to the organisations that deliver the service. During the rail review, the Health and Safety Commission, the HSE, the TUC and the rail unions all made strong representations to the Government opposing the transfer of Her Majesty's rail inspectorate from the HSE to the ORR. The TUC fact sheet, which was distributed to many Members, said:

"If safety regulation formed part of any body that made decisions about funding and/or economic regulation, there would be a real risk that safety would be compromised when economic decisions are made that have safety dimensions."

At one point the Secretary of State made clear the priority that he gave to safety. He said that it should be "in with the bricks" of any organisation. But many of us believe that the transfer of responsibility is motivated by a desire to placate elements of the private sector that hold the mistaken view that railway safety regulation is gold-plated—an expression that has been used in the Chamber today. Those on one side of the industry are seeking to push down costs, some of which the management themselves are responsible for. However, saving costs on safety measures is a false saving. Anyone with a constituency involvement in Southall, Paddington or any other place in which a recent rail disaster has taken place will understand the implications of putting cost savings before safety.

The other concern that many of us feel—it has been expressed today—is about clause 39, which links in with clauses 40 and 41. Those provisions relate to the powers that will now be given to end certain services, and sometimes to replace them with bus services. The concept of "bustitution", as it is now called within the industry, has opened up a vista, which some hon. Members have described today as a vista of a new Beeching, and the end of small community lines, which we thought were being protected over the year.

Launching the rail review in January 2004, the Secretary of State said that decisions on the provision of local transport were often best taken by the people who provide and pay for the service. Devolved decision making would enable sensible and informed decisions to be taken between bus, light rail and heavy rail. "The Future of Rail" White Paper of July 2004 made it clear what the Secretary of State meant when he spoke about "sensible and informed decisions" back in January. It said that the document promised to put in place arrangements making it easier for bus quality contracts to be introduced as part of a strategy that included reductions in rail services.

The Bill confirms that position. Clause 39 gives passenger transport authorities the power to make a quality contract scheme "if they are satisfied" that it is

"an appropriate way of securing that the transport needs of the potential users of a relevant railway service that has been or is to be reduced or discontinued are met".

That opens the door for what many fear will be large-scale reductions in rail services.

Clause 40 allows the Scottish Executive and the Welsh Assembly to provide a substitute road service route where

"a railway passenger service has been discontinued",

but it

"need not correspond precisely to ... the discontinued service if ... it is not practicable ... to do so; or ... the substitute service broadly corresponds to the discontinued service in terms of the localities served."

The danger is in the wording "broadly corresponds", which could lead to existing communities currently served by rail not being so served in future, but being offered replacement road services. Experience of the Beeching cuts shows that the patronage of bus services introduced to replace rail is fairly low, leading eventually to the bus services themselves being removed, leaving whole areas without public transport.

The threat of bustitution is compounded by other proposals in the Bill, which will make it easier for funding authorities to close railway lines. Clause 42 will weaken the safeguards against line closures. Previously, the criterion was whether closure would increase passenger hardship, but the new guidelines provided by the Secretary of State also cover economic, financial, environmental and social factors. The assessment will no longer be made by regional rail passengers committees, but by the funding authorities themselves—those who are making the proposals for closure in the first place.

My final, more general point was made early in the debate, but glossed over in ministerial responses. The failure to transfer to the shoulders of the Secretary of State the current duty of the Strategic Rail Authority to promote rail is a real concern. Previously, clause 205 of the Transport Act 2000 set out clearly that the SRA had the responsibility

"to promote the use of the rail network for the carriage of passengers and goods ... to secure the development of the rail network, and ... to contribute to the development of an integrated system of transport of passengers and goods."

All that now goes, and all we are left with is a general commitment by the Government to improving the overall transport system—not specifically rail. That is a real worry. There is now no voice for the rail industry overall. That is why this legislation should transfer the previous powers, responsibilities and duties of the SRA at the very least to the Secretary of State, if not to a new agency.

I make one final prediction. We shall return to debating this subject within five years, and new legislative proposals will be before us. They will probably scrap most of the proposals in the Bill, and

may well attempt to set up some form of public railways agency that will bring the railways back into public ownership, making them publicly accountable, publicly funded and generally popular with the British public.

8.44 pm

Sir George Young (North-West Hampshire) (Con): It is a pleasure to follow the hon. Member for Hayes and Harlington (John McDonnell). It would be fair to say, however, that he and I approach the railways from different philosophical perspectives. I hope that the Government will resist his blandishments to take the railways back into public ownership, but as a member of the Selection Committee, I also hope that, when we meet on Wednesday to appoint the Standing Committee, the Government Whips will have the good sense to appoint him, so that the radical amendments that he trailed in his speech can be fully considered.

In my brief contribution, I wish to examine what has remained the same in the past 10 years and what has changed. The landscape still contains many familiar features. The track, signalling and stations are in unified ownership and depend predominantly on the private sector for funding—on Railtrack in the past and now on Network Rail. The rolling stock companies—ROSCOs—are in private ownership and lease the rolling stock to the train operating companies. A series of TOCs, which are in the private sector, compete for the various franchises of different lengths. The basic landscape has not changed that much in the past 10 years. We have had an element of stability, to which my hon. Friend the Member for South Suffolk (Mr. Yeo) referred.

What has changed is the focus. When the industry was privatised, we tried to set up a structure in which the TOCs looked outwards towards their customers—their market—to make the industry more responsive to the needs of the consumer. At the funding end, we wanted an industry that looked to the private sector—the City—to raise the capital needed to fund the improvements that we all agreed were necessary. That outward looking industry was an essential component of the reforms that we introduced.

The Bill will change those two perspectives and move back towards the situation that existed before 1993, when the Government and the Secretary of State had a more important role. That is likely to lead us back to the position of the 1980s and 1990s, when the industry simply could not access the capital it needed for modernisation. I remember when I was Secretary of State for Transport under the last Conservative Government. I attended a series of Cabinet Sub-Committees that were deciding the allocation of public expenditure. The argument was that the Government's top priorities were health, education and law and order, so the resources for transport came well down the list. That was one of the reasons for privatising the railways, as it had been for privatising other nationalised industries. It was done to open up access to capital and to bring the industry into the 21st century.

Following the debacle of Railtrack, the industry once again has to look to the Government for more and more of its capital to keep it going. Some of the ambitious projects that we hoped to get off the ground a few years ago have now gone back to the end of the queue. I am very disappointed that Thameslink, which I thought that I had signed off nearly 10 years ago, is still nowhere near inception. I had also hoped that we would have started on Crossrail by now, but it is still a dream with no serious Government commitment to it. That is one consequence of the industry becoming once again more dependent on the Government for its funding than the structure that we envisaged at the time of privatisation.

I was interested to look at the back of the Bill to see how many pages of repeals there were. I see that there are about the same number of repeals of the provisions of the Transport Act 2000 as there are of the Railways Act 1993.

I hope that the Secretary of State will use the powers he receives under the Bill to allocate longer franchises. I am sure that I am not alone in having several stations in my constituency that need investment. Andover, Grateley, Whitchurch and Overton stations all need larger car parks to cope with increased demand for the railways. However, the TOC has a short franchise and cannot justify the substantial investment necessary to expand the car parks. The TOC referred me to Network Rail, but it does not have the capital to make those modest improvements because it has all been spent on the west coast main line and other desirable projects. I hope that we can seriously consider granting longer franchises to give the TOCs the incentive to invest in improvements to stations, car parks and security.

My last point relates to clause 6, under which the Secretary of State will be given powers to give guarantees and to make grants and loans, and to the classification of the guarantees and loans that the Government will provide under that clause. As the House may know, there has been an argument between the Office for National Statistics on one hand and the National Audit Office on the other about the status of the guarantees that have been given through the SRA to Network Rail. With the SRA disappearing from the equation, those liabilities will now fall on the Secretary of State.

When the Secretary of State made his statement earlier this year, he said:

> "It follows, therefore, that the Strategic Rail Authority will be wound up, and that the majority of its functions, including all its financial obligations, will be transferred to the Secretary of State."—[*Official Report*, 15 July 2004; Vol. 423, c. 1547.]

One might assume from that that the SRA's liabilities will be absorbed into the Department for Transport and that Network Rail's liabilities will therefore end up on the Department's balance sheet. If so, the Chancellor's statement last week would be seriously affected, because some £9 billion of borrowing would then reappear on the Government's balance sheet. I want to press the Minister to make it clear that, under the new structure, Network Rail's liabilities will indeed be Government liabilities.

Chapter 3 of the White Paper says:

> "The Secretary of State . . . will take responsibility for setting the national-level strategic outputs for the railway industry, in terms of capacity and performance."

It continued:

> "This means that the Government will be responsible for deciding the overall size and shape of the network; the key timetable outputs; policy on regulated fares; minimum performance targets; enhancement priorities".

[Sir George Young]

and so on. In respect of the criteria used by the ONS to determine on whose balance sheet such things appear, the ONS says:

"the guiding principle for classifying institutions as public or private is who exerts control over general corporate policy, including the appointment of directors."

It is absolutely clear that, under the Bill, Network Rail is, in effect, an agency of the Government. Any concept that Network Rail is simply an ordinary private company, doing what it wants and borrowing against its own credit in the market, is strictly for the birds. It will do what the Government ask it to do. No one would dream of lending money to Network Rail unless a Government guarantee was behind it.

I hope that the Minister will address a specific question in winding up the debate: will he confirm whether, when the Bill is passed, Network Rail's debts will appear in future as Government debt and be part of the public sector borrowing requirement?

8.52 pm

Jeremy Corbyn (Islington, North) (Lab): I apologise to the House for missing three of the past four contributions—I was attending a meeting—but I was here at the start of the debate.

I welcome the Bill in principle, as it goes some way towards addressing some of the problems of the rail industry, which is very important in this country. I particularly endorse the work done by my hon. Friend the Member for Hayes and Harlington (John McDonnell) in chairing the RMT group in Parliament and the speech that he gave this evening.

The Bill gives us the possibility of getting rid of the SRA and of both unifying national decision making where it ought to be made—by the democratically elected Government in the House of Commons—and introducing regional activities through the Scottish Parliament, the National Assembly for Wales, TFL and the PTEs around the country. I shall say more about that in a moment. All that is welcome and a good step forward, but we must look at the Bill against the background of what was a sad and disastrous period for British railways before the Government's election in 1997 and, indeed, British Rail's treatment as an organisation in the past.

British Rail was starved of investment for many years and its services suffered as a result. It was universally pilloried and made a joke of by large sections of the media, but in many ways it was an innovative organisation. It achieved a great deal for train travel through the development of the high-speed train and the advanced passenger train. Those passing through Crewe can see the sad wreck of an APT, which has been parked in the sidings for years. The APT was overtaken by the Pendolino train run by Virgin—but where did the technology for the west coast main line Pendolinos came from? It came from the work done by British Rail Engineering and British Rail Research in Derby, which developed the APT. Sadly, the project was abandoned because the Government of the day were not prepared to see it through, and as a result we have had to buy in the technology from elsewhere. My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) made some valuable comments on research and development in the railway industry.

The position after privatisation is interesting. Immediately before privatisation, the Conservative Government increased investment in the railways to form the basis for privatisation—in other words, they fattened them up. They then sold the whole industry off at knock-down prices and all the ensuing scandals and problems continue to haunt us today. Huge profits were made from rolling stock companies that were bought by former BR managers then instantly sold on; they are now extremely profitable enterprises. Huge profits were also made by people dealing in railway infrastructure and land sales immediately after privatisation.

We have made some progress since then, but the fact is that Britain now invests and spends more on its railways than any other European country. We provide a far greater subsidy than was ever enjoyed by British Rail at any stage in its history, yet enormous profits are being made from our railways by the train operating companies. When the original GNER franchise was handed out, the director of the company that got it admitted that he did not really know what he had got. He knew that he had the right, the obligation and the duty to run a train service along the north-east coast main line, but he also knew that his costs in running that service were guaranteed. Therein lies the problem: we are pouring huge sums into train operating companies, and much of the money disappears only to emerge elsewhere as profits.

When the companies fail to deliver and collapse, someone has to step in and take over, as happened in the case of South East Trains. Now, however, we are told that the public sector is not good enough to run the services and they have to be passed to someone else. I ask the Minister who will reply to give us some clear answers. South East Trains is better run and more efficient and the public are happier with it, so why not stick with the arrangement and allow a publicly deliverable service to remain in public hands? To do so would be a useful step forward and demonstrate a commitment to the principle of public operation of our railways, as well as public investment and public ownership of the track itself.

One part of the Bill that I welcome is the transfer of some powers to Transport for London and the accompanying possibility of integration of services. TFL is to take over the franchising operation for Silverlink Metro services. I assume that other services—not inter-city mainline services, but regional and local services that go in and out of London—could also be administered by TFL, by agreement. If that happened, we might see more imaginative developments of services. Let me give an example.

For a long time, Silverlink has run services on the north London line, which extends from Richmond to North Woolwich, and trains then run up to Northampton, Rugby and Birmingham. It also administers trains on the Barking to Gospel Oak line which, like the north London line, runs though my constituency. The Barking to Gospel Oak line is a sadly underused line, which has been kept going only through the diligence of a local users' group that has campaigned assiduously for many years. The service has improved somewhat and I hope that when TFL takes over

administration of the franchise we will see far more imaginative services and the development of an outer-London rail ring.

I agree with the Secretary of State that the harmonising of ticketing and travel arrangements in greater London would do much to integrate tube, rail and bus transport with many other essential services.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Does my hon. Friend agree that the north London line is vital for my constituents in Hackney, as it is the main interchange for access to the underground? While we welcome the line being handed over to TFL, we hope that the organisation will have the capacity to raise money so that that important line for the people of Hackney can receive the investment that it needs.

Jeremy Corbyn: My hon. Friend makes a good point, as Hackney is the only borough in north London that does not have any access to the tube network at all. However, one exit from the Manor House tube station is in Hackney, so there is a connection to the borough. My hon. Friend refuses to accept that assertion, even though she and I have walked up that very staircase while campaigning—one simply cannot persuade some people on those matters.

My hon. Friend is right about the improvements to the north London line and the need for integration. For people in most parts of Hackney, the north London line is the only east-west public transport route that they can use, but some of the stations are, frankly, grim and dangerous. The number of crimes in those stations is tragically high, and they are not safe places late at night. More investment is needed and, whatever arrangement TFL reaches with Silverlink or any other operator, I hope that it will insist that every single station is staffed, as that is the only way in which we will attract people back to the railways. They want to travel on them, but if the stations are not safe at night, they will not.

The Mayor and TFL have reached an agreement, which I believe the Government support, about reopening the east London line extension. It was short-sighted to close it, so I welcome its reopening. I have nothing against Hackney—it is a wonderful place that I love dearly—but why should the east London line stop there?

Ms Abbott: Why not?

Jeremy Corbyn: Some people may wish to get off in Hackney and shop in Kingsland road, but others, understandably, wish to travel on to Islington. It is short-sighted to spend a large amount of public money on rebuilding the area around Bishopsgate and rebuilding the line up to Dalston only to fail to link it to the existing track on the north London line. It could run on to Highbury and Islington in the first stage of development, with the option of extending it to Finsbury Park, which would develop into a local hub. I look forward to some imaginative ideas and I hope that, when TFL takes over, it will be able to put them into effect and develop new stations, including one at Tufnell Park on the Barking to Gospel Oak section of the line.

Turning to the notion of a community railway, there are concerns about bustitution. The railway map of this country shows a dotted line in north-west Norfolk, pretending that there is a rail substitution bus service from King's Lynn to Hunstanton and on to the network at Cromer. That is not, by and large, the case. The service was provided as a sop to people who, in the 1960s, opposed the Beeching closure of those lines. If we overlay the current railway map with a pre-Beeching one we can get an idea of the huge number of lines that we have lost throughout the country. My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), who chairs the Transport Committee, is right that bustitution is a quick fix. In the short term, it is cheaper and simpler to operate a bus service than a railway. However, many passengers are lost, and people are encouraged to use cars to reach the main line terminus. Having driven there, they then decide that they might as well drive the whole way.

If we are serious about encouraging people in the long term to make journeys by rail, that will not be achieved by bustitution and branch line closures. The examination of branch line use is an undeveloped science and some of it is extremely short-sighted.

When I was first elected to the House, my great friend, the late Member for Bradford, South, Bob Cryer, was campaigning to prevent the closure of the Settle to Carlisle line. He sat where the Liberal Democrat spokesperson now sits and he asked hundreds and hundreds of questions. He bored the House rigid on the subject of the Settle to Carlisle line. He was told that it was expensive, that it was a waste of money, that the bridge infrastructure was decrepit and so on. But the line was saved. It was not closed. Now ask any rail operator, "Should we close the Settle to Carlisle line?" and they would say, "You could not think of closing it. It is a vital bypass for the west coast main line when that does not work, a large amount of freight goes along it, and it has been a contributory factor in bringing some tourist and other life to the villages along the line." It is now seen as a valuable network.

Think of that campaign and compare its success with the suggestion that some branch lines—for example, those in the west country, such as the Exeter to Barnstaple line—are too expensive and should be made ripe for bustitution. That does not help. It diminishes the railways as a whole.

Mr. Tom Harris: I know that my hon. Friend was not present in the Chamber for my outstanding contribution, which I am sure he would have enjoyed. He may be too negative about what community rail partnerships could mean. I accept that he is raising a real concern, but throughout the country community rail partnerships are providing an opportunity to bring out of mothballs rural lines that were previously closed and could now be reinstituted by local people and interest groups. I am sure that he would welcome that.

Jeremy Corbyn: Yes, and I am sorry that I was not present for my hon. Friend's speech. I recognise, and I am sure that the Select Committee Chair would agree, that community rail partnership in the best sense can be the saviour of lines and lead to their development. What concerns me is that it costs money to run a local line and it should not be seen as solely a local cost or resource but

[Jeremy Corbyn]

as part of a much bigger and wider network. I know that there are examples such as the development of the Alloa line in Scotland and the reopening of part of the Waverley line. I hope that the whole of the Waverley line will eventually be reopened, right through to Carlisle. That is another area of the country that should have been redeveloped.

I hope that the Bill will not be the start of some subtle Beeching-type closure by a curious form of voodoo economics that decides that particular parts of lines are not profitable enough. I hope that the Bill will instead be the protection and renaissance of such lines. There are, however, some strategic decisions that need to be taken. Why, for example, after all these years have we still not achieved a decision on the reopening of the east-west route? The reopening of the line between Bletchley and Bicester, linking up with Bedford all the way through to Cambridge, March, Felixstowe and the east coast ports, would be a massive development and improvement for the rail network. We are speaking about reopening only 25 or 30 miles of track, the bed of which is already in place and in quite good condition. That is the kind of imaginative decision that I look forward to.

I hope that the Bill can be amended in Committee and strengthened in many ways. We are putting large sums of public money into the railway system and the railway network. I welcome that and support it. The productivity of rail workers is as high as or higher than anywhere else in Europe. The amount of public money that goes in is as high as or higher than anywhere else in Europe. Surely there ought to be greater accountability for what happens to that money.

Those of us who read the entrails of the railway press see that large sums of money are being made by some of the train operating companies, even when they are receiving large subsidies for the running of their services. The case for public ownership, where appropriate, of the railway network, particularly of the leasing companies and rolling stock, is overwhelming. Retaining in public ownership franchises such as South East Trains is extremely important.

I agree with my hon. Friend the Member for Hayes and Harlington that the Bill is welcome as a step forward and a stage of improvement. I wish that it went a lot further, however, and I suspect that we will be back here taking it that stage further in a few years' time.

If anyone thinks that railways are a thing of the past, they should look at a little story that appeared on the front page of yesterday's *The Independent on Sunday* saying that this country was running out of car parks. That may be the case, but if we continue to promote the car industry and road freight at the expense of rail freight, it will be a problem for all of us. Railways are more efficient and better users of land, as the White Paper's simple picture of a Eurostar train running across the Medway and using only a few square metres of land shows when we look at the space and cost of the motorway running alongside that track, carrying fewer people. We must look to a future that is more sustainable, and railways provide us with that opportunity and future. It is a good public investment to invest in railways and it is an even better public investment to invest in railways and own them at the same time.

9.11 pm

Mr. Greg Knight (East Yorkshire) (Con): We have had an interesting debate and heard some high-quality contributions from both sides of the House.

The hon. Member for Luton, North (Mr. Hopkins) said that he hoped the Bill was a step towards the sanity of public ownership. I say to him that this step will never be a staircase. As we and the Ministers know, the reason why is that, to quote the words of the Secretary of State,

"the principle of public and private partnership is right for the railways, and it will continue. It brings in money from two sources, and that is important."—[*Official Report*, 19 January 2004; Vol. 416, c. 1078.]

I fear that the hon. Gentleman's aspirations for the old-style wholesale nationalisation of the railway network will not be fulfilled, whatever happens to the Bill.

The theme of the speech made by the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) was that railways should contribute more than they currently do. Most of us would agree. He accepted the case for developing the way in which franchises work. We welcome his support for Conservative policy on longer franchises. We feel that longer franchises should be given to train operating companies, but I was disappointed with his conclusion that he intends to support the Bill.

The hon. Member for Crewe and Nantwich (Mrs. Dunwoody) made an interesting and, as we would expect, informed contribution. She lamented the idea that she was not demonised by Opposition Members, but she is far too sensible and down to earth to be so caricatured. She spoke against bus substitution and expressed fears about loss of expertise in the rolling stock industry. That point struck a chord with Opposition Members and with me in particular, as I formerly represented the seat of Derby, North. I hope that Ministers will heed her comments about expertise in the industry.

My hon. Friend the Member for Spelthorne (Mr. Wilshire) wants an apology from the Secretary of State on the SRA. The best advice I can give to my hon. Friend is not to hold his breath. He made a powerful speech, and his main concern was that Transport for London and the Mayor have plans to take over rail routes in his constituency. I share his fear that, in the case of the current Mayor of London, consultation would not lead to dialogue, but would be a process of going through the motions before the Mayor continued on his own way in any event.

My hon. Friend expressed some concerns about safety. I hope and believe that his concerns were unfounded, as I broadly agree with the comments of the hon. Member for Manchester, Blackley (Mr. Stringer) on this subject. Subject to what the Minister has to say under cross-examination in the Standing Committee—if we get that far—I think that the Government are broadly right in seeking to streamline the proposals in that regard.

The hon. Member for Teignbridge (Richard Younger-Ross), who was courteous enough to say that he could not join us for the winding-up speeches, spoke movingly about the recent accidents. We all take the view that any loss of life is a tragedy that we should take all reasonable steps to prevent. I hope that the Minister will look into the point raised by the hon. Gentleman

about the emergency hammers breaking before the windows of the carriages in the recent crash, because we clearly need to examine that matter.

I cannot say that the hon. Member for Teignbridge took me with him when he suggested that we should fit seat belts to trains. That idea is a non-starter in a mode of transport in which people expect to move around freely and use facilities such as the buffet car or the lavatory in other parts of train. He also mentioned other aspects of safety; those points need to be examined and, as I have said, I hope that the Minister will do so.

The hon. Members for Knowsley, North and Sefton, East (Mr. Howarth) and for Glasgow, Cathcart (Mr. Harris) supported the Government, which we expected. However, the hon. Member for Knowsley, North and Sefton, East was unfair when he referred to the "sterile debates of the old days". I hope that I shall make it clear—I thought that my hon. Friend the Member for South Suffolk (Mr. Yeo) made it clear—that we support parts of the Bill, which we do not seek to oppose this evening just because it is from a Labour Government.

Mr. George Howarth: The right hon. Gentleman will find that my hon. Friend the Member for Glasgow, Cathcart (Mr. Harris) said that, not me.

Mr. Knight: I stand corrected.

My hon. Friend the Member for Poole (Mr. Syms) said that he has always had reservations about the Strategic Rail Authority, and his misgivings have been proved to be right.

The hon. Member for Glasgow, Cathcart was frank enough to praise the last Conservative Government on passenger transport executives, for which I thank him. He also candidly indicated that he has some reservations about how devolution is working, and I therefore hope that he is one of the hon. Members selected to go on the Standing Committee, so we can explore in further detail the extent of his concerns.

The hon. Member for Southport (Dr. Pugh) said that he is worried about the future of our railways and mentioned one or two constituency points.

The hon. Member for Hayes and Harlington (John McDonnell) expressed strong concern about the Government's policy. He showed an independence of mind and spirit, which, I fear, may keep him off the Standing Committee. I hope that I am wrong and that the Whips are brave enough to put a dissenting voice on the Labour Benches, because our deliberations would be enhanced by his presence, which some would say is the true voice of the Labour party.

In a knowledgeable and compelling speech, my right hon. Friend the Member for North-West Hampshire (Sir George Young) highlighted the hands-on role envisaged in the Bill and the problems that that policy will create. I agreed with every word and he underlined the reasons why we are right to urge the Government to embrace longer franchises. He made an interesting point about clause 6, and I hope that the Minister is prepared to respond to it. What will be the status of the guarantees and loans? Will Network Rail's liabilities end up as part of the public sector borrowing requirement, and if not, why not?

The hon. Member for Islington, North (Jeremy Corbyn) showed that he is, as Conservative Members would expect, firmly in the Luton, North and Hayes and Harlington camp.

Jeremy Corbyn: It is the red triangle.

Mr. Knight: As someone who is interested in classic cars, I have always associated the red triangle with Alvis, which used to make cars in Coventry. On the subject of old cars, I join the hon. Gentleman in paying tribute to our former colleague, Bob Cryer, who campaigned tirelessly for the Settle to Carlisle railway to remain open. That is an epitaph of which he would have been proud.

The Bill has various objectives, and we certainly do not oppose everything in it, as we have made clear.

Only two years ago, in 2002, the current team of Ministers promised that the SRA would provide

"the firm leadership envisaged for it—that of providing strategic direction and funding for the rail industry".

However, in February this year the Select Committee on Transport reported a completely different story—that the SRA

"appears utterly incapable of managing significant improvements."

It also made it clear that

"the fundamental failure of the railway is one of Government policy."

Hon. Members may recall that the SRA took over responsibilities from the Office of Passenger Rail Franchising, which my party set up when we were last in Government. My hon. Friend the Member for Spelthorne mentioned the statistics. In 2000–01, that office cost the taxpayer £13 million and employed 187 people. By 2003, the SRA's staffing costs had grown to £102 million, and by 2004 it employed no fewer than 454 people. In operating costs alone, the SRA has cost us all more than £25 million since it was established in 2000.

Despite costing so much, the SRA has manifestly failed to do its job. The Minister need not just take my word for it; the facts are there to prove it. Train reliability is worse than it was in 1997. Despite this Government's pledge to increase rail usage by 50 per cent. by 2010, only 5.8 per cent. growth has been achieved since 2000. The British Transport police's 2004 annual report showed a 4 per cent. increase in violent crime and a 12 per cent. increase in sexual assaults since 2003. Rail freight has dropped for the past two years, despite a promise by Ministers to increase by 10 per cent. the amount of freight carried. It is therefore hardly surprising that we say that the SRA has been a waste of time and money. It has failed to improve services for passengers and should never have been established in the first place.

Mr. Tom Harris: The right hon. Gentleman is being somewhat selective in his choice of statistics. Is it not the case that rail freight has increased by 28 per cent. since 1997?

Mr. Knight: The figures that I quoted are correct. If the hon. Gentleman checks, he will find that rail freight has dropped for the past two years.

Mr. Harris: I am talking about the past seven years.

Mr. Knight: That does not invalidate my point that there is currently a dip, which my hon. Friends and I find very worrying.

The clear leadership and direction that Labour promised that the SRA would provide has never remotely looked like happening. Therefore, as my hon. Friend the Member for South Suffolk said, we welcome its proposed abolition. The Secretary of State asked why we did not put that in our reasoned amendment. I should tell the Minister—perhaps he can pass it on to the Secretary of State—that when one tables a reasoned amendment, one has to set out reasons why a Bill should not receive a Second Reading; one cannot list parts of it with which one is content. That is why our amendment is silent on that particular issue.

Our view is that giving more power to politicians is not the way to improve our railways. Likewise, allowing the currently unaccountable Network Rail to have even more control will not improve services. Although we are delighted to see the demise of the SRA, giving more powers to the Department will not help operators to get on with the job of providing a decent and improved rail service. More powers should be given to the train operating companies, which provide the passenger interface, so that they can provide a greater range of services that better meet the needs of travellers. After the political interference that the railways have endured for the past seven years, private industry needs to be given the confidence to invest without further Government meddling.

I want to comment briefly on rail freight, about which the Bill is strangely silent. With the disappearance of the SRA, no organisation appears to have a statutory obligation to promote or facilitate the growth of rail freight. I ask the Minister whether that is correct. People outside have expressed concerns that, by excluding rail freight from much of the measure, the Government risk leaving freight strategy in a vacuum, with nobody taking responsibility for it.

The people who contacted me say that if the Bill is enacted in its current form, no official voice will represent freight and fight its corner when network capacity is allocated. Does the Minister accept that the allocation of available capacity to freight and passengers must be assessed fairly and according to value for money and national best interests? The incentive to maximise capacity must surely be equal for freight and passenger services. Their performance should be measured on the amount of freight and passengers they can manage efficiently on the network. No provision attempts to deal with that and I would welcome hearing the reason from the Minister.

Like the hon. Member for Crewe and Nantwich, I want to comment on rail stock. As hon. Members know, the National Audit Office published a report in February that suggested that new rail rolling stock was being delivered late. It warned that new carriages being introduced into service were less reliable than the old slam-door vehicles that they replaced. Trains not only arrive late at the stations but cannot even arrive from the factory on time. Why should passengers have to put up with old, uncomfortable and sometimes dirty rolling stock while manufacturers take up to two and a half years to deliver new trains? Clearly, people will not use the railways if they are uncomfortable while travelling and feel dirty on arrival at their destination.

I want briefly to mention access to rail services by disabled people. That point has not been raised in the debate. Although I accept that other legislation is primarily responsible for delivering results on that matter, I would like the Minister to comment on the proposed end date by which all rail vehicles have to be accessible to disabled people. Do the Government have anything new to say about the requirement for improving disability access when rail vehicles are refurbished? Does that happen in every case? The issue is important for many disabled people who would like to travel by rail but currently cannot do so in safety.

I want to ask the Minister several questions. Clauses 22 to 44—22 provisions—deal with closures. They do not refer to the relevant lines but to the passenger services on them. The Bill includes nothing about what happens to the lines after a service is terminated. If a line currently carries freight or might do so in future, surely it should be kept open, at least for a time, to ascertain whether others want to increase the services or other companies wish to take up and run passenger services. Does the Minister agree?

Schedule 4 covers the Secretary of State's power to determine the scope and size of the network. There is some concern about its wording, especially proposed new paragraph 1G. It has been suggested that the provision might allow the Secretary of State, in determining the scope and scale of the network, to override private sector contracts, contrary to his undertakings. I do not believe that that is possible or in the Minister's mind but I would welcome an answer to that point.

In opening the debate, the Secretary of State said that he intended to consult about safety. Will the Minister tell us when he expects the consultations to be concluded? The Secretary of State also referred to the desirable aim of getting track and train companies to work ever closer together but went on to say that the Bill does not provide for that. Will the Minister regularly update the House on progress, perhaps through a periodic written statement?

On the provisions relating to London, and to giving powers to the current Mayor, I should like to reiterate something that my hon. Friend the Member for South Suffolk said earlier; we do not support these provisions. Two thirds of all train journeys arrive in or pass through London, leaving millions of passengers from outside the capital facing possible interference by the Mayor in their train services. For example, in an election year, it might suit the Mayor of London—whoever he is—to require a fast, non-stop train to halt at the edge of London to pick up mayoral voters. Passengers might also find their fares being increased to pay for increased expenditure on other services authorised by the Mayor. These are not fanciful concerns. The Bill says:

> "A reference to a London railway passenger service is a reference to . . . a service for the carriage of passengers by railway between places in Greater London and places outside Greater London."

In our view, that drafting is far too vague. Will the Minister consent to look at it again in Committee, with a view to tightening it up?

We have heard about only part of the Government's transport policy in this debate. The Secretary of State likes to put himself forward as a benign, friendly, white-

haired gentleman—[HON. MEMBERS: "He's Santa!"] I would not call him Santa, although that is certainly a gentleman we think of at this time of year. The House should remember, however, what the hon. Member for Pontypridd (Dr. Howells) said earlier this year. I notice that, following his remarks, that particular Minister has now been shunted off into the sidings in another Department. He said that the only way to end Britain's love affair with the car and to get people to use public transport was to

"tax people out of their cars in the same way as the authorities have tried to tax people off cigarettes."

That is the real Labour transport policy. The Government want to use taxation as a weapon to make one form of transport unaffordable, so that people have no choice but to take the train. We believe that it is far better to improve rail services, so that those who can complete their journey by rail actually want to do so. Labour's high-tax transport policy is a kick in the teeth for poor rural families and pensioners, for whom there are no rail services for their essential journeys.

Overall, this is a bad Bill, but it is not completely without merit. We support the abolition of the SRA and the streamlining of health and safety issues. However, in supporting those proposals, we do not have to accept the vehicle of this Bill. That is why we commend the reasoned amendment to the House.

9.32 pm

The Minister of State, Department for Transport (Mr. Tony McNulty): This long and interesting debate on the future of rail is long overdue. The right hon. Member for East Yorkshire (Mr. Knight) summed up the Opposition's position when he condemned the Bill as being a bad Bill, but not completely without merit. That is roughly where the Conservatives came in, with similar views being expressed by the hon. Member for South Suffolk (Mr. Yeo).

I thought that the right hon. Member for East Yorkshire was going to pre-empt me when he said that the Secretary of State had revealed only part of our strategy. That much he got right, but he then went on to give his little rhetorical political rant, which did him no service at all. He was right to say that the Bill does not, and cannot, incorporate all the elements in the White Paper published in July. Many of those elements do not need legislation, and the Bill needs to be considered in that broader context. So I half accept the point that he half made.

Of course we should more readily apprise people of the fact that we are introducing the Bill in the context of a whole range of things happening in each area, many of which are already in the public domain. Subsequently, as with so much legislation these days, a whole raft of guidance and regulations will flow from the Bill, and I am happy to undertake—as I did last year with the Traffic Management Bill—to ensure that, if we can, we will make available at least the headlines and drafts of those instruments that explain further what is in the Bill, albeit in the wider non-legislative context, to Committee members at the earliest opportunity.

It is important to understand—some Members may not have understood it entirely, not that I blame them—where the Bill and each part of it sit in a wider domain. Let me establish the policy backdrop. It is easy to characterise the rail network as all doom and gloom, and to suggest that everything is as terrible as it was 20 or 30 years ago because the system has been starved of investment. I do not deny that there are problems—if there were not, there would be no need for a Bill—but we are starting from a fairly robust position. I agree with those who have said that we can have a degree of confidence about the future of rail.

When I took over the rail portfolio barely a couple of weeks ago, I said that this was an exciting and interesting time at which to be a rail Minister, and I meant it. Had I said that five or 10 years ago, the white coats of the former right hon. Member for Huntingdon would have come flapping over the horizon, or I would have been quietly taken out of the back door and shot; but it is an interesting time, and it is incumbent on us all to recognise that that is our starting point. Over the past 10 years, our rail network has experienced more significant growth than any other European network, and I would venture to say that once the Bill is implemented, Britain's railways will be in a far better shape than any of their European counterparts.

I do not say that lightly. I know that Members may jump up and tell me how wonderful the French TGV network is, but let them try to travel from one French coast to the other without it. It may be the jewel in the crown, but we should look behind it at the rest of the network. Those who talk of the paucity of the rural network here should go to parts of Germany, France and Spain.

We have concluded that the SRA has had its day, but not on the basis that for four years it was a complete and utter waste of time and achieved nothing, and the sooner it goes the better. That would traduce the contribution of many who have worked in the SRA, and will continue to work in the rail industry in some capacity. It is nonsense to suggest that because 400 or 500 employees are part of a monster called the SRA they are not making a professional contribution in the same way as workers in the wider industry. It could be said, to an extent, that we are only able to improve our public policy contribution to the railways because of the SRA's good work. If that constituted a bridge from the immediate aftermath of the botched privatisation, what we are now building is a bridge to where the system is all the more efficient—a point at which we can drive costs down all the more readily.

Every key part of the Bill relates to non-legislative elements that should be understood and put in context. The early clauses relate to the SRA's demise, and at the time of First Reading we put in the public domain what we sought to do and what the DFT rail unit would look like. It is a travesty, and not terribly intelligent, to use the generic term "civil servants" as a term of abuse. Many people working in the DFT have been there for at least 30 years, and have served the rail industry in various ways for a long time. I do not think it very clever to reduce every civil servant to an interfering bureaucrat.

As we have made clear, the new DFT rail unit will consist of people from the current rail unit and people from the SRA. Whatever Members think of the relevant clause, they should understand that developments are taking place that are not included in the Bill.

[Mr. Tony McNulty]

It is important, too, to understand that a range of working parties and transitional bodies are taking forward work on safety regulation and on economic regulation, necessarily taking account of the elements in the Bill. However, many other aspects are not in the Bill. For example, in terms of safety regulation, we are working through how all the staff involved in rail safety at the Health and Safety Executive will transfer to ORR. There are still some general concerns under the Health and Safety at Work etc. Act 1974 that HSE will be obliged to continue. There will be a need for a memorandum of understanding between HSE and ORR in that regard. Where there are memorandums of understanding and other elements that link the non-legislative and the legislative processes, it is important that we try to put those in the public domain.

There has been extensive talk in Scotland, Wales, the PTEs and London about how to take all those aspects forward. As my right hon. Friend the Secretary of State suggested, in some areas, many of the elements are in place now. Transfer can take place far more readily in the Scottish example than in the Welsh, London or PTE examples.

Mr. George Howarth: The Minister was present when I discussed some of the developments that have been achieved on Merseyside by the PTE there, which is known as Merseytravel. Perhaps he can comment on those points and on what successes it has had.

Mr. McNulty: I will certainly try to return to Merseytravel in a moment. I want to pick up on many of the points that hon. Members have made. *[Interruption.]* It is called an introduction.

There has been discussion with the RPCs, much of it at their instigation, about what the passenger voice will be like after this Bill. Those elements do not necessarily or absolutely have to be part of the Bill, but the demise of the RPCs clearly has to be.

In terms of network modifications, many of the extensive clauses—I accept that there are 22 clauses on this—are about the system post the Railways Bill. There are so many because the SRA and the RPC were central to the entire closure process up to now. We must put that in the context of devolution and ensure that everyone who needs a voice has a voice. The same is true in terms of bus franchising. I stress that any number of elements in the rail review White Paper are not part of the Bill and do not require legislation. It all needs to be seen in that context.

For example, to sum it up, the right hon. Member for East Yorkshire said that no one is doing rail freight. The Department will do the rail freight strategy. There is no need for a statutory duty in order for us to perform the function. The ORR already has a duty under the Railways Act 1993 to promote use of the network by freight. The Freight Transport Association broadly welcomed the White Paper proposals, not simply the Bill. We are working with that organisation and others that have a stake in freight to get to a stage where there is certainty on freight and its use of the network. Further expansion of freight on the network is far more guaranteed than it has been.

My hon. Friend the Member for Islington, North (Jeremy Corbyn) talked about bustitution of rural lines. There may be some residual notional bustitution of rural lines, but the bustitution—it is a horrible word—clause refers specifically to PTEs. PTEs are overwhelmingly urban. However, I accept that West Yorkshire and South Yorkshire will have rural lines and not just urban lines. The quality contract legislation certainly applies to the PTE areas.

Jeremy Corbyn: Can the Minister assure me and the House that the community rail idea is about the retention, development and increased use of branch lines and not a Trojan horse for their closure à la Beeching?

Mr. McNulty: I can give my hon. Friend that assurance. It is slightly different from bus substitution, but the community rail partnership strategy that we launched with the SRA just the other week could not be further from a Trojan horse or "Dr. Beeching 2". There are plenty examples of lines opening in a voluntary capacity. They have stayed open and become more viable, transforming themselves from branch lines to feeder lines to the rest of the network.

Penistone is a key example of that. I was there on a cold and windy day, and it does get very cold and windy up there. That line has gone from what was disparagingly described as a community, fluffy, beards-and-anoraks line—with all due regard to my hon. Friend the Member for Islington, North—to feeding 500,000-plus passengers a year into the trans-Pennine express network.

Jeremy Corbyn: What anorak?

Mr. McNulty: I apologise for the anorak element of my comment.

That arrangement works so well because all the key interested parties are involved. Local authorities, community groups and others took the view that they wanted the line to stay open.

My hon. Friend also spoke about the east London line extension and those elements that the Mayor will take forward. Again, before I deal with the point about devolution of power, much of what the Mayor can do within London is because of the almost £3 billion line of credit that he has been given through prudential borrowing. That is outwith the Bill and has nothing to do with it. However, it gives mid-term, if not longer-term, certainty to many of the schemes within London and will, finally, give Hackney a tube station.

My hon. Friend mentioned the east-west rail line. Again, the Office of the Deputy Prime Minister and the Department for Transport are talking to local authorities and private sector companies to see how they can push that link on. We have made it clear that there is not a substantive economic case in terms of its being additional to our plans for the network. It is perfectly in order, however, for us, the ODPM and others to consider how that part of the loop can be fixed by working with the private sector, but those who most directly benefit from it should contribute to it. It is terribly short-sighted of the hon. Member for South Suffolk to say that because the Bill relates to Ken

Livingstone, he does not want it. All the Bill does is to extend to London areas of influence and policy that the PTEs already have.

To the extent that it says anything, the reasoned amendment says that the Bill

"increases the extent to which politicians and civil servants interfere in the running of the railways".

We like to call that public accountability, when politicians have a role to play. It is the public's money and there should be public accountability here.

I could not for the life of me understand what the hon. Gentleman was going to do. Having agreed the demise of the SRA, who was going to make decisions on franchising? It seemed that he was going to get the transport operating companies that want to run the franchises to do the analysis and let the franchises. All he said was: more power to the TOCs. Perhaps we should cut out everyone else, give them the money and let them do whatever they want, but that would do nothing for public accountability.

The reasoned amendment is also against giving

"the Mayor of London power over train services which begin or end beyond boundaries of the Greater London Authority."

It does not say why. There was not much illumination of that in the hon. Gentleman's contribution. Given that so much of intra-London travel is on the heavy rail network, it must be right that we move down the road initially of looking at the discrete services in London and at a role for TFL within that process. I do not understand how anyone could object to that in any way, shape or form.

Mr. John Horam (Orpington) (Con): Will the Minister give way?

Mr. McNulty: With the greatest will in the world, the hon. Gentleman has only just popped in, for which I am grateful. However, he was not here for the debate, so I shall not bother to trouble him for a contribution.

If we go further with London powers, it is appropriate that someone from the surrounding regions sits on TFL's board, but that is again way outside the Bill's remit and we are a long way from that process. As has been suggested, the Silverlink metro lines will be considered first in that regard, and all but about three miles of track to the north of my constituency are within the Greater London Authority area. It must therefore be right to start to examine those configurations, not only in that context but in the passenger transport executives.

Many of the points made by the hon. Member for South Suffolk simply do not stack up. Apparently, we are seeking to perpetuate instability in the rail industry with regard to franchising. As to why, he was not forthcoming, and neither were any of his colleagues, apart from giving us the hoary old chestnut that there should be longer franchises. How long should they be? There was no suggestion. Should it be 20, 30 or 50 years? Perhaps we could go into Nicholas Ridley fantasy land, have the House of Commons meeting merely once a decade, give up all the contracts and franchises, and all go down the pub. That did not work terribly well for local government, it will not work well for central Government, and it is completely devoid of substantive consultation and public accountability, which must be the order of the day. Some serious points were raised which were specific to the Bill, some of which will be explored further in Committee. I stress that some of the answers lie outside the scope of the Bill, and I will undertake to keep Committee members, and if it is wanted, the House, fully involved.

The hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) referred to whether there should be a duty on the Office of Rail Regulation in relation to environmental matters. I am happy to tell him that that is already exercised in its functions. Under the Railways Act 1993, it must have regard to the effect on the environment of activities connected with the provision of railway services.

The hon. Member for South Suffolk spoke about the relationship between the Office of Rail Regulation and the Secretary of State. That is an important point—the Bill does not simply reach into contours and leave everything much as it was. Every relationship in the Railways Bill changes. The relationship between the ORR and the Secretary of State will therefore change. The new relationship will maintain the independence of the ORR.

In relation to the point that existing contracts will be overridden, that is simply not the case. The ORR is obliged to review its position at times, but that is not about having a blanket power to override all existing franchises and contracts. It cannot be retrospective in that regard.

My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), who chairs the Select Committee, made good points about ROSCOs and rolling stock. The issue should not simply be considered in the context of the existing skills base in this country, but I remind her that more than 75 per cent. of new rolling stock is British-made, and it is incumbent on all rolling stock companies, particularly British ones, to ensure that they can react to the pressure down on costs that we are seeking to get into the system. She and other Members raised the conundrum whereby a load of new rolling stock is on a railway line, and there is at least some hiatus while it is run in before getting back to the performance levels promised in the first place, which needs to be considered. Outside the Bill, we are reviewing the whole position of ROSCOs, and we are considering efficacy and efficiency on a company-by-company basis. I take the point, however, about losing job expertise in relation to rolling stock, and about ROSCOs' relationship with people more generally.

My hon. Friend the Member for Crewe and Nantwich also made a point about safety, and I reassure her that safety will not be compromised by cost considerations in relation to the change to the Office of Rail Regulation. Safety remains paramount, and all the expertise moving through the ORR, which is embedded in and an integral part of all the other considerations, including economic and broader policy, must still have safety at its core. That is an absolute imperative, given all the lessons that we have learned.

[Mr. McNulty]

The right hon. Member for East Yorkshire (Mr. Knight) said that it is a shame that Network Rail is being given timetabling powers. I am afraid that Network Rail already has such powers; indeed, it is the lead body in consulting with the rest of the industry. Other Members made a number of points, some of which were slightly confused, about the passenger transport executives. Some Members were responding to the White Paper rather than to the Bill's substance; these issues will doubtless be explored further in Committee. It is clear that PTEs must, and will, have an expansive role not just in rail, but in all other transport provision in their areas. I agree with my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) that in many cases PTEs have been very strong advertisements for public transport networks, ensuring that all regions get the networks that they deserve. That said, by contrast with the situation in past years, we must ensure that we make optimal use of our railways throughout the system, and at a realistic cost.

On the consultation process, which was mentioned by a number of Members, it is entirely appropriate to look at how the Gatwick Express works with the Brighton commuter line, although we should not determine such matters at this stage. It cannot be right that the Gatwick Express is at best 50 per cent. full at peak times, when the corresponding commuter service is 130 per cent. full. I am not pre-judging the outcome of such consultation, but it is at least worth looking at how those two different services interact with each other.

What did we get from the hon. Member for South Suffolk? The answer is, not a lot. His greatest scheme at the minute seems to be flogging off as much Network Rail land as possible. He said on the radio this morning—thereby spoiling my breakfast—that going down that route would unlock hundreds of millions of pounds. In essence, he has missed the boat—if I may mix transport metaphors—in that much of the non-operational land previously owned by British Rail went not to Network Rail but to BRB (Residuary) Ltd. Much of what Network Rail has, in operational terms, it needs.

I will go half way towards the hon. Gentleman. I have explored this issue over the past couple of months and there are developments—such as major termini in London and elsewhere—that Network Rail could take on far more readily. We are already exploring such ideas and we are grateful for the hon. Gentleman's support. However, 794 of the 800-odd sites of British Railways Board land are worth less than £50,000, so quite how the hon. Gentleman is going to construct a major, integrated Tory transport policy on the back of sites worth less than £50,000 I simply do not know.

I hope that the real issues that I have not had time to deal with will be explored in some detail in Committee. The relationship between the Bill's four or five key areas, devolution, economic and safety regulation and the demise of the SRA are matters worth exploring, and I hope that we will do so, should Second Reading be secured tonight. But what we cannot have is this empty vacuum from the Opposition.

Mr. Peter Luff (Mid-Worcestershire) (Con): As opposed to a full vacuum?

Mr. McNulty: We cannot have this vacuum from the Opposition, which offers nothing to the people of this country. Our rail network now carries more than 1 billion passengers and is the most efficient that it has been, in terms of passenger miles covered, since the early 1960s. Our task is to make it all the more efficient, and that is what the Bill will do. I commend it to the House.

Question put, That the amendment be made:—

The House divided: Ayes 124, Noes 321.

Division No. 5] **[9.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Barker, Gregory
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Campbell, Gregory *(E Lond'y)*
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Djanogly, Jonathan
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Hague, rh William
Hammond, Philip
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Johnson, Boris *(Hunley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
May, rh Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Soames, Nicholas
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew

Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Mr. Crispin Blunt and
Mr. David Ruffley

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bruce, Malcolm
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Corbyn, Jeremy
Corston, rh Jean
Cox, Tom *(Tooting)*
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hill, rh Keith *(Streatham)*
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lamb, Norman
Lawrence, Mrs Jackie
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sanders, Adrian
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Angela *(Basildon)*

Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Roger *(Brecon)*
Wishart, Pete
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Margaret Moran and
Mr. Jim Murphy

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on Second or Third Reading), and agreed to.

Bill accordingly read a Second Time.

RAILWAYS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Railways Bill.

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 18th January 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Ainger.]*

The House divided: Ayes 312, Noes 131.

Division No. 6] **[10.15 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bruce, Malcolm
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Corbyn, Jeremy
Corston, rh Jean
Cox, Tom *(Tooting)*
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hill, rh Keith *(Streatham)*
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian

Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lamb, Norman
Lawrence, Mrs Jackie
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sanders, Adrian
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Tami, Mark *(Alyn)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watts, David
Webb, Steve *(Northavon)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Roger *(Brecon)*
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Jim Murphy and Margaret Moran

NOES

Ainsworth, Peter *(E Surrey)*
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Barker, Gregory
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Campbell, Gregory *(E Lond'y)*
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Djanogly, Jonathan
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Hague, rh William
Hammond, Philip
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
May, rh Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shepherd, Richard
Simmonds, Mark

Simpson, Keith *(M-Norfolk)*
Soames, Nicholas
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Mr. Crispin Blunt and
Mr. David Ruffley

Question accordingly agreed to.

RAILWAYS BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a), (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Railways Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred by the Secretary of State for or in connection with the carrying out of any of his functions under that Act; and

(b) any increase attributable to that Act in the sums which are payable out of money so provided under any other Act.—*[Mr. Ainger.]*

Question agreed to.

RAILWAYS BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purpose of any Act resulting from the Railways Bill, it is expedient to authorise—

(a) the imposition of charges to corporation tax by provisions relating to transfer schemes; and

(b) the payment of sums into the Consolidated Fund.—*[Mr. Ainger.]*

Question agreed to.

EUROPEAN COMMUNITY DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

SERVICES OF GENERAL INTEREST

That this House takes note of European Union Documents No. 9824/03, Commission Green Paper on Services of General Interest, No. 7549/04, Commission Staff Working Paper, Report on Public Consultation on the Green Paper on Services of General Interest, and No. 9643/04, Commission Communication, White Paper on Services of General Interest; welcomes the debate on Services of General Interest and supports the Government's view that, at a European Union level, sector-specific regulation continues to provide a more satisfactory approach than a horizontal framework directive on Services of General Interest.—*[Mr. Ainger.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

EUROPEAN SATELLITE RADIONAVIGATION PROGRAMME

That this House takes note of European Union documents Nos. 9941/04, 11834/04 and 13300/04 and the unnumbered Explanatory Memorandum dated 26th May 2004 from the Foreign and Commonwealth Office, relating to the European satellite radionavigation programme (Galileo); endorses the Government's support for the draft Conclusions on the deployment and operational phases of the European Global Navigation Satellite System programmes for the Transport Council on 10th December 2004; and supports the Government's wider aims in seeking a lead role in the Galileo programme.—*[Mr. Ainger.]*

Question agreed to.

ESTIMATES

Motion made, and Question put forthwith, pursuant to Standing Order No. 145 (Liaison Committee),

That this House agrees with the Report [2nd December] of the Liaison Committee.—*[Mr. Ainger.]*

Question agreed to.

TAX LAW REWRITE BILLS

Ordered,

That Mr Chris Pond be discharged from the Joint Committee on Tax Law Rewrite Bills and Mr Ivan Henderson be added.—*[Mr. McWilliam, on behalf of the Committee of Selection.]*

Private Finance Initiative (Education)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

10.28 pm

Dr. Vincent Cable (Twickenham) (LD): I am grateful to have the opportunity to introduce a debate on the private finance initiative in schools, particularly on a matter that is directly relevant to my constituency—the problems encountered by Jarvis, the contractor, and the impact that that is having on a primary school PFI. I shall speak on that rather narrow subject, rather than on the broad philosophical issues.

There are three questions that I shall pose. First, given the extreme difficulties of finishing a PFI contract with a company that has enormous liquidity problems and may face bankruptcy, what happens to discharge the contractual obligations? Secondly, what can be done to head off a bankruptcy—a situation that affects many constituencies and many PFI contracts? Thirdly, in the longer term, how can contracts be better designed so as to deal with such a contingency?

I am posing those questions to the Minister, although I recognise that in the short run and most directly, we are dealing with a contractual relationship between a local education authority and a company. It is that relationship that is coming under stress, but this is also clearly a matter for the Government, as it is they who designed and approved the general framework of PFI contracts. As far as I am aware, they have been giving good advice to my local education authority throughout its current difficulties.

The Government have a key role, as they have a bird's eye view of a broad problem. I understand that Jarvis is having considerable difficulties with many of its contracts. In the schools sector and further and higher education, a process is taking place in which cash is being switched from one project to another, and the Government are in many ways in a better position than the local authority to make judgments on how to manage this critical situation.

Before I embark on giving a little more detail about the problem that we have, I stress that I do not want to deliver any general ideological tirade about PFIs. I have a pragmatic view of the issue, both in relation to the education sector and more generally. In the education sector, all three major parties in my borough have their fingerprints on the contract in question. A Liberal Democrat council was in power in 1997, and it had had almost a decade and a half of frustration in which it was unable to invest anything in schools. When the new Government came in with their PFIs, the council jumped on them with considerable enthusiasm and had its programme approved by the Government. We have since had a Conservative council, which is taking the matter forward and has indeed proposed a PFI project for the secondary sector. All three parties are involved in, have supported or are complicit in the arrangement, so there are no party political points to be made out of it.

More generally, my constituency has seen a cross-section of PFI projects of different types demonstrating the costs, benefits, risks and opportunities of this type of financing. My local district general hospital, the West Middlesex, was one of the early second stage projects. It has now been completed, and it was completed on time and within budget, and with an imaginative design. It has also had quite of lot of snagging problems and there are questions about value for money, but broadly speaking, the perception is positive.

We have also had one of the major PFI projects coming through the Department of Trade and Industry in the rebuilding of the National Physical Laboratory. What happened there again illustrated the costs and benefits of the PFI system. The major contractor, one of the McAlpine group, went bankrupt halfway through the project. It was delayed for a couple of years, but the costs have been borne by shareholders and not by taxpayers, which is what PFIs are designed to accomplish. I have a broadly positive view of the issue, and in no sense a doctrinaire view.

The Richmond primary school contract was worth roughly £50 million over a 30-year period. In terms of education and Department for Education and Skills PFI projects as a whole, the project is fairly small beer. Until roughly a year ago, when I last saw the figures, there were about 93 education PFI projects out of 568 such projects altogether, and they accounted for about £1.85 billion out of £35 billion worth of total PFI investment. The Richmond project was only about 3 per cent. of the total education PFI, so it is fairly modest in scale, but it is not trivial, and it gives some important lessons.

The Jarvis contract for six schools on seven sites was due to be completed in summer this year, and for the most part, it was. Indeed, I have visited all the new PFI schools in my constituency, and most of the projects have been very successful. They have been well designed, imaginative and well received by the schools and their governors. They have been opened and the overall reception is broadly positive. Some niggles have occurred, such as quite serious snagging problems, small loose ends that have not been completed and problems with the maintenance contract. At Education questions, indeed, I have asked the Minister about the complexities of maintenance contracts. Why can we not have simpler standardised maintenance contracts across boroughs, rather than reinventing the wheel on every occasion?

The big problem is that one school was left half completed when Jarvis's financial difficulties struck. I have been keeping in fairly close touch with that school, which I visited two weeks ago. The position is frustrating because 90 to 95 per cent. of the work was completed three months ago, but large parts of the school are simply unusable because minor works are incomplete. For example, a new kitchen cannot be used because the cooker has not been connected, a disabled lift cannot be used because no one has been in to check it, and the school hall needs a final coat of varnish. Such minor problems could have been addressed in a few days by concentrated, focused construction work, but the work has been left for months, and there is no prospect of its being dealt with.

I shall read out a letter sent to me by the school council on the occasion of my visit, which graphically expresses what the children see. The children use quite balanced language, but the letter captures the flavour of the situation:

"We are very proud of our school and are very excited about some of the rebuilding that has taken place and also some of the new equipment which has been provided. However, we are at the

[Dr. Vincent Cable]

same time extremely upset that the building seems to have come to an end before it has been properly finished . . . Take a look at our playground . . . It still looks like a builder's yard. The ground in some places is appalling and lots of people have fallen over and hurt themselves . . . The water fountains dribble a lot and you can't drink from them . . . Jarvis are making little progress and are not sticking to their promises. We are very pleased with our classrooms, which are really good with the interactive white boards and the computers. But, we are very angry with Jarvis and we will not rest until it is done!"

The picture is balanced, but there is a great deal of frustration that a modest amount of work simply cannot be completed because of the contractual nature of the financial problems involved.

There are essentially two difficulties. First, there is the cash-flow problem. Jarvis has extreme difficulties in realising cash. It is reluctant to hand out cash to its subcontractors, who turn up on the site and cannot get on with the work—even small amounts of work that require a few hours of a technician's time. The second problem, which partly relates to the first problem, is that because Jarvis's PFI building work is collapsing across the country, there has been a major haemorrhage of construction management staff, so it simply does not have people to carry through the work. The work is not being completed because of a combination of the shortage of people and extreme cash-flow difficulties.

Where do we go from here? The first line of responsibility rests with the local education authority. I know that the LEA is negotiating with Jarvis and the other partners to the PFI vehicle, and I hope that it is successful. As I understand it, however, the PFI negotiations arising from Jarvis's difficulty have been going on for about three months. I have been told—I am not sure whether this is correct—that little is likely to happen before the company's full restructuring is complete, and I am not wildly optimistic that that route will succeed, although I hope for the best. I also understand that the local authority is imposing contract penalties for delays on Jarvis, but the obvious problem is that if a company has severe liquidity problems and councils around the country are imposing penalties, its financial difficulties will become even more serious, which will make it even more difficult to complete the work.

Do the Government have oversight of that problem? I am aware of their involvement in the basic concept for the contracts and giving advice. Will the Minister give us a feel for the problems across the country resulting from Jarvis's difficulties? Are the Government taking a proactive role in trying to manage the process or are they stepping back and allowing the LEAs to deal with it as best they can? As I have said from the outset, I can see an obvious disadvantage in allowing LEAs to manage the situation on their own: because the company can switch cash from one project to another, there will be no oversight of its problems and no sense of prioritisation. Perhaps the Government can help with that matter.

As I come to the end of my remarks, I want to ask a hypothetical question that I do not expect the Minister to answer directly: what would happen were Jarvis to collapse completely? I believe that it has until March to complete its restructuring; it may fail. If a major PFI contractor effectively becomes bankrupt, what happens to the many projects that it is required to manage, including those in my constituency? As I understand the contractual arrangements, the banks and other parties to the PFI contract would assume responsibility, and would have a self-interest in ensuring that the project is completed, because they would then be able to sell the contract on—for profit, one hopes. It is therefore in their interests to ensure that everything is eventually sorted out.

The problem is one of time and delay. One of the key lessons of this experience—the Minister may wish to reflect on it—is that however well designed PFI contracts may be in getting a proper balance of risk between the different parties, what is lacking is any sense of urgency when there is an extreme liquidity problem such as that which exists in this case—or would exist in the case of the potential collapse of a contract. I question whether it is possible in the longer term to redesign PFI contracts to allow more active and rapid intervention in such a position of force majeure.

In conclusion, I shall read what the Government themselves said in their helpful report, "Building Schools for the Future", which anticipated PFI work predominantly in the secondary sector and made a balanced appraisal of it. It states:

"We know from our own information and the recent Audit Commission study that the earliest PFI schemes did not all deliver fully on this vision. We also know that while some local authorities and schools have been delighted with the PFI investment in their areas, others have found it difficult to translate their education vision into suitably flexible contractual terms."

In my borough we have a very good example of a major problem erupting in a PFI contract that was not anticipated and is very difficult to manage. What lessons have the Government learned from the situation, can they help to resolve it, and have they learned any wider lessons about how PFI contracts can be better structured to avoid such difficulties in future?

10.42 pm

The Minister for School Standards (Mr. David Miliband): I welcome this debate and congratulate the hon. Member for Twickenham (Dr. Cable) on securing it and on the balanced way in which he tried to deal with the issues nationally as well as in terms of their effect on his constituency.

I think that the hon. Gentleman would agree that, over the past 10 years or so, the private finance initiative has developed into a strategy for genuine public-private partnership and that that has been a significant development, if not without its difficulties, which I shall try to address. I welcome the opportunity to set out the Government's position.

It is fair to say that, in the mid-1990s, the private finance initiative was conceived, at least in significant part, as a replacement for public investment. Some saw it as a free lunch—private money supporting national infrastructure. As the hon. Gentleman knows, there is no such thing as a free lunch and, since 1997, the Government have tried to fashion a programme that uses private finance to supplement public investment, not to replace it; that mobilises private sector expertise and experience to serve the public interest; and that sets the incentives for the public and private sectors to serve the interests of taxpayers and citizens.

The schools example is instructive in that respect. In 1996–97, public investment in the schools infrastructure totalled some £700 million. Next year, in 2005–06, it will

be more than £5 billion, with 75 per cent. of it provided conventionally and 25 per cent. in the form of PFI credit. The hon. Gentleman mentioned the "Building Schools for the Future" programme. That is worth more than £2 billion a year, about half of which will be PFI and half conventional procurement.

Over seven years, more than £7 billion has gone into school repairs, helping schools around the country. The conception of public-private partnership—PPP—fundamentally changed key aspects of the relationship between the public and private sectors. At the heart of that shift is the idea of the public sector as an intelligent customer of private services. The Government have had a commitment to use public-private partnerships, including projects that were procured under the PFI, to improve the standard of school buildings, as a matter of pragmatism—I believe that the hon. Gentleman used that word—not ideology.

Such action transforms Departments, agencies and local authorities from being simply the owners and operators of assets into the purchasers of services. The public sector is required critically to examine the full cost of owning an asset throughout its life, not only the initial cost of buying it. That also changes the way in which the private sector thinks about providing the assets. Private firms become long-term providers of services rather than simply asset builders. The private sector can no longer simply walk away from the buildings once they are built.

I believe that the hon. Gentleman acknowledges that the local authority is the key partner of the private sector in the schools sector. The local authority advertises, negotiates and signs the contract and is subsequently responsible for operating the contract over its life. Local authorities determine whether to undertake a PFI project. However, we recognise that the contracts are long term and therefore different from conventional procurement projects. The Department for Education and Skills and the Treasury have provided and continue to provide substantial support to local authorities that undertake those projects. We also monitor the PFI projects throughout the country.

The public-private partnerships enable the public sector to use private sector resources to deliver elements of services that the latter, through its skills and expertise, is best placed to provide through a structure in which the private sector puts its capital at risk so that it is paid only when it delivers. I understand that, in the case that the hon. Gentleman raised, delivery has not happened and shortly I want to deal with those circumstances and the sanctions that the public sector has at its disposal when the private sector does not deliver.

The structure of risk transfer gives the private sector powerful incentives to innovate, and especially to deliver projects on time and to budget, to manage risks more effectively, to maintain assets and provide the specified quality of service for the length of the contract. It is striking that almost 90 per cent. of PFI projects are delivered on time, while under traditional procurement methods, 70 per cent. of projects came in late. Of course, there are benefits to customers, users and taxpayers but they cannot and should not be bought at any price. We, as the public sector, must ensure that when we enter into long-term contracts, we continue to receive value for money for the project's duration.

The Government's approach is that the PFI should be used only when it can deliver value for money, which cannot be secured at the expense of the terms and conditions of the work force or good design. We are committed to ensuring a level playing field between different procurement routes and we are clear that value for money should be the only criterion that is used to choose between them.

The total cost of the asset over its life is key to assessing the value for money of a PFI project. That is good public sector practice, whether spending under conventional procurement methods or the PFI. The cost includes the essential services that are required to maintain the asset's value, such as maintenance and repair. In the past, those costs were often excluded from investment appraisals, with the result that opportunities to invest in the design of the building to prevent later maintenance expenditure were overlooked and assets not properly maintained.

In contrast, at the end of a PFI contract—typically, 25 years—the school is returned to the local authority or governing body, fit for further use. In addition to analysing the whole life cost of the asset, through the appropriate allocation of risk, the PFI ensures that the private sector partner has strong incentives to deliver the services that the public sector requires.

In PFI projects, the private sector does not get paid until the building is complete and the services are being delivered at the required level. Under PFI, the public sector is guaranteed the specified service. If that is not provided, financial penalties result.

The hon. Gentleman accurately cited figures for the number of PFI projects that are either open or in train. In 40 schemes, pupils, teachers and head teachers are receiving services. We are trying to learn the lessons of improving procurement and management of PFI projects by local authorities. That is especially important, as our investment in the school estate increases, to ensure that every pound spent is well spent. The hon. Gentleman mentioned the lessons that have been learned in the past five to 10 years. Lessons are being learned on organising contracts, the need to bear down on legal and contracting expenses, the importance of high competence on the public sector side of the negotiating table in putting the contracts together and the need to ensure protection of public money.

The hon. Gentleman also referred to the importance of standardising contracts, or at least of having standard contracts. He will be pleased to hear that, to aid the process of contracting, we recently issued standards for schools' PFI contracts, to help local authorities coming to the negotiating table to finalise such deals.

Given the hon. Gentleman's description of events, it would obviously be wrong of me to pretend that everything always goes right in PFI projects, just as it would be wrong to pretend that things always go right in conventional procurement projects. We can make the case, however, that the public sector has stronger sanctions in relation to PFI projects than it does under conventional spend. PFI contracts have contingencies built into them to ensure that, when things do go wrong, either they are put right, or the private sector faces a financial penalty.

In most PFI contracts, there is more than one shareholder and, critically, a backing group of lending banks with the financial resources to deal with a

[Mr. David Miliband]

situation in which a party to the contract has financial difficulties. For PFI contracts in construction, in the event of a construction company being unable to fulfil its responsibilities, it is the responsibility of the banks and other shareholders to replace the contractor with another firm. The cost of doing so will fall on the consortium. If it fails to meet that cost, the procuring authority can terminate the contract, at a significant cost to the consortium.

If a building contractor encounters serious difficulties, there will be inevitable problems in the procurement of the project, whatever procurement method has been used. In PFI contracts, however, mechanisms are in place to ensure that the banks and shareholders have strong incentives to remedy the situation. It is important to draw a contrast between this and conventional procurement, in which the public sector would be left without such a safeguard. At the end of the day, if everything else fails, the local authority has the final sanction of terminating the contract and providing the services itself.

As we know, a number of projects are in difficulty as a result of the widely publicised financial problems of Jarvis. I am sure that the hon. Gentleman realises that it would be wholly inappropriate for me to comment on the situation relating to that company. I can, however, comment on the situation in Richmond, and on the Trafalgar school in particular. As he said, the scheme in Richmond involves six fully serviced primary schools through a single contract. He was also right to say that a £50 million project is on the small side when it comes to PFI deals. The contract is for two new schools and four expanded and remodelled schools, and was signed in June 2002. I understand that, in the main, construction work has been completed at four of the six schools.

A note that I have here tells me that high-quality information and communications technology specification has been a particular feature of this contract, along with flexible classrooms and improved community assets, and that the use of interactive whiteboard technology is having a special impact on the learning experience of the young people involved. That is obviously good to hear. In addition, the working environment for pupils and staff has been much improved.

However, at the Trafalgar infant and junior schools, a number of items of work, including on the kitchens and the external landscaping, have still to be finished. They have been delayed for some time, and some of the resulting difficulties were brought home to us by the pupils' description of this unacceptable situation through their school council. While the schools might be able to occupy their new buildings, it is obviously unacceptable that they cannot use facilities such as the outdoor play area or the kitchen as they would like to.

The contract that the authority signed with Jarvis has clauses to cover non-performance and it is up to the authority to invoke those terms. It has, therefore—appropriately, in my view—withheld part of the unitary charge, due to deadlines not being met and progress not being made. We have been informed that there is close co-operation between the local education authority and senior debt and equity providers involved in the project—as well as with Partnerships UK, the national body that handles many of these projects for central Government—in an attempt to resolve the outstanding matters. Those discussions have reached a relatively advanced stage, with a view to restarting the works.

I completely understand the hon. Gentleman's view that there needs to be real urgency in this process, because every day that goes by is another day of anxiety and annoyance for the teachers and pupils who cannot use their facilities to the full. I am sure that the mere fact that we are holding this debate will make the point to all the parties concerned that a significant educational loss is resulting from the difficulties that have arisen. I know that the hon. Gentleman is also in touch with the LEA, to whom he has copied various letters that he wrote to the Secretary of State to make his points. It seems to me, however, that the authority is on the case, and I hope to see progress.

The Government are committed to effective public-private partnerships because they can produce clear benefits in the delivery of public services. They can deliver assets that are of high quality, available on time and on budget, and services of an agreed standard. When assets are delivered late or services are poor, the penalties that we have discussed will apply.

We are also determined to learn from our experience of PFI projects to ensure that as we proceed with major investment every pound spent results in high educational standards, whether lessons are taught in schools built through the PFI scheme or schools built through conventional spend.

I look forward to discussing these and other matters with the hon. Gentleman in the future.

Question put and agreed to.

Adjourned accordingly at five minutes to Eleven o'clock.

House of Commons

Tuesday 7 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

LIFT Programme

1. **Mr. Patrick Hall** (Bedford) (Lab): If he will make a statement on the progress of the NHS local improvement finance trust programme. [202201]

13. **Linda Perham** (Ilford, North) (Lab): If he will make a statement on the progress of the NHS local improvement finance trust programme. [202214]

The Secretary of State for Health (Dr. John Reid): Good progress is being made. The first NHS LIFT building has opened its doors to patients in east London. On 26 November, I announced another nine LIFT projects, taking the total across the country to 51, of which 29 have started construction.

Mr. Hall: Bedford primary care trust and others are pleased with the success of their LIFT application. Will my right hon. Friend confirm that in high population growth areas, such as Bedford and Kempston, future capitation allocations will be based on forecast population growth, rather than always having to play catch-up? In that case, will the full rental costs of new facilities delivered by the LIFT be met from the day the facility is opened, which may be some years before the target population is reached?

Dr. Reid: Announcements on the redistribution will be made early in the new year. The announcements have been delayed by some months because we have been waiting for census statistics on which to base them. We will continue to increase the money available to the NHS, 80 per cent. of which will be made available to local PCTs, which will have to allocate that funding.

Linda Perham: I am pleased that a LIFT project is going ahead in Manford way in Hainault. The area is one of the most deprived in my constituency, and my GP practice is located there. Has the Secretary of State assessed the likely impact of those improvements to primary care facilities and services on hospital attendances, and in particular on accident and emergency attendances?

Dr. Reid: My hon. Friend's constituency is part of Redbridge and Waltham Forest LIFT scheme, which signed a contract in August this year. The company has already started construction of the new £5 million Manford way health centre, which will have three floors and will bring together not only three GP practices but health visiting and dentistry. It will be of huge benefit and will provide speedier, more convenient access for her constituents. I hope that much more will be done on the primary care level and that that will be reflected in turn in a reduction in demand, waiting lists and waiting times. Both the primary care and secondary care sectors will benefit from the new developments.

Miss Anne McIntosh (Vale of York) (Con): I invite the Secretary of State to look favourably on those constituencies, such as Vale of York and others in North Yorkshire, in rural areas that face difficulties in delivering health services and social services because of their sparse populations and rural nature. One PCT and the ambulance service have run up a deficit of £10 million between them. How does he expect that shortfall to be made up?

Dr. Reid: The hon. Lady will be aware that over the past few years the increases in expenditure on the NHS have been far greater than in the past, and that will continue. I do not have the figures for her area, but I will be pleased to write to her. I am absolutely certain that her area will have had at least 6 per cent. real growth per annum over the past few years and that that will continue for the next few years. We understand the huge range of demands, even on the extended services, but the hon. Lady knows that we cannot write off deficits willy-nilly. The right to have extra money comes with the responsibility to run health services efficiently at a local level. We currently give 80 per cent. of the money to the local level, and we expect those involved at all grades of management to address local problems as well as dispensing local income.

Andy Burnham (Leigh) (Lab): The Atherton LIFT scheme in my constituency will open its doors early in the new year and will be one of the first in the north-west to do so. Does my right hon. Friend agree that that development, which is like a cottage hospital for Atherton, has the potential to transform health care? Will he ensure that his Department works with the hospital trust to put services on people's doorsteps, so that people do not have to travel to the acute site?

Dr. Reid: I certainly hope that what my hon. Friend has asked for comes to pass, because he is right. We tend to discuss statistics, buildings and physical and financial increases: some 2,500 GPs' premises have already been refurbished or replaced, and 51 new LIFT schemes—another £1 billion—have been given the go ahead, but the benefits are better measured in terms of human access and convenience for patients. There is no doubt that patients will get a wider range of health and social care under one roof. They will get help in making healthier choices and therefore in fostering prevention

rather than cure. They will have access to more than just health care; in many areas, housing and welfare are being offered as well. I hope that what my hon. Friend asks for prov[illegible]o be the outcome; it is certainly our intended outcome.

Hearing Aids

2. **Mrs. Annette L. Brooke** (Mid-Dorset and North Poole) (LD): if he will make a statement on waiting times for digital hearing aids. [202202]

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): The modernising hearing aid services programme was developed with the Royal National Institute for Deaf People to respond to audiology issues, and so far 250,000 people have received digital hearing aids. Awareness is now so widespread that some people have to wait, but I expect primary care trusts to do all that they can to meet the increased demand.

Mrs. Brooke: I welcome the progress that has been made in the provision of digital hearing aids. However, does the Minister share my concerns about the quality of life of one of my constituents, who was recently told in a letter from Bournemouth primary care trust that it was currently seeing patients who went on the waiting list in July 2003? That prompts the question of how long it took to get on the waiting list. What action will he take to ensure an improved service for my constituents? The current situation is highly inequitable, given the differing lengths of waiting lists around the country.

Dr. Ladyman: I share the hon. Lady's concerns. I point out to her, though, that this is a four-year programme to extend the availability of digital hearing aids across the entire country. As different parts of the country joined the scheme at different stages, some areas are experiencing particular problems; Bournemouth is one such area. That is why we provided central funding for a further 1,200 people to receive digital hearing aids in Bournemouth. The local PCT has provided funding for a further 2,000 people on top of that; it has also decided to join the public-private partnership, which means that audiology services can be made available from the private sector. Those three factors should lead to some dramatic improvements in the Bournemouth area.

Chris McCafferty (Calder Valley) (Lab): Will the Minister consider offering guidance to PCTs to prioritise people with other sensory deprivations such as deaf-blindness, which is a not infrequent development of old age?

Dr. Ladyman: My hon. Friend is absolutely right. We should be doing everything that we can to ensure that people with multiple sensory deprivations get digital hearing aids as quickly as possible. I am sure that her local PCT will have heard her remarks.

Tim Loughton (East Worthing and Shoreham) (Con): Following my questions to the Minister last July, the British Society of Hearing Aid Audiologists conducted a survey among hospital trusts and found enormous discrepancies in the availability of and waiting times for digital hearing aids, including 130-week waits for fitting at the Chase Farm trust and the Kent and Sussex trust in Tunbridge Wells. What does the Government's promise to roll out digital hearing aids by April 2005 really mean, given that there are such long waiting times now? Around 1.8 million people are still waiting, many of whom are elderly and will find a four-year wait far too long. Why is not the Minister speeding up the use of independent hearing dispensers, who stand ready and willing to help to shift the backlog urgently?

Dr. Ladyman: Of course, there were no waiting lists for digital hearing aids under the previous Government, because they were not available on the NHS under the previous Government: only people who could afford £2,500 to go and buy one in the private sector could have one. This is a four-year programme. By next April, digital hearing aids will be available everywhere in England. As I explained to the hon. Member for Mid-Dorset and North Poole (Mrs. Brooke), different parts of the country are at different points in the programme, but I expect digital hearing aids to be made available to everybody. Some 250,000 people now have the benefit of digital hearing aids and are able to hear far better than ever before. We are a victim of our own success, because people are coming out of the woodwork to go on the waiting lists. We will meet their needs, unlike the hon. Gentleman and his Government.

Helen Jones (Warrington, North) (Lab): Will the Minister ensure that trusts conduct holistic assessments of people waiting for digital hearing aids? He will know of the case that I raised with him concerning the lady with hearing problems who also has severe depression that would be alleviated by getting a better hearing aid fitted. Is it not right that trusts need to take such factors into account in order to provide better help for patients and to ensure better use of NHS resources?

Dr. Ladyman: My hon. Friend is right. When people have multi-sensory deprivation or wider health needs that are being exacerbated by their failure to get a digital hearing aid, it is appropriate that we look at their cases individually rather than sticking to rigid procedures, to ensure that they get treated with the proper priority. My hon. Friend should remember that this programme is being managed for us by the Royal National Institute for Deaf People in a unique collaboration between the Government and the voluntary sector. That digital hearing aids are available to anyone at all is due to the fact that this Government decided to invest in them.

Sandra Gidley (Romsey) (LD): Answers to written questions to the Minister suggest that statistics on this programme are not centrally collated, yet the RNID has been collecting statistics on the modernising hearing aid service project. Is this just another example of a waiting list that the Government want to hide? When will the Minister publish the statistics? Will it be after the four years, when the playing field has been levelled?

Dr. Ladyman: We are working in a partnership between the state and the RNID. We do not collect these statistics nationally in a centrally collated list, but the modernising hearing aid service project does collate

some local information. That information is available to any Member of the House who takes the trouble to talk to their primary care trust. If waiting times are outside the standards being set by the RNID, it is open to any Member to go and talk to their PCT and ask it to place a higher priority on providing digital hearing aid funding for its local area. I would have thought that the hon. Lady would welcome this unique collaboration, and the fact that 250,000 people now have digital hearing aids. That is 250,000 more than would ever have had them under her policies.

Tom Levitt (High Peak) (Lab): Despite the scepticism of both the Opposition parties, does my hon. Friend agree that the roll-out of the digital hearing aid programme has been a massive success for a partnership between the public and voluntary sectors? Although I am sure that he would not wish to see a voluntary sector equivalent of privatisation, does he agree, based on this evidence, that the voluntary sector has a major role to play in future partnerships, not only for local delivery but for the strategic delivery of enhanced and increased services in the NHS?

Dr. Ladyman: As usual, my hon. Friend provides a voice of sanity in a debate too often distorted by the biases of the Opposition parties. This has indeed been a unique collaboration between the voluntary and public sectors. It is something that we can learn from across the board, and I want to see more of these collaborative projects being rolled out in a range of other areas besides audiology.

Dentists

3. **Mr. Parmjit Singh Gill** (Leicester, South) (LD): What assessment he has made of progress with the new contract for NHS dentists. [202203]

The Minister of State, Department of Health (Ms Rosie Winterton): Preparations for the most far-reaching reforms of NHS dentistry since 1948, founded on the delegation of new contractual arrangements to primary care trusts, are proceeding on time for introduction from 1 October 2005.

Mr. Gill: Given that many dentists have said that they might still go private in spite of the new contract, and that many people in constituencies such as mine are facing increasing difficulty in accessing an NHS dentist, what specific steps is the Minister taking to engage dentists in the new contract to encourage more of them to undertake NHS work?

Ms Winterton: We are continuing our discussions with the British Dental Association on the new contract, the principles of which were drawn up after years of discussions with the BDA, following the fiasco that took place under the Conservatives. In fact, dentists are voting with their feet. About 2,500 have now moved over to the new way of working, at about 1,000 sites around the country. We are also continuing with international recruitment; we shall recruit another 1,000 dentists into the NHS by next October, and increase the number of dentists in training. All this is sending a clear message to NHS dentists that we are increasing investment and training, and providing the new way of working for which they have been asking for many years.

Mr. Kevin Hughes (Doncaster, North) (Lab): I congratulate my hon. Friend on her work so far with the new contract arrangements. Will she join me in congratulating Doncaster health care services, which has just opened a brand new, state-of-the-art dental access centre with a same-day phone and go service? May I ask her to do one thing more and put further pressure on dentists to let people know that they are being de-registered? Usually, the first time that constituents get to know about it is when they turn up for emergency treatment and are told that they cannot have it.

Ms Winterton: My hon. Friend is right to congratulate our local health services on opening the new centre in Mexborough. It represents £3 million of new investment and is one of the first facilities in the country to bring family dentists and hospital dentists together under one roof, so it is very innovative. Naturally, it will benefit some of my constituents as well as some of his.

My hon. Friend is right on his wider point about dentists who de-register patients: they are supposed to give notice to the PCT and to their patients. We are working with PCTs to ensure that they are in regular touch with their local dentists and encouraging them to move to the new system, but if they are not, they should ensure that we can consider a system whereby we have knowledge of the whereabouts of those who are de-registered, so that when we increase the number of NHS dentists we can ensure that they have access to them.

Sir Paul Beresford (Mole Valley) (Con): Clearly, I have a slight interest in this subject. At a recent press conference, the Secretary of State, in announcing the last White Paper, said to the BDA representative, "Dentistry's sorted." That certainly is not the feeling of the dentists, the BDA, the dental organisations or even the National Audit Office. If it is sorted, will the Minister tell us when the draft contract will be available for dentists and the dental organisations?

Ms Winterton: I am sure that the hon. Gentleman recognises that the NAO report said clearly that we are moving in the right direction. It identified some risks associated with that, but to address those risks we have dental advisers in every PCT, talking with local dentists about moving to the new way of working. As I have said, we are continuing discussions with the BDA and will publish contractual guidance to PCTs in due course.

Iain Wright (Hartlepool) (Lab): The experience of the hon. Member for Leicester, South (Mr. Gill) is different from that of my constituents in Hartlepool PCT. Under all the key performance indicators, the number of registered patients, the changes in the number of registered patients and the number of practices that are allowing NHS patients to be registered are all massively above the average for England—but I am not complacent. What will my hon. Friend the Minister do to ensure that all those patients in

Hartlepool who are registered and who want to be registered get the resources needed to ensure that they receive a full dental service from the NHS?

Ms Winterton: My hon. Friend is right to say that in his area about 75 per cent. of dentists are taking on new NHS patients—but we would not want to be complacent about that. There is sometimes an issue, as he says, about people who may not be registering but whom we want to register. There have been a number of initiatives around the country, most particularly in London, where people have been encouraged to come forward to register so that, in general, the oral health of the population can improve. We will certainly consider such initiatives in his constituency.

Dame Marion Roe (Broxbourne) (Con): Is the Minister aware that the National Audit Office reported recently that primary care trusts may not have the capacity or capability to manage the new dental contract? Is she confident that, as the Prime Minister said in 1999, the new contract will ensure that everyone has access to an NHS dentist within two years?

Ms Winterton: The hon. Lady may not have noted what I said to the hon. Member for Mole Valley (Sir Paul Beresford), which was that the NAO report recognised that we were moving in the right direction. It identified some risks, and as she said, one of the priorities was ensuring that primary care trusts were able to implement the new contract. She may recall that we announced some months ago that, after discussions with the British Dental Association, we had agreed to delay implementation of the contract until October 2005, to ensure that PCTs were able to implement it by that date. On top of that, in the run-up to that date, we have been organising training sessions with every PCT and issuing guidance about how to do that. As I have said previously, on the ground, many dentists are already moving over to the new way of working—2,500 are doing so in about 1,000 sites around the country, with others wanting to do so. That indicates that dentists recognise that we are moving in the right direction, as did the NAO, and that we will be able to implement the new contract by October.

Mr. Andy Reed (Loughborough) (Lab/Co-op): Unfortunately, the experience of my dentist, whom I visited yesterday morning, is slightly different. While he was messing around inside my mouth, he wanted to inform me that his practice is going to move into the private sector rather than remain in the national health service. One of the problems was the delay in the contract and the uncertainty that that has caused. Can the Minister reassure me, so that I can go back and convince him not to take that course of action, that the contract will be in place by October, and that it will provide certainty to dentists across the country that there is a future for NHS dentistry, not just for me but for every constituent whom I represent?

Ms Winterton: Of course, my hon. Friend is right to be concerned if his dentist says that he plans to move into the private sector. What I would say is that his dentist could already move to the new way of working. I am prepared to talk with the local PCT and suggest that the dental adviser there contacts him and offers him the opportunity to move to the new personal dental services system immediately, if that is what he would prefer to do.

Dr. Andrew Murrison (Westbury) (Con): The NAO and the chief executive of the Dental Laboratories Association, Mr. Richard Daniels, whom I had the pleasure of meeting this morning, both fear that the new contract will give dentists a perverse incentive to abandon some costly dental work that they currently give to dental laboratories. Indeed, a dental technician from Oldham, where the new contract is being piloted, has written to say that between 80 and 90 per cent. of the work that he gets from NHS practices in his area has disappeared. Why is the Minister diverting money for high-quality crown, denture and orthodontic work from dental laboratories to dental practices? Is that the way to make an unpopular dental services contract more acceptable to dentists?

Ms Winterton: There will not be such a diversion away from dental technicians. It will be possible to do anything that is clinically necessary under the NHS under the new contract. Some research has been done on patterns of treatment under the new way of working, and there was a slight decrease in the initial stages, but there is no firm evidence that dental technicians and laboratories will suffer. It is the clinical decision of the dentist as to whether the work needs to be done. I hope that the hon. Gentleman is not saying that NHS or other dentists would not act in a clinically professional manner.

Hospitals (Nottingham)

4. **Mr. Graham Allen** (Nottingham, North) (Lab): What the percentage change in waiting lists and waiting times for hospital in-patient treatment in Nottingham has been since 1997; and if he will make a statement.

[202204]

The Minister of State, Department of Health (Mr. John Hutton): In March 1997, there were 3,444 patients waiting more than nine months for in-patient treatment at the two NHS trusts in Nottingham. Latest figures show that there are now no patients waiting more than nine months at either trust.

Mr. Allen: That is a fantastic and very welcome statistic, as is the 50 per cent. reduction in the number of people on the waiting list from 15,000 to 7,500. Will the Minister take this opportunity to thank and congratulate all in the health service—not just doctors and nurses, but the health workers, administrators and managers who ensure that waiting lists are managed properly? Will he also guarantee that funds for the health service will not be reduced, and will he venture to speculate on what might happen in the event of, for instance, a £50 billion Budget cuts package?

Mr. Hutton: I certainly agree with what my hon. Friend has said about the fantastic work done by NHS staff in Nottingham. They are doing a brilliant job, as I saw for myself when I was there last week. I am sure that everyone in Nottingham would join him in praising the work of NHS staff in that great city.

The progress made in Nottingham and elsewhere has been possible because of our investment and reforms, both of which would be at risk from the policies of the Conservative party.

Mr. Andrew Lansley (South Cambridgeshire) (Con): I, too, congratulate NHS staff in Nottingham. I had an opportunity to visit maternity staff at Nottingham City hospital, who deliver 6,000 babies a year and provide a very good service. Perhaps, however, the Minister will now answer the question, and deal with the reference to waiting times. Will he tell us how long, on average, patients waited to be admitted for treatment during the last financial year?

Mr. Hutton: I did answer my hon. Friend's question, and I am sure that he was happy with my answer. In asking his own question, the hon. Gentleman wants to do one thing above all else: he wants to claim, as do his hon. Friends, that the NHS is not making progress—that waiting times are not falling but rising. He is wrong on that count, and also in what he says about average waiting times. The facts are set out in the statistical supplement to the chief executive's annual report. If he would like to study it in more detail, I shall arrange for him to have a copy.

Mr. Lansley: I am grateful to the Minister, but I have a copy of the chief executive's report. It claims that NHS patients are waiting less long for treatment, but what the chief executive did not publish—indeed, they were not published until this morning—are statistics showing how long patients waited during the last financial year. The average waiting time was 90 days in 1999–2000, and 95 days in 2003–04.

Let us be accurate. The Minister is right in saying that the number of people waiting for more than nine months has fallen, but he should also admit that the average time for which people are waiting has increased. Both those facts are true.

Mr. Hutton: No, that is not true. The facts are set out very plainly in the chief executive's report.

One thing is clear from this exchange, and from the other exchanges that we have had on this subject. The hon. Gentleman and his hon. Friends want to trash and ignore all the progress that the NHS is making, and all the hard work of NHS staff in Nottingham and elsewhere. The truth is that the national health service is getting better and waiting times are falling. Their policies would reverse that progress, take money out of the NHS and allow well-off people to jump the queue. That is totally unacceptable.

John Mann (Bassetlaw) (Lab): A 400 per cent. reduction in the number of in-patient bed stays for drug addicts has been achieved at Bassetlaw hospital. So that hospitals in Nottingham can benefit from a similar reduction, will the Minister conduct an audit to establish how the fall in hospital costs was achieved?

Mr. Hutton: I should be happy to do that.

Care Homes

5. **Mr. Michael Wills** (North Swindon) (Lab): What representations he has received on the practice of care homes and nursing homes charging fees after the death of a resident in lieu of notice; and if he will make a statement. [202205]

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): A search of the Department's correspondence database has revealed only one representation on the issue. Under the care home regulations, each resident is required to have a contract with the care home. The contract should specify conditions relating to payment and notice required.

Mr. Wills: As my hon. Friend knows, one of my constituents was deeply distressed recently when his mother died and the care home where she had been staying charged her estate two weeks' fees in lieu of notice. My constituent went to the *Daily Mail*, and the home then refunded the charges and took the offending clause out of the contract for the benefit of future residents. But the problem still remains for others and is particularly unfair on those who fund themselves. As I understand it, social services departments' contracts do not include such clauses. I recognise that Ministers cannot intervene in individual contracts, but given that social services departments and the *Daily Mail* seem able to secure more dignified and civilised behaviour from nursing homes at such a sensitive time, will the Government look into what more they can do?

Dr. Ladyman: First and foremost, anybody who goes into a care home needs to understand that they should have a clear contract telling them what will happen in the event of their death. Secondly, my hon. Friend is right in that, when local government negotiates bulk contracts with care homes, it can often get much better terms and conditions than individuals can because it is buying in bulk. I have been encouraging local government to use its power to ensure that such terms and conditions are passed on to people who are self-funding. Thirdly, there will soon be an opportunity to carry out the review that my hon. Friend seeks through the review of the national minimum standards, which I have already announced. I shall certainly take that opportunity to see whether we can do anything further to help.

Mr. Peter Luff (Mid-Worcestershire) (Con): I certainly share the concern expressed by the hon. Member for North Swindon (Mr. Wills) about this particularly distasteful practice. But is it not true that nursing homes and care homes have to do such things because they are under huge financial pressure, brought about in part by the overly bureaucratic and prescriptive regulations imposed on them by the Government? Is it not also true that nursing homes and care homes in Worcestershire might have to resort to such practices—I hope that they do not—because of the underfunding of Worcestershire's social services? I invite the Minister to join the cross-party campaign for the area cost adjustment that would provide a fairer share of national funding for Worcestershire's social services department.

Dr. Ladyman: That was yet another demand from the Conservatives for money that they are singularly unprepared to provide themselves. In fact, adult social services has received a 30 per cent. above-inflation increase since 1997, and local government has more than enough money to pay the market rate for care home places, which is what I always encourage it to do. It would be entirely inappropriate for us to force local government to pay more than the market rate simply to keep open places in care homes that people do not want to be in. The Government want people to be able to choose where they spend their retirement, while the Conservatives want everyone to be banged up in a care home.

Mr. David Hinchliffe (Wakefield) (Lab): Does the Minister recall that when he came before the Health Committee to discuss elder abuse, concern was expressed about the current arrangements for the certification of deaths in care homes and nursing homes, whereby a single doctor can certify a death without actually seeing the body? The Minister shared the Committee's concern about that practice. Have any steps been taken to deal with this issue?

Dr. Ladyman: My hon. Friend is right; I do indeed share his concern. Since the meeting to which he refers, the Home Office has produced new guidance on the certification of deaths in care homes and on the tightening of regulations. In conjunction with the Home Office, I am reviewing those guidelines to see whether they will actually meet the concerns that he and I expressed. I would very much welcome his views in an effort to come up with a system that we can be confident will work better in future.

Edgware Hospital

6. **Mr. Andrew Dismore** (Hendon) (Lab): If he will make a statement on progress with Edgware Hospital's new-build project. [202207]

The Minister of State, Department of Health (Mr. John Hutton): The current phase of building at the new £40 million Edgware hospital is due to be completed later this month. The new hospital will be operational in March of next year and will provide an expanded range of services, including intermediate care, services for the elderly mentally ill and a dedicated centre for children, thereby improving both the quality and convenience of local NHS services.

Mr. Dismore: Does that not show the progress that we have made in the health service, and certainly in my area, bearing in mind that Edgware hospital was closed by the Conservatives in April 1997, before that year's election? Will my right hon. Friend pay an early visit to the hospital to see what we have been able to achieve there, and will he look favourably on our bid for additional diagnostic services, particularly an MRI scanner—to be shared with the Royal National Orthopaedic hospital—and a CT scanner? Such equipment would ensure that we have diagnostic services fit for the 21st century, just as the new hospital will be.

Mr. Hutton: I am glad to join my hon. Friend in welcoming the new hospital in his constituency. There is no doubt that the NHS is making progress in his part of London. I shall be happy to visit the new hospital when it is operational. We are looking carefully at what additional diagnostic services may be necessary in London and in my hon. Friend's area in particular, including additional MRI capacity. Those decisions will be taken locally, but I can confirm to him that we are looking to significantly increase and improve diagnostic capacity in the NHS in London.

Clinical Trials

7. **Dr. Evan Harris** (Oxford, West and Abingdon) (LD): What measures he is taking to ensure compliance with the concordat on the NHS funding of excess treatment costs of Medical Research Council clinical trials. [202208]

The Minister of State, Department of Health (Ms Rosie Winterton): The NHS plays a vital part in medical research, ensuring that patients benefit from new and better treatments. We expect primary care trusts to meet the excess treatment costs of Medical Research Council clinical trials from their general allocations.

Dr. Harris: The Minister has not answered the question. What measures are the Government taking to ensure compliance with the concordat? The hon Lady says that she expects compliance. In the Thames valley there is not enough funding for recruitment to Myelona IX, an MRC blue chip trial, and the strategic health authority tells me that the only way it can ensure compliance is to include it as a performance measure. What is the point of a health service circular such as HSG (97) 32 if the only way it can be enforced is through performance targets? Is it not important that we guarantee funding to ensure equitable access to critical research trials?

Ms Winterton: I am aware of the point that the hon. Gentleman makes. There is massive extra investment going into his primary care trust. I am aware also that the strategic health authority held a meeting on the issue with the chief executives of primary care trusts on Friday, and that he has written to my noble Friend Lord Warner, who will be looking into the matter and, if necessary, pursuing it through the strategic health authority.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): Would not considerably more money be available to the Medical Research Council if money did not have to be diverted to protect workers in primary research projects from the activities of animal rights activists? Is it not about time that that link was made so that the public could understand the importance of the work conducted by scientists and the MRC?

Ms Winterton: My hon. Friend makes an important point. I know from my constituency work that the public are concerned about those activities and their effect on medical research. As I am sure my hon. Friend

knows, my right hon. Friend the Home Secretary is taking through legislation to deal with some of those activities, with the full support of Labour Members.

Mr. Henry Bellingham (North-West Norfolk) (Con): Will the recent changes to the MRC grant system offer greater opportunities for working in partnership with charities and other research councils? If so, what are those opportunities?

Ms Winterton: We are looking at ways in which the relationship between the MRC and the charity sector can be expanded. I do not know the details of how that will be implemented, but I am prepared to write to the hon. Gentleman if that would be helpful.

Recruitment

8. **Mr. Michael Jack** (Fylde) (Con): What plans his Department has to increase the recruitment of allied health professionals. [202209]

The Minister of State, Department of Health (Mr. John Hutton): The national health service is on course to meet its expected requirements for an additional 30,000 therapists and scientists in the NHS between 2001 and 2008. Since 1997 the number of allied health professionals working in the NHS has increased by 26 per cent. to 55,946.

Mr. Jack: Although the Minister's reply is helpful—he well knows the health pressures on the Fylde coast—will he look into the availability of child psychologists in the Fylde, where I am told that waiting times of up to 80 weeks for a first consultation are not unusual? In the case of the supply of speech therapists, the Minister knows from correspondence that I have sent him that that is currently being curtailed by difficulties in establishing new training positions at St. Martin's college. Will he look at both of those in the light of his answer and see whether some of the bottlenecks that we are facing can be ameliorated?

Mr. Hutton: I always try to be helpful to the right hon. Gentleman and I shall certainly look into the two matters that he has raised. The waiting times for child psychology to which he referred are totally unacceptable, and I shall bring my best endeavours to bear to sort them out for him.

Mr. Peter Pike (Burnley) (Lab): Does my right hon. Friend accept that there is a shortage of occupational therapists in the NHS? That is certainly true in the Burnley area, where the shortage causes problems with social services and other organisations when decisions are being made about how dwellings should be adapted so that people can live at home rather than be forced to stay in hospital.

Mr. Hutton: I understand that occupational therapy faces particular recruitment difficulties, as my hon. Friend has noted. We have never claimed to have solved every capacity shortage in the NHS work force, but we are making significant progress towards improving the service's capacity in respect of allied health professionals. That is an important area, and we will do our best to make further progress in the years ahead.

Hywel Williams (Caernarfon) (PC): Under the draft Mental Health Bill, the Government propose a new and extended role for approved allied medical professionals. That role would be similar to the one performed by approved social workers. What steps are the Government taking to plan for the recruitment and training of suitable staff when the Bill becomes law?

Mr. Hutton: My hon. Friend the Minister of State has published for consultation a draft work force plan that deals with the issues that the hon. Gentleman raises. We are still discussing those matters in the NHS.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): In my constituency, the local primary care sector has had considerable success in recruiting foreign physicians' assistants. What steps are being taken to recruit, train and give accreditation to our own, home-grown physicians' assistants?

Mr. Hutton: A significant amount of work is going on in the NHS to deal with the question that my hon. Friend raises. We all want the NHS to be more flexible, responsive and convenient, but that means we must make a significant investment in improving the skill mix in the work force. Much work needs to be done locally and nationally in relation to the activities of the professional bodies and groups such as the Nursing and Midwifery Council. However, it is right and proper that we make a concerted effort to make sure that the NHS catches up with many other developed health care systems, and especially the US, where assistant practitioners play a very expanded role.

I think that we can catch up. We are making good progress, and the traditional medical professions are not being dumbed down, as some have suggested. This is a sensible path to take, as it will allow the NHS to become more flexible and efficient. It is in the interests of everyone, both taxpayers and patients, that we make maximum progress in this area.

Mr. Simon Burns (West Chelmsford) (Con): Is the Minister concerned that 82 per cent. of radiographers rejected the proposals in "Agenda for Change"? Why does he believe that increasing their working week from 35 to 37.5 hours—without a corresponding increase in hourly rates of pay—will improve morale, or encourage radiographers into the profession?

Mr. Hutton: Thirteen other professional groups—

Mr. Burns: I was talking about radiographers.

Mr. Speaker: Order.

Mr. Hutton: Thirteen other professional groups have voted to accept the increased hours for allied health professionals. I regret that the radiographers have rejected the deal, but we are still working with the Society of Radiographers to find a sensible way

forward. We are keen to discuss a number of proposals, including the use of recruitment and retention premiums. Those discussions are under way.

I can tell the House that the maximum pay rate for basic-grade radiographers will rise by 15 per cent. under "Agenda for Change". That is a significant investment, and we are also making significant headway in recruiting more radiographers into the NHS. The vacancy rate for radiographers is falling and we have doubled the numbers coming into training. I hope that the hon. Gentleman is prepared to welcome those improvements at least.

Accident and Emergency

9. **Mrs. Lorna Fitzsimons** (Rochdale) (Lab): What plans he has to reduce waiting times in accident and emergency departments. [202210]

The Secretary of State for Health (Dr. John Reid): Last month, 97 per cent. of patients were seen and diagnosed, and were able to begin treatment, within four hours. The NHS is on track to ensure that, by the end of this month, at least 98 per cent. of patients enjoy the same care. That is a world standard for the NHS.

Mrs. Fitzsimons: May I bring to my right hon. Friend's attention the spectacular turnaround in the accident and emergency department of Rochdale infirmary? Is he aware that the basic ingredients for that turnaround were already in place, although investment was gratefully received? In fact it was the team of clinicians—Don, David, Rip, Selim and Mark, who are the consultants, Ann Rhodes, who was the linchpin as manager and the nursing staff—that galvanised the whole hospital to work together. Can my right hon. Friend assure me that under "Agenda for Change" and with future investment, the key role of medical secretaries, medical record staff and their senior managers will be enhanced and appreciated, because without their pivotal role—

Mr. Speaker: Order. I think that the hon. Lady has made her point. She has a very good hospital.

Dr. Reid: Yes, but no one could blame my hon. Friend for lauding and celebrating the success of the NHS in Rochdale infirmary and more widely. She is right that it is a team effort. It is composed of massive investment by the taxpayer, through the Government, and massive commitment by the team in Rochdale, and others throughout the country, to reach such a world standard of treatment. The whole of the NHS is finding new ways of working, with—I have to say—a degree of leadership at local and national level from managers and chief executives, as well as clinical and administrative staff. The idea that we should throw all that away by cutting the amount of investment or abandoning that leadership and those targets and objectives is crazy, but that is what is on offer from the Opposition.

Dr. Richard Taylor (Wyre Forest) (Ind): Does the Secretary of State agree that where there are still stresses on accident and emergency departments, one way to help would be to increase the range of work undertaken by neighbouring minor injuries units?

Dr. Reid: Yes, I do. The hon. Gentleman is learned in such matters and he appreciates the position. I visited a unit that is establishing a rapid response unit and going even further than providing fast and easy access to accident and emergency services by ensuring that people get a response in their own homes for minor injury. That is another way in which the new ways of working in the national health service are achieving better, more convenient and faster access to health care for everyone.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend is right. The Staffordshire ambulance force is one of the best in the country, with the most rapid response times. My right hon. Friend will also be aware of the work that the London Ambulance Service is undertaking. It has a system of triage and sends out cars or motorcycles to attend some emergencies. As a result, it has cut tremendously the number of admittances by ambulance to emergency units. That is the way forward, coupled with the stationing of GPs in some accident and emergency departments to treat people who turn up on a Tuesday morning with an injury they suffered on the football field on Saturday. Will my right hon. Friend comment on the support that the Government have given to encourage innovative ways of introducing such systems?

Dr. Reid: My hon. Friend is right. I visited the service that he mentioned with him, and it has achieved astounding results. He is also right that systems are being tried and tested elsewhere in the country. Peter Bradley of the London Ambulance Service is involved in reviewing some of those procedures at the moment. The great thing about all that, which is often omitted from contributions by the Opposition and newspapers, is that huge benefits are bestowed by NHS staff who are prepared to work in ways in which they have never worked before and provide better quality and more convenient health care. A fantastic amount of work is being done to balance those things that do go wrong and the shortages and challenges that remain. I only wish we had more balanced reports on that in the public domain.

Hormone Replacement Therapy

10. **Rev. Martin Smyth** (Belfast, South) (UUP): What guidance has been given to patients and general practitioners on the long-term use of hormone replacement therapy. [202211]

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): Advice from the Committee on Safety of Medicines is that the benefits of short-term treatment of menopausal symptoms outweigh the risks in most women. The lowest effective dose should be used for the shortest possible time.

Rev. Martin Smyth: I thank the Minister for her response. She will be aware that even the press has been ambiguous when reporting what should best be done. About 20 years ago, I buried a young woman who had been on HRT. Another young woman who was advised to take it at the time refused to do so; she is still living. Some clear guidance should be given to patients and doctors on how to use HRT.

Miss Johnson: I should like to reassure the hon. Gentleman that advice has been widely communicated to health professionals and patients to support informed choice. That advice it is available on the Medicines and Healthcare products Regulatory Agency website through the Committee on Safety of Medicines.

Hospitals

12. **Jonathan Shaw** (Chatham and Aylesford) (Lab): What the total investment in NHS hospitals was in (a) 2004–05 and (b) 1996–97. [202213]

The Secretary of State for Health (Dr. John Reid): We do not make a distinction between investment in hospitals and in other NHS facilities. However, in 1996–97, total NHS spend was £33 billion and in 2004–05 planned NHS expenditure is £69.4 billion. Between 1996–97 and 2004–05, capital investment has increased by 170 per cent.

Jonathan Shaw: That money has seen investment in our local hospitals in Kent, resulting, this month, in a reduction of the maximum waiting time for cataract operations to three months. Will he congratulate all the NHS staff who work in our facilities to ensure that that type of service is proving possible?

Dr. Reid: Yes, I am delighted to do so. I know of the distress and anguish caused, especially for elderly people, by waiting for cataract operations. Reductions in waiting times throughout the country—sometimes from 18 months or two years down to three months and, in some cases, weeks—show that people are receiving a fantastically improved NHS locally. Although we are using the same standard for judging waiting times that has been used for decades, and it is legitimate to talk about a vast improvement, that standard is not good enough, because it counts people only from the time after diagnosis. I fully intend—as do the Government, if re-elected—to get rid of hidden waits and to judge the time from the first time people see a GP right through to the treatment centre: in that case, for cataract operations. We shall make it an average of 10 weeks; not the years that people had to wait under the previous Government.

Mr. Bob Blizzard (Waveney) (Lab): I have almost lost track of the number of millions of pounds of new investment at my local hospital, the James Paget NHS trust. One of the best investments was £1 million in new accident and emergency facilities that have enabled my local trust not only to meet all the waiting-time reduction targets for A and E, but to achieve 100 per cent. on Sundays. Will my right hon. Friend congratulate the staff and management of the hospital on putting that extra investment to the best possible use?

Dr. Reid: I have no hesitation in doing so—[*Laughter.*] Nor, while Opposition Front Benchers laugh at the efforts of NHS staff, do I have any hesitation in saying that those improvements are to the credit of NHS staff; not politicians, pundits or commentators, but the staff themselves. I am delighted that the recent progress report from the national director for emergency access, Sir George Alberti, has been independently confirmed by the National Audit Office, which, in its report on improving emergency care in England, noted sustained and significant improvements over the past two years. That is due partly to the efforts of the staff, but partly to the investment put in by the taxpayer; the 170 per cent. increase in capital expenditure. It is also due to the fact that, under the Government, 16 hospital schemes of more than £50 million have already become operational; 16, in just seven years. In 18 years—almost three times that figure—of the last Conservative Government, only 10 hospital schemes of that nature were built. That is a significant difference between us. We shall continue to provide all that, free at the point of need, and there is no way that the Government will introduce charges for operations.

Gregory Barker (Bexhill and Battle) (Con): Despite all that extra money, the outlook for breast cancer sufferers and other cancer patients in Kent and East Sussex is far from rosy. When will the Secretary of State put in the necessary investment to the Maidstone oncology centre so that waiting times can start to come down again? They have been rising for the past year or more, up to 15 weeks.

Dr. Reid: I thank the hon. Gentleman for raising this issue, although I did not see him during the rest of Health questions. [HON. MEMBERS: "He was here."] In that case, I apologise, but he is wrong about cancer. In the first six years of this Government, there was a reduction of 12.2 per cent. in premature deaths from cancer, and one of the reasons is that 99 per cent. of people who are diagnosed as having a serious potential cancer are seen by a consultant within two weeks. I fully accept that there is a problem because the throughput of people seeing a consultant is now so fast that there is a bottleneck at the next stage, diagnostics. That is one of the reasons why we have just procured 600,000 extra scans—120,000 a year—from the independent sector. Every time we take a major step forward, other problems arise, but we will tackle them one by one, and the NHS is greatly improved overall.

Leeds Teaching Hospitals Trust

14. **Mr. Colin Challen** (Morley and Rothwell) (Lab): What discussions his Department has had with Leeds Teaching Hospitals trust about its deficit. [202215]

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): The West Yorkshire strategic health authority is responsible for overseeing the Leeds trust's financial recovery plan. There have been no direct discussions between the Department and the trust management about this matter.

Mr. Challen: The deficit locally is generally described as historical—in other words, it dates from the period in the 1980s and early 1990s when the NHS in Leeds was underfunded—but it has been a perpetual millstone around our necks in Leeds. Is my hon. Friend willing to meet me and colleagues from Leeds to discuss a way to sort out that problem?

Miss Johnson: Of course; I am always happy to meet colleagues on matters of concern to them, but I should point out to my hon. Friend that our view is that the deficit has arisen entirely in-year and is not historical, as he suggests.

BILL PRESENTED

Clean Neighbourhoods and Environment

Secretary Margaret Beckett, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Secretary Tessa Jowell, Mr. Peter Hain and Alun Michael, presented a Bill to amend section 6 of the Crime and Disorder Act 1998; to make provision for the gating of certain minor highways; to make provision in relation to vehicles parked on roads that are exposed for sale or being repaired; to make provision in relation to abandoned vehicles and the removal and disposal of vehicles; to make provision relating to litter and refuse, graffiti, fly-posting and the display of advertisements; to make provision relating to the transportation, collection, disposal and management of waste; to make provision relating to the control of dogs and to amend the law relating to stray dogs; to make provision in relation to noise; to provide for the Commission for Architecture and the Built Environment and for the making of grants relating to the quality of the built environment; to amend the law relating to abandoned shopping and luggage trolleys; to amend the law relating to statutory nuisances; to amend section 78L of the Environmental Protection Act 1990; to amend the law relating to offences under Schedule 1 to the Pollution Prevention and Control Act 1999; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 11].

Point of Order

12.31 pm

Hugh Robertson (Faversham and Mid-Kent) (Con): On a point of order, Mr. Speaker. Members on both sides of the House and, indeed, a number of national governing bodies for sport were expecting today a major announcement from the Government about the future of sport. It was trailed extensively on the Central Council for Physical Recreation website. Apparently, it has been pulled, and no explanation has been given. Have you any guidance to offer us on what has happened? Have the Government communicated to you any time when they might make that announcement in the near future?

Mr. Speaker: I have not had any contact with any Minister regarding this matter.

Orders of the Day

Serious Organised Crime and Police Bill

Order for Second Reading read.

12.32 pm

The Secretary of State for the Home Department (Mr. David Blunkett): I beg to move, That the Bill be now read a Second time.

When I spoke a week ago yesterday in the debate on the Queen's Speech, I indicated that much of the Bill will be non-controversial and have the support of the whole House. We are dealing in the main, therefore, with issues of detail, clarification and, in some cases, interpretation. There will undoubtedly be party political differences about some aspects of the Bill, particularly in Committee, but on the whole people agree that we are right to set up the Serious Organised Crime Agency and to underpin it with the changes in powers, thereby building on the reforms and modernisation that we have already put in place in relation to policing in this country and through the proposals in the police White Paper.

We published "One Step Ahead" as part of the consultation process on the Bill and on the Serious Organised Crime Agency. I remember that the right hon. Member for Haltemprice and Howden (David Davis), the shadow Home Secretary, said a week ago yesterday that we were not always one step ahead in dealing with organised crime. He might be surprised to hear that I agree with him. There is a real problem in taking on the most sophisticated criminals in the world, who understand the tenets of capitalism a lot better than capitalists do. Their grasp of how to deal with a market internationally, how to change their methodology and how to use new techniques is breathtaking.

Although the massive increase in police numbers, the reduction in crime and the creation of community support officers, which are referred to in the Bill, are critical in building the infrastructure—I notice that Bill Bratton, the former commissioner of New York and now of Los Angeles police, referred this morning on the "Today" programme to the critical importance of interlinking neighbourhood policing and tackling antisocial behaviour in building confidence and then helping with organised crime—the challenge of the decade is undoubtedly to get grips with cross-border international crime.

All nations are considering the interrelationship between organised crime and terrorism and the relationship between trans-national travel and improved communication, by which I mean the use of satellite, the internet and mobile phones, as well as arrangements in terms of people's ease of communication when they travel. All of that has transformed, within the past few decades, the nature of criminality and the way in which people exploit the previous understanding of what was necessary.

If the methodology and the sophistication of techniques have changed, we need to change rapidly with them. That will be the case year on year. There will have to be changes in the way in which the service operates, even as a combined entity, linking investigation, intelligence and its work with the

[Mr. David Blunkett]

prosecution services. Of course, there must also be the methodology of developing the technology that matches that of the organised criminals.

Organised criminality costs our economy and commercial life at least £20 billion each year. Some £1.3 billion of that is the result of identity fraud alone, never mind the massive investment in hours that it takes to sort that out, not just in terms of policing and the criminal justice service, but of everyone else whose productivity and lives are affected by it.

We have been getting better at getting to grips with that. In the 18 months to the end of 2003, which are the latest figures, we have disrupted and confiscated 11 tonnes of heroin and 26 tonnes of cocaine. The sophistication of the work with other countries to disrupt the supply of cocaine from Colombia and the work that is taking place in the Caribbean is impressive. Just three weeks ago, I was talking to Dominique de Villepin, the Interior Minister in France, about how we might step up that work by sharing resources and by sharing the task across the Caribbean with the Americans in the light of what is happening in central and south America and the West Indies.

We have not been as successful in dealing with trafficking and organised criminality in terms of the poppy supply and heroin from Afghanistan, which is a primary concern for this country. My hon. Friend the Under-Secretary of State for Foreign and Commonwealth Affairs spoke yesterday about getting to grips with the problem. On the day that President Karzai is inaugurated, I think that we would want to work with a new democratic and strong Afghanistan in taking additional steps to ensure that we get to grips with what is literally a disabler and sometimes a killer on our streets.

These days we have to think internationally about the way in which change takes place. I am proud that my right hon. Friend the Secretary of State for International Development is on the Front Bench, because it emphasises the importance not only of tackling the causes of criminality and of putting in place preventive measures to give people alternative livelihoods but of clamping down on enforcement. Unless we do so, organised criminals will pay the subsistence farmers, whether in south America or Afghanistan, sums that they could never get by growing existing crops. Development aid, development of trade and tackling the causes of drug production are therefore critical.

Gregory Barker (Bexhill and Battle) (Con): The Home Secretary makes an important point. I was at the UN last week with a cross-party group. The head of drug enforcement told us that the amount of land under opium cultivation in Afghanistan will rise by 64 per cent. this year. Given that NATO is in control there, why should we believe that things will get better next year when the situation has patently got a lot worse in the past 12 months?

Mr. Blunkett: The steps that are put in place take time to work. The installation of a democratic presidency and government in Afghanistan makes an enormous difference. I am sure that the meetings that the hon. Gentleman attended at the UN would have reinforced the long-term nature of what needs to be done. We are not going to solve this problem next year. We can start to tackle it, but it will be a decade before we see substantial change—not because we want it to take that long, but because enormous forces are against us.

I was about to move on to pay tribute to the work that has been done since the creation of the National Crime Squad and the National Criminal Intelligence Service, which are themselves quite new. Good work has also been done with the immigration service and part of Customs and Excise. Together, those organisations will form the new Serious Organised Crime Agency. We are grateful for the work that people have done in pulling together towards that goal.

Mr. Julian Brazier (Canterbury) (Con): The Secretary of State mentioned work with the immigration services. The Bill contains some welcome provisions on witness protection in hideous people trafficking cases, but does he share my concern that there are very few safe houses for women who have been trafficked? According to a presentation in the House last week by Amnesty International, there are no safe houses for children who have been trafficked; the last two such places recently closed.

Mr. Blunkett: I am happy to look further into that as a matter of urgency, particularly in respect of the point about children. There are 6,000 young people under the age of 18 in this country who have been trafficked or, in some cases, sent dangerously by their families across the world in circumstances that none of us would wish to see. Safe accommodation here for those who are prepared to bear witness and help us follow the line in tracking organised criminals should also be matched by safe accommodation in the countries of origin so that people can be returned to their families. The Minister for Citizenship and Immigration and I are both looking into that as a matter of urgency.

In paying tribute to the organisations, I want to say how difficult it has been, even with good will, to exchange the necessary intelligence information and to link investigation, intelligence and prosecution. The added value of the Serious Organised Crime Agency will be measured by its ability to do just that and put together the different activities of the agency in order to produce materially improved results. The new chairman, Sir Stephen Lander, spelled out on the radio this morning the critical importance of getting that right. With his intelligence background, I believe that he will be able to provide a substantive guiding hand for the organisation.

In paying tribute to recent action, I want to mention two or three events over the past 18 months that have demonstrated how, before the agency comes into being on 1 April 2006 after the Bill's passage through both Houses of Parliament, we can and must step up the work to avoid any interregnum or pause in activity.

David Davis (Haltemprice and Howden) (Con): The Home Secretary is right to say that there will not be much between us on many aspects of the Bill. One important thing that he must do is bring together the powers, as well as the intelligence, of the three different

agencies comprising the Serious Organised Crime Agency. Those powers are different and sometimes intrusive. The excise powers, for example, are very intrusive: they have been designed that way over the course of a long time. The Bill will, however, amalgamate all the powers—police, immigration and excise—effectively under one man. Sir Stephen Lander is used to parliamentary scrutiny of his activities, but is the Home Secretary considering how best to keep an eye on the use of the powers in the first few years of the new agency?

Mr. Blunkett: Yes. That was a helpful intervention. Unlike the Intelligence and Security Committee, the Home Affairs Committee will have open access and scrutiny. The Cabinet Committee on Organised Crime will be responsible for determining overall priorities.

In a moment, boring though it may be, I intend to examine the Bill clause by clause to clarify issues before speeches are made, and I hope that that will help.

Mr. David Heath (Somerton and Frome) (LD): I want to be absolutely sure of what the Home Secretary has just said, because it is critical to our understanding. Will all the new agency's activities fall within the remit of the Home Affairs Committee, and will it examine the various aspects of the agency's work?

Mr. Blunkett: Substantially, yes. The Intelligence and Security Committee may ask to examine aspects of the intelligence work, but we do not intend that to be the norm. The agency is a non-departmental public body, so scrutiny will be conducted through the House in the normal way. I know that Sir Stephen Lander and Bill Hughes, the director general, will want to facilitate such scrutiny as readily as possible.

Briefly, 500 officers from the National Crime Squad raided drug dealers in London, Huddersfield and Jamaica a few months ago, which resulted in a large number of arrests and 10 convictions, including one individual who got 25 years. Under Project Reflex, work has taken place to deal with a Midlands-based gang that smuggled people in from India using routes through Ethiopia. Development and support, which involves my right hon. Friends the Foreign Secretary and the Secretary of State for International Development, who is on the Front Bench, are crucial. That gang charged individuals £8,000 per person to facilitate their being smuggled into the country, which destroys the lives and well-being of those who are left behind. In deprived and growing countries, £8,000 is a massive investment that can transform the life chances of a family as a whole. Instead, it is being used to facilitate the well-being and profits of organised criminals. The current agency is doing a good job until the new agency takes over.

Linkage is so important. When we discuss cross-border agencies, we are talking about linking with colleagues in Scotland on drug administration and working with agencies in Northern Ireland, as well as working across Europe. A lot of work is now taking place in south-east Europe to disrupt organised crime in Bosnia, Kosovo and other south European countries.

New powers, which the shadow Home Secretary has referred to, and new ways of working are crucial. I promised to bore the bottom off the House.

David Davis: The Home Secretary said that he would do that last week.

Mr. Blunkett: I shall try harder this week. Clauses 1 to 4 are about the functions of the Serious Organised Crime Agency, and clause 5 concerns the general powers that underpin SOCA. Clauses 6 and 7 are about the annual report, which relates to the intervention by the hon. Member for Somerton and Frome (Mr. Heath) on accountability—as an NDPB, the new agency will be responsible to both the Home Secretary and parliamentary scrutiny in the normal way. I mentioned the Home Affairs Committee, but other mechanisms will also be used.

The co-ordination of the tasking, prioritisation and resourcing will take place through the Cabinet Committee, which will draw together a number of Departments. That will ensure that a balance is struck and that work is done with the Revenue, because none of us wants to undermine the Treasury's resources and income, not least in the lead-up to the Budget in March.

Clauses 8 to 17 set out the relationships involved in different forms of accountability between agencies. I stress the critical importance of keeping the link with activity by police authorities across the country on level 2 crime. If we lose that link, and confidence and focus are undermined at a local and regional level, that will in turn undermine the activities of the agency in operating primarily nationally and internationally but supporting and working with and behind the 43 forces in England and Wales and, where appropriate, the eight Scottish forces.

Mr. Russell Brown (Dumfries) (Lab): I have to tell my right hon. Friend that there appears to be a blurring around the edges. As he well knows, immigration is undoubtedly a reserved matter, yet crime in Scotland is a devolved issue. On issues such as serious organised immigration and Customs crime, the Bill seems to suggest that the lead agency will be the Serious Organised Crime Agency. Does that take away the devolved element of dealing with crime in Scotland?

Mr. Blunkett: The Scottish Drugs Enforcement Agency is to remain. As part of the protocol, the Serious Organised Crime Agency will have to work out its relationships with that agency and others to ensure that where overlaps occur there is a role for the Scottish Executive. I am happy to talk to Westminster Members of Parliament from Scotland, including my hon. Friend, about any concerns that they have. It is important to get things right in what is inevitably a situation requiring co-operation and good will. I am grateful to my right hon. Friend the Secretary of State for Scotland and to the Executive for their co-operation on this matter.

Mr. Robert Marshall-Andrews (Medway) (Lab): Clause 11(4) provides that codes of practice should be laid before Parliament. Is it anticipated that there will be any form of affirmative procedure?

Mr. Blunkett: Yes. As my hon. and learned Friend is aware, where matters are technical and non-controversial we generally opt for the normal prayer. Where we are dealing with more controversial issues—I am happy for my hon. Friends to address this in Committee—I am willing to accept an affirmative procedure so that there can, where appropriate, be a debate on the Floor of the House in conjunction with the usual channels.

Clauses 22 to 30 deal with the operational responsibilities of the director general. The autonomy of the operation is absolutely crucial in providing the confidence that people are able to do the job properly in drawing together the various elements, including those who had the powers of the constable.

Mr. Michael Weir (Angus) (SNP): The Home Secretary will be aware that concerns have been expressed in Scotland about clauses 24 and 25, which appear to mean that an officer from south of the border could be seconded to a Scottish police force and given the powers of a police constable in Scotland. The concern centres on the fact that, as the Home Secretary is aware, Scots law and procedure can differ in important respects from English procedure. Will any person so seconded be given proper training in Scots law and procedure beforehand?

Mr. Blunkett: It is important that people are able to work together through mutual support. For instance, we shall work with the French through Project Reflex. Let me put it as gently as I can: if we can demonstrate that we can work well with the French, we must surely be able to work even better with our Scottish colleagues. There is already common ground through working arrangements that allow for cross-border mutual support. I have assurances from Sir Stephen and Bill Hughes that that will be a priority in making things happen on the ground. The director general will be in charge of the operational side.

Clauses 31 to 34 deal with information sharing and the proper exchange of vital data. A year or two ago, there were problems in and between existing agencies. We must ensure that the Serious Organised Crime Agency is not subject to those problems. That is underpinned by recognising the importance of oversight, including by the Home Affairs Committee, of what is done in respect of data sharing and information. I wanted to put that on the record. Issues to do with gateways and information sharing are critical to doing the job, but also raise in all our minds issues that we must address.

Clauses 38 to 49 cover the conferment of the combination of powers held by the existing, separate offices that are to be brought together—as the shadow Home Secretary said—subject to the appropriate training and accreditation. Training and accreditation will be critical if people are to be able to take on the differing roles that have existed, from those in Customs to those of the constable, and will enable them to do the job, wherever they are and in whatever circumstances, much more effectively than has been possible in the past. The chairman and the director general of the new agency have been explicit in saying how crucial that will be and how vital it is that we reassure people about it. The Police Federation has expressed concern, so I want to reassure it that we are mindful of that and happy to continue the consultation.

Clause 50 is about agency staff being subject to the scrutiny and appeal mechanisms of the Independent Police Complaints Commission. During the consultation on the White Paper, concern was expressed that there would be no scrutiny and appeals mechanism where things go wrong. We want to be explicit about those procedures. In Northern Ireland, the Police Ombudsman will take on that role.

Mr. Heath: Will the Independent Police Complaints Commission be responsible for complaints only against officers of the agency who are acting in the role of constable, or will it take complaints in respect of any capacity in which an officer acts?

Mr. Blunkett: Once they have been designated with the powers that exist in all the agencies that are being drawn in, they will be subject to the mechanism of scrutiny by the Independent Police Complaints Commission. There is no other sensible way of doing it, and people will be reassured to know that no one can exceed or misuse their powers without being subject to that scrutiny.

Clauses 54 to 64 ensure that witnesses and others involved co-operate in the provision of documents. They extend to SOCA existing Serious Fraud Office powers that have been used sparingly by the SFO but are absolutely crucial to doing the job. Those powers will be available, in relation to organised crime only, to the police services. That will overcome the nonsense that has existed whereby agencies attempting to get to the truth by accessing documents, including those held on disk, have experienced enormous blockages when people are not prepared to hand over the information. These powers are exercised with the consent of the prosecutor and only where the evidence will be "of substantial value" to the investigation, and parameters and restrictions are in place to avoid their misuse. It will not be possible for someone to incriminate themselves. Moreover, there will be safeguards in relation to professionally privileged material; that will secure the confidence of the legal profession.

Mr. Marshall-Andrews: I agree entirely with all the disclosure powers, but there is a provision in clause 56(2)(c) for the director to deliver a disclosure notice where

"there are exceptional circumstances making it expedient to do so".

Those circumstances do not appear to be defined. Will they have a definition in due course?

Mr. Blunkett: Yes, they will. If my hon. and learned Friend is lucky enough to be on the Committee—although I am not sure whether he would feel lucky to be there—we should value his contribution to getting this right.

Clauses 65 to 68 are about what we colloquially call turning Queen's evidence, and will put a common-law power on to a statutory footing. To give an example, similar powers are used in Australia in about 15 per cent. of convictions for drug trafficking, and in about a

quarter of such convictions in the United States. In Britain, the figure is 1 per cent. There is therefore scope for us to look at this issue, with great care. I know that Members will want to examine in Committee how these provisions can operate without encouraging criminals to commit criminal acts to get themselves out of a spot. Obviously, we need to ensure that the proper powers are put in place to ensure that that does not happen.

Clauses 69 to 73 are about financial reporting orders. These measures will close the absurd loophole in which people are able to return to organised crime after they have served their sentence and, in some cases, pick up the assets that they have stashed away so that they can continue to fund and invest in their criminality. As with supervising those coming out after long sentences in other ways, the power will now be available to supervise the use of the resources still held by those individuals, including their bank accounts and other financial holdings, so that we can monitor what they are doing and link it to the Proceeds of Crime Act 2002 and any further activity can be dealt with and any resources obtained by criminal activity can be confiscated. I am sure that hon. Members will agree that this should have been done a long time ago. The Assets Recovery Agency will be intrinsically involved, and we shall also be able to use the new powers to undertake monitoring.

Clauses 74 to 86 are about witness protection. We need to put on a statutory footing provisions involving the duty to co-operate of agencies such as housing authorities, housing associations and education authorities—in terms of being able to place the children of families who have had to be rehoused, for example. Further provisions include measures to tackle the ridiculous situation involving the disclosure of names, addresses and whereabouts of witnesses, and to ensure that this is simply about witnesses and jurors, rather than about people who have been involved in criminality.

Clauses 89 to 100 are about amending the Proceeds of Crime Act 2002, and about the faster disposal and execution of cases involving civil assets. These measures will get rid of a situation that we did not foresee—it has to be said—when the massive Proceeds of Crime Bill was going through Parliament. The situation arises when, if we have not released some of the assets that an individual had, we end up having to pay legal aid in order to be able to prosecute his or her case.

Mr. Dominic Grieve (Beaconsfield) (Con): The Home Secretary might not have realised that that situation would arise, but if he reads the *Hansard* report of the Committee stage of that Bill, he will see that I did gently point this out to the Government at the time.

Mr. Blunkett: I would not for a moment want to take away the hon. Gentleman's success in this regard. At about 11 o'clock tonight, I shall browse through *Hansard* and check the exact wording, just to make sure that that happened. I congratulate him on spotting that.

We must also deal with the issue of receivers, and with the fact that, in order to be able to get at someone's assets and to dispose of them, we need to be able to use some of the existing assets being held by the Assets Recovery Agency to pay them, rather than having to pay them from the agency and then trying to recover the cost afterwards. We shall make considerable use of these new powers, including those relating to low-value activity being dealt with through the magistrates courts and to dealing with other issues such as freezing orders, which are also contained in these clauses.

I shall touch on only the key elements of part 3—clauses 101 to 115. They include the extension of the police powers that clarify the powers of arrest. There was a very odd situation, in that certain people had to be facing a sentence of at least five years for the constable to be able to work out—through the police and criminal evidence code—whether they could engage in an arrest. In clarifying that issue, we have made the powers explicit and built in the necessary safeguards in terms of exercising them, including revisions of the PACE code and the clarification of the term "necessity" in relation to arrests. We will publish the revised PACE code on these practical issues shortly.

The Bill will also deal with the interesting issue of a criminal who moves from place to place, or who moves assets or documents from place to place, necessitating a warrant to be taken out for every single premise owned or used by that person. These measures will overcome that problem because the authorisation will relate to the purpose of the warrant, rather than to the premises.

Mr. Grieve: The Home Secretary intends, in proposed new section 24(a), to give powers of arrest without warrant to other persons. According to my reading of that, if I see my neighbour parking his car with a defective rear light and I know that he is about to fly off to Spain on holiday, I will have the power to arrest and detain him until I can summon a constable to the scene. Is that really what the Government intend to achieve?

Mr. Blunkett: After the hon. Gentleman's earlier demonstration of expertise, I shall be very careful about how I answer his question. If the provision could be interpreted in that way, we shall make sure that the wording rules out such an interpretation. There will be an interesting debate in Committee about citizen's arrest more broadly, whether the person involved is going to Spain or elsewhere—*[Interruption.]* I am just waiting for my learned Friends behind me to help me out on this issue. Perhaps the Committee would be a more appropriate place for that discussion, however.

We then come to the issue of police staff and civilianisation. We are introducing the sensible measure to allow civilian support staff to have a role in custody suites, freeing uniformed staff to perform their tasks more sensibly out in the community.

Mr. John Denham (Southampton, Itchen) (Lab): I am hugely enthusiastic about the use of civilian staff in custody suites, but will my right hon. Friend tell us what safeguards he will put in place if he extends that measure to cover the role of the custody sergeant? One of the huge gains of the past 10 years has been the fall in the number of deaths in custody suites. While we shall make many economic gains by using civilian staff in a general role in custody suites, is my right hon. Friend absolutely certain that now is the time to extend that role to cover the duties of the custody sergeant?

Mr. Blunkett: I am happy for us to explore this question. The issue here is the nature of the oversight involved, either by a uniformed sergeant or by the inspector based in the substantive station.

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Obviously, there will not be a custody suite unless the place involved is a substantive police station, as opposed to one of the many outposts that have been developed in shopping centres, civic centres and elsewhere to oversee what is happening. My right hon. Friend, who has great knowledge of these matters, not least as a former police Minister, will be welcome in informing us about the safeguards that might be built in under such circumstances. It is true that there has been a fall in deaths and dangerous activity and in appeals in terms of how people are treated. We would want to retain that at all costs.

That brings me to police community support officers and the powers to be designated by a chief constable. These are about traffic offences and traffic direction, as well as the enforcement of licensing offences relating to antisocial behaviour driven by drink, and include being able to take details and the power of entry to off-licences. Where we are talking about pubs and clubs rather than off-licences, they would have to do this in conjunction with, and when accompanied by, a uniformed officer. Obviously, the issues involve what needs to be done to amend the law in other areas.

The Committee will want to deal with and introduce measures on the seizure of alcohol and tobacco. These relate to how we need to deal with the aftermath of Customs investigations. Furthermore, when drugs are found, we must empower police community support officers to do something about it, rather than merely note that fact, so that that can be incorporated as well.

Mr. Graham Allen (Nottingham, North) (Lab): I welcome the measures in the Bill, particularly those that will stop the chilling impact on ordinary communities of the activities of local drug dealers and kingpins. Will the Home Secretary, not least in Committee, be cautious as we advance down the welcome road of PCSOs and neighbourhood wardens so that we do not throw the baby out with the bathwater—the beat officer should be the central pillar of neighbourhood policing in a constituency such as mine, where beat officers are not being replaced and vacancies are not being filled—and PCSOs and neighbourhood wardens are complementary to, not a substitute for, effective deployment of police officers on the beat?

Mr. Blunkett: It is absolutely crucial that PCSOs complement and work to support the neighbourhood beat teams. They are part of those teams. Where this has been shown to work best is precisely where we have a number of constables—often led by a sergeant—with the PCSOs as part of the team, undertaking the roles most appropriate to them. We can give that absolute reassurance.

Part 4—clauses 116 to 128—is about the critical area of getting the balance right. If I have learned anything over the past three and a half years—I like to think I have, although I hope I still have quite a lot to learn—it is that we must get the balance right. We must recognise that, where there are new threats, we need new forms of acceptable input to get acceptable behaviour. However, there also needs to be a balance in securing those powers.

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): Will my right hon. Friend, in considering whether he has the balance right, look at the concerns of some of us about legislating on religious belief? Most organised religions claim that they have an exclusive truth that has been given to them. They usually say some pretty harsh things about other religions and there is a genuine danger that if one reads religious tracts one will find many reasons in the Bill to prosecute people for their religious beliefs.

Mr. Blunkett: I will return in a moment to clauses 116 to 118 on animal rights, which I was about to deal with, so that I can answer properly my hon. Friend and others who have intervened on this issue. It is absolutely not our intention to engage in preventing people from exercising free speech. On 19 November 2001, when we were debating a measure similar to clause 119, the right hon. Member for West Dorset (Mr. Letwin), then shadow Home Secretary, said, quite rightly:

"I put it on record that Conservative Members recognise that the Home Secretary has a noble motive in introducing"

part 5 of the Anti-terrorism, Crime and Security Bill. It is not often that such wonderful terms as "noble motive" are used about me, so I savoured it at the time and I thought I would take the opportunity to repeat it. The right hon. Gentleman continued:

"He wants, as we want and as every Member of the House wants, to protect vulnerable religious communities. That is not an issue."—[*Official Report*, 19 November 2001; Vol. 375, c. 43.]

I hope it will not be an issue in Committee or when this Bill returns to the House.

Several hon. Members *rose—*

Mr. Blunkett: I promise to give way in a moment to Members from both sides of the House, because this is an important issue. It is about reference to incitement, religious belief or lack of belief, and groups of persons defined by reference to religious belief. That is what we are seeking to deal with in extending what exists already in terms of those groups that can be defined in relation to their nationality.

Mr. James Clappison (Hertsmere) (Con): I am grateful to the Home Secretary for giving way. I do not doubt that he has a worthy motive—now and in November 2001—but is there not a question of ensuring that we do not infringe legitimate freedom of speech? Can he confirm what appears to be the case from the notes on clauses, which is that this offence may be committed not just with intent, but without?

Mr. Blunkett: No, I do not think we can infer that. I have made a written statement to back up the debate on Second Reading, so that Members will have it for consideration in Committee. This is about the preservation of the right to legitimate freedom of speech and freedom of religion. It is also about and includes the right to engage in free and vigorous debate on religion, including the right to criticise religious beliefs and practices. It will not criminalise material just because it

stirs up ridicule, prejudice, dislike, contempt, anger or similar causes. It is about inciting people in a way that will damage those individuals because of their religion, not because of their beliefs.

Several hon. Members *rose—*

Mr. Blunkett: I promised to give way behind me.

Mr. Gordon Prentice (Pendle) (Lab): I am still perplexed because there is no definition of religion. On the 2001 census form, 5,015 people in Sheffield gave Jedi knight as their religion. I hate "Star Wars", so should I be worried?

Mr. Blunkett: If someone incited people because of their love of "Star Wars", or against people with a love of "Star Wars", they would be caught under existing law, but not in terms of religion. That is the whole point—

Bob Spink (Castle Point) (Con): That is the point!

Mr. Blunkett: No, that is the point of having to bring in the new measure to provide equity of treatment in relation to faith.

Mr. James Arbuthnot (North-East Hampshire) (Con): I am grateful to the Home Secretary for giving way, but is there not a genuine risk that the courts will misinterpret an attack on someone's religion as an attack on the person who holds that religion? There is a real problem here as people have deeply held religious beliefs that some things, such as evil and some religions, should be hated.

Mr. Blunkett: Look, where there is mono-ethnicity in terms of faith and race, we apply these powers. We are attempting to ensure that the powers are available in cases where that is not the situation—that is, Muslims and Christians.

There is nothing sinister about this; people can crack jokes. My hon. Friend the Under-Secretary of State for the Home Department (Caroline Flint) and I took a look at the jokes that appeared in the *Evening Standard* and *The Guardian*. Well, they might not have been very funny, but they would not be caught by this measure. People can ridicule for all they are worth, but if we genuinely want to address the issue sensibly—we need a sensible debate in Committee to ensure that we get it right—let us not have ridicule of a measure by silliness. It must be addressed philosophically, politically and practically.

Mr. Harry Barnes (North-East Derbyshire) (Lab): It is sometimes said that there are two things about which people should never argue: one is politics, and the other is religion. That might strike some of us dumb. Is not there some similarity between politics and religion, in that they consider belief systems, seek to interpret and are concerned with values? If there is to be a law against religious hatred, does it follow that there should be a law against political hatred? Does not that illustrate the danger of such a law in connection with religion?

Mr. Blunkett: The crucial issue is incitement. Incidentally, I agree with my hon. Friend about what we were taught when we were little: my grandfather and my mother instilled in me that I should never argue about politics and religion. I got involved with the Methodist Church and became a lay preacher, and argued so much that they said that I would be better in politics than in the pulpit. I am afraid that I am therefore inflicting myself on the House rather than on the Methodist Church.

It is crucial that we home in on incitement to attack, hurt or damage people because of their faith. We are talking about incitement to hate, which leads to that hate damaging those people. We are not talking about all the things that we would expect in a free society, which I read out a moment ago: criticising beliefs, criticising practices and having a really good argument. Three years ago, we discussed these matters and nearly reached an agreement—we were within a whisker of it. In the other place, the argument was that that Act was an inappropriate vehicle for passing this clause. [HON. MEMBERS: " It was."] People are saying that it was, and that is fine. This is another vehicle, so those who said that they objected to the vehicle as opposed to the principle will now be with us, and those who objected to the principle will need to be persuaded.

Mr. Gary Streeter (South-West Devon) (Con): To help me in my approach to clause 119, can the Home Secretary explain what menace he is seeking to address? What is happening in society today in the United Kingdom that he wants to stop happening? That is what he has not explained, and that is what I do not understand.

Mr. Blunkett: We are trying to stop groups of people who are prepared verbally, communicating through writing or the internet, to incite others to hate because of someone's faith. That does not relate to the argument about their faith. For instance, we will not stop anyone proselytising—I emphasise that point, because I met those of all parties, including those in the House who have both a political and religious role, about that. It is important that we do not make a mockery and a monkey of the law, and I would not want Parliament to engage in such debate. I just want to ensure that people out there who feel threatened, which they do, who feel that society is not embracing them, which they do, and who feel that the existing law relating to mono-faith, in terms of nationality and faith, protects such people—those who incite hatred—but does not protect them, are covered. That is why we are seeking to extend the law.

Chris Bryant (Rhondda) (Lab): I apologise to the Home Secretary as I have not heard all of his speech. On this point, however, is it not important that the clause puts right an injustice? No Muslims have available to them the present redress which members of other faiths have because their faith coincides with their ethnicity. Putting right that injustice is a fair reason for the clause.

Mr. Blunkett: That is exactly what we are attempting to do. I can feel the differences of opinion that will exist within political parties in the House as well as between

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them. [HON. MEMBERS: "This is cross-party."] That is what I have just said. I can hear the differences that exist within as well as between political parties.

Several hon. Members *rose—*

Mr. Blunkett: I shall give way to the hon. Member for North Antrim (Rev. Ian Paisley)—I was going to call him learned as well, although I do not think that he has a law degree. He came to see me and we had a vigorous conversation, which did me far more good than it did him.

Rev. Ian Paisley (North Antrim) (DUP): The Home Secretary is dealing with the issue of interpretation. Who will interpret whether a statement that is contrary to the views of people who think differently religiously is incitement? Were a Protestant to look at the Book of Common Prayer, he would see many things that would be absolutely anathema to a Roman Catholic. Are those things incitement? I advise Members to read the Book of Common Prayer and see that, because some people who think that they have read it have never done so. We must be careful that we do not put the courts into a position in which they must be interpreters of what is and is not incitement. I would think that incitement would be a clear call from a person to attack others if they had a certain belief, which is already covered in the law.

Mr. Blunkett: The issue is incitement to hate. The things to which the hon. Gentleman has referred would not be caught. I was thinking about this last night as I went to the Archbishop's Advent service. We were singing a hymn, which begins, "Thy Kingdom come, O God, Thy rule, O Christ, begin". That includes the verse,

"Men scorn Thy sacred Name,
And wolves devour Thy fold".

We are not talking about the issue of a particular faith's expression; we are talking about people using the faith of individuals to incite hate by others, so that they take actions that are unacceptable.

Mr. Grieve: We all agree that right-thinking people should express themselves in moderate terms about others, including individuals whom they might heartily dislike, but the Bill as drafted will cover devil worshippers' sects and satanists. Why should people not tell others that they should hate and dislike people who have cruel or depraved religious beliefs?

Mr. Blunkett: We can deal with satan worshippers quite easily through the law. What we would not want to do is to incite people to do something themselves against them—*[Interruption.]* This is about upholding the rule of law. It is about ensuring that where there are loopholes that exclude a particular group because they are a faith group, as opposed to a nationality, they can be included. I do not want people going out inciting others against devil worshippers: I want to deal with the devil worshipping in whatever form it takes.

It is probably best that we deal with the detail in Committee. [HON. MEMBERS: "The devil is in the detail."] The devil is in the detail. Game, set and match.

Mr. John Bercow (Buckingham) (Con): For the avoidance of doubt, I respect absolutely the Home Secretary's integrity and good motives in relation to this clause. What my right hon. Friend the Member for West Dorset (Mr. Letwin), the former shadow Home Secretary, said on that subject is very sound indeed. We must be specific, however. Can I put it to the Home Secretary that were the offence narrowly defined in terms of incitement to hatred to practise violence, that would greatly assist matters? Narrowing down the matter in that way, which, periodically, sub-clauses of his sentences suggested, would aid us. If it is too broad and amorphous, however, it does not aid us at all.

Mr. Blunkett: The difficulty with that is that we are talking about incitement to hate, which causes others to take the action. If the action taken were the issue, the other clause that we passed in the Anti-terrorism, Crime and Security Act 2001, which was about aggravation, would apply. It is incitement to taking the action that is the crucial issue.

I did not answer the hon. Member for North Antrim on the issue of the gateway or lock, and I should have done. As a filter, through the Director of Public Prosecutions, the Attorney-General will have a hand in determining the way in which this operates. Of course, we will test case law in the courts in any case, in relation to how it would operate, should the House pass the clause.

I have tried to respond directly to questions rather than simply going through the Bill, but I now wish to return to clauses 116 to 118. They will enable us to deal with an important issue on which I think there is unanimity: animal rights extremists, or rather the protection of those going about their lawful business—including commercial business—under the very strict licensing that we have. As we have said before, the issue of economic sabotage is under discussion. I have lumbered my hon. Friend the Under-Secretary of State with further meetings about it, which I am sure she has set in train.

Mrs. Anne Campbell (Cambridge) (Lab): I welcome the measures to deal with animal extremism, which is very damaging to many of my constituents working in the biotech industry, but I was reassured by my right hon. Friend's statement that other measures would be considered. I do not think that the measures in the Bill will be sufficient to ensure that important medical advances will not be damaged by animal rights extremists.

Mr. Blunkett: We must not only consider what additional powers may be required, but use existing mechanisms, such as the national co-ordinator. We must not rely purely on changing the law; we need much more effective enforcement and immediate action. I think that there has already been a transformation.

I pay tribute to Members on both sides of the House with constituency interests, who have been extremely helpful in working with us, and to outside organisations, including the companies involved. I also pay tribute to my hon. Friend the Under-Secretary of State, who has worked extremely hard with my colleagues in the Department of Trade and Industry. The experience of getting two Departments and their Ministers to work together has been very instructive.

Harassment, alarm or distress will be dealt with by directing protesters and banning them from the locality for up to three months. The Protection from Harassment Act 1997 will be amended to cover two or more connective persons. All that will make a big difference, and we look forward to discussing it in Committee.

Clauses 120 to 122 deal with trespass. They arise from the investigation that followed an intrusion in Windsor castle. Clauses 123 and 124 follow recommendations by the Procedure Committee. They have been described by some, including me, as a sledgehammer to crack a nut, but sometimes a sledgehammer is needed for that purpose, and this is a tough nut. It is important for people, including protesters, to be able to go about their business, and for people coming to our capital city to be able to enjoy the environment surrounding the Palace of Westminster. It is daft that we should have to pass a law for the purpose, but that is what happens when people make a monkey of the existing law.

Clauses 125 to 128 are an extension of work on antisocial behaviour. They allow local communities to be involved in the justice system by ensuring that breaches of antisocial behaviour orders can be publicised, so that people can see who is doing what and where it is being done. Proposals for civil compensation orders will be presented in Committee. Such orders will require parents to pay compensation when young children—children under 10, say—have deliberately committed criminal damage and caused harassment and damage to other people. At present nothing can be done in such cases. Our measures will reinforce parental responsibility and the importance of taking the consequences of one's actions.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Will the Home Secretary ensure that the legislation can adapt to new information? That is relevant to the new community justice centre that is being established in my constituency.

Mr. Blunkett: Our proposals are very much concerned with ensuring that the community can not only monitor justice, but participate and be a positive force for justice. I hope that the new community justice centre, which I think will start functioning on Thursday, will prove to be an exemplar, showing that vigilante justice can be replaced by genuine neighbourhood and community justice. I saw that happening at Red Hook, and the Lord Chief Justice, who was enthusiastic about Red Hook when he saw it, agrees entirely with what we are doing. I believe that it will make a real difference to people's lives.

Mr. Allen: The clauses dealing with trespass and extending antisocial behaviour orders are welcome, but does either of them, or any other clause, constitute a peg for action to deal with something that concerns a great many members of all parties—the continuing difficulties caused by some Travellers when they alight in our constituencies? Is there any possibility that that could be dealt with by means of amendment or further Government proposals during the Bill's progress?

Mr. Blunkett: It falls under the auspices of my right hon. Friend the Deputy Prime Minister, but we are considering the unique situation that has arisen. As my hon. Friend knows, existing powers were extended in the antisocial behaviour legislation and the Housing Act 2004; but the purchase of land and the subsequent unauthorised encampment and building on it has been almost unique to the past two or three years, and has changed the perspective. I shall be happy to discuss ways of tackling it with the Deputy Prime Minister.

The miscellaneous measures in the Bill include powers to seize uninsured vehicles. It is a remarkable fact that one vehicle in 20 is uninsured, adding £30 to the premiums of other vehicle users. That is an absolute scandal. Our provision is linked with a Bill that will shortly be presented by the Department for Transport.

Jim Knight (South Dorset) (Lab): My right hon. Friend is being very generous in giving way. I am grateful to him.

I welcome this measure. My right hon. Friend will know of my campaign to bridge the gap between the offences of careless driving and causing death by dangerous driving. Would he consider introducing a new charge, such as causing death by driving, to achieve that, with the possibility of aggravated offences to apply to those driving without insurance or without having ever passed a driving test?

Mr. Blunkett: I want to link the review that we have been undertaking to further substantive consultation early in the new year, alongside the DfT's Bill, with the aim of securing a definition. I was pleased to be able to discuss the matter with my hon. Friend at length. Like a number of other Members on both sides of the House, he has been campaigning for a change in the law, and a revision is clearly necessary. However, as with so much to do with the Home Office, getting it right is not the same as having the right intention.

David Davis: The Home Secretary knows that I have a great deal of sympathy with what was said by the hon. Member for South Dorset (Jim Knight), but may I return him to the impounding of uninsured cars? It worries me that police authorities do not always pursue prosecution for non-insurance when other charges are pending, or when the associated bureaucracy seems onerous. Will the Home Secretary associate himself with a general condemnation of that approach? Police constables should prosecute in such cases, not just through impounding but through the full force of the law.

Mr. Blunkett: I am a great enthusiast for the picking up of all offenders. If it is possible for us to make the process of dealing with them through the prosecution service more sophisticated, and make it as easy as possible for the police to deal with prosecutions together rather than separately, we should try to do so. The right hon. Gentleman has made a very reasonable point.

The miscellaneous provisions also deal with the minimum information to be given to the public about their police authorities, and bring the royal parks into the Metropolitan police family.

All those measures bring together the necessary powers, local changes, the structures that oversee them, the new arrangements for accountability and the linking

[Mr. Blunkett]

of the international with the neighbourhood. I believe that they will make a substantial difference in protecting us from organised criminality, engaging people positively with the criminal justice system and bringing confidence to everyone—

Mr. Eric Forth (Bromley and Chislehurst) (Con): Will the Home Secretary give way?

Mr. Blunkett: Yes, even in the middle of a peroration.

Mr. Forth: I am grateful to the Home Secretary for giving way; I sensed his peroration and I wanted to ask him a final question. He has generously suggested that in considering this important Bill in Committee, many important debates should take place and many important matters should be considered in detail. Indeed, amendments might even be made to it; who knows? However, is he satisfied that the time allowed in the programme motion will be remotely sufficient to enable the taking place of the process that he himself has suggested should take place here in the House of Commons?

Mr. Blunkett: As far as I am aware, we reached an agreement on the Bill's programming, and we introduced Second Reading as quickly as was humanly possible. I am offering the opportunity for such debate, and where measures can be improved, we should do so. I make that offer in respect of consideration both in Committee and on Report.

I shall not go back to my peroration, in case someone else decides to intervene. This is a practical Bill with a practical application. It is about making a difference to people's lives, and I am very happy to recommend it to the House.

1.41 pm

David Davis (Haltemprice and Howden) (Con): During last week's debate on the Queen's Speech, I told the Home Secretary that the Conservative party supports the establishment of the Serious Organised Crime Agency. I shall attempt to follow him as best I can, although not, the House will be happy to know, in considering every clause in the Bill.

The Opposition have advocated the creation of such an agency for a long time, so I repeat our support for it today, but the Government must not fudge this proposal as they have some other Conservative ones. The establishment of an effective agency is fundamental to Britain's ability to fight organised and serious crime. I am always concerned that a policy that enjoys all-party support might turn out very badly if it does not get rigorous scrutiny.

Mr. Forth: Hear, hear. It is true.

David Davis: I knew that I would get support from my right hon. Friend for that point, at least, which is particularly true where civil liberties are concerned. So although my party supports the establishment of SOCA, we will consider parts 1 and 2 of the Bill very carefully.

The agency takes up only some 50 per cent. of the Bill, and it is perhaps appropriate that a so-called SOCA Bill is a Bill of two halves. [HON. MEMBERS: "Oh."] I knew the House would like that one. But we are pleased to see the inclusion of clauses aimed at stopping harassment by animal rights activists, and we hope to have a sensible discussion on them in Committee, and to add further to such provisions to ensure that communities, companies and individuals have adequate protection against pernicious activists.

But the rest of the Bill is an exercise in tidying-up Labour ideas that have failed to deliver the anticipated results. It also lumps together proposals that we support with some that we do not. It gives more power to community support officers, out-sources antisocial behaviour orders, attempts to stop the breaching of ASBOs, expands police powers, introduces new traffic and insurance offences, provides powers to stop and search for fireworks, introduces an offence of incitement to religious hatred, stops trespassing on a designated site, and—Members seem to be very interested in this one—directs behaviour in the vicinity of Parliament. There is more, but that shows the range of initiatives that the Government are trying to smuggle through in this Bill. The title of the Bill suggests a focus on organised crime and the police, but it does far more than that.

SOCA is much needed, but it is going to have its work cut out, as the Home Secretary himself seemed to recognise. Let us consider drug trafficking, which is one of its prime targets. An estimated 35 million tonnes of heroin and 45 million tonnes of cocaine are smuggled into the United Kingdom each year. The Bill may well attack the racketeers, but—at the risk of giving a Blairite sermon to the Home Secretary—it is an attack on the symptoms of crime, not the causes. The Home Secretary himself said that criminals are better capitalists than real capitalists. He will of course understand that I would not put it that way, but it is certainly true that the international trade in drugs is a fluid and fast-changing marketplace. It is therefore hard to stamp out the supply-chain: when one importation route closes, another opens. As *The Economist* recently said,

"against Mafia-style cartels, the police might have succeeded . . . they are less likely to prevail against the invisible hand of the market".

Again, that is not the phrase I would have picked, but it makes the point.

So although SOCA will be useful in breaking up the cartels, that by itself is not enough. That is why I raised with the Home Secretary on various occasions my concern at the Government's abject failure in eradicating Afghan opium crops. To stop the drugs trade, one has to disrupt supply as well as demand; however, that job will be made much harder as a result of our porous borders. Many of our points of entry currently lack the rigorous security measures that would make organised crime much harder to carry out. This issue has been raised with the Home Office, in the context of SOCA, by various senior police officers, so I hope that we will see more work on that front later this year.

Paul Flynn (Newport, West) (Lab): Following decades of abject failure in Colombia—all the efforts there have not reduced the production of drugs; in fact,

they have reduced that country to bloody chaos and permanent war—are we not doing the same thing in Afghanistan, where drug production has increased? Even if we were successful in decreasing production, it would then spread to Pakistan, Myanmar and Kazakhstan, just as production in Colombia has spread to Peru and Bolivia. Is not trying to solve the problems on the streets of Birmingham and Chicago by disrupting the economies of third-world countries futile, and is there not a grave danger that we are embarking on the "Colombia-isation" of much of central Asia?

David Davis: The hon. Gentleman has an honourable but very different view of drugs management from mine. He is a liberaliser, and he knows that I disagree with him, although I respect his view. I did not intend to dwell on this point, but the simple fact is that the British Government accepted responsibility for eradication of the drugs trade in Afghanistan, and having done so they should pursue that responsibility. However, I am told by American drug officers, among others, that last year, Afghan heroin flooded the British market and that this year, because of our lack of action, it is flooding the world market. That disastrous outcome is the result of the Government's taking responsibility but not carrying it through. If the hon. Gentleman believes in his argument, he should have made it to his own Government at the beginning of this process, so that somebody else could have taken responsibility for dealing with the problem.

People trafficking was described yesterday by Sir Stephen Lander as a bigger problem even than drug smuggling. In truth, that has been apparent for at least five years. He admits that the UK is at or near the top of the list of targets for people smugglers, as it is for drug smugglers. We all know of the vicious criminal networks that people traffickers feed, using illegal immigrants in the drugs trade, the sex trade and many other illegal activities. The Home Secretary doubtless does not disagree with that, although he admits to not knowing how many people are in the country illegally. Any number of initiatives, new organisations and schemes can be concocted, but the most effective measures would surely be 24-hour, fully manned surveillance and embarkation controls.

We are now told that SOCA will not be the British FBI that some feared, but as I pointed out to the Home Secretary during his speech, we are concerned about the rights and powers of those who will work for it. Civilians who work for it will be given police, Customs and immigration powers. Traditionally, Parliament has given police, Customs and immigration officers specific, often very intrusive, powers that are needed for their particular tasks. Now, they will all be under the direction of one man—the director-general—and in theory, under his control any agent can exercise any one of a wide range of powers.

I was going to ask the Home Secretary what guidance will be given in that regard, but he elaborated on the issue somewhat in his speech and discussed the restrictions with respect to accreditation. However, I hope that, in winding up, the Under-Secretary of State for the Home Department, the hon. Member for Don Valley (Caroline Flint), will explain whether civilian agents will have the same training as a police, Customs and immigration officer combined. That would be a pretty onerous load, but such training is implicit in what the Home Secretary said.

The Bill's provisions make the agency accountable to the Home Secretary, and in that regard my initial reading of the Bill was a little different from the Home Secretary's description in his speech. SOCA will be required to submit an annual report and will be inspected by Her Majesty's inspectorate of constabulary. But given the agency's range of powers and its importance, would it not be wise to have specific arrangements for parliamentary scrutiny—I am thinking beyond just scrutiny by the Home Affairs Committee, because in the first few years of SOCA's existence such a requirement will be fairly onerous—and to get Parliament to debate SOCA's work annually, at least for the first few years, so that we can see how this very important agency beds down?

We are still concerned about whether the agency will lead to a skills loss in the national police force. We share the Police Federation's concerns that SOCA might be considered an elite unit that creams off all the best policemen. There are a large number of extremely dedicated and talented people in conventional policing, and portraying them as second class would damage police morale. We will look in detail at the way in which SOCA co-ordinates its work with the police—the Home Secretary has recognised the importance of that. In particular, we will look at the impact of the new agency on the autonomy of chief constables, which is vital to the independence of our police forces.

The Home Secretary has previously pointed out in the House that organised crime plays an important role in feeding terrorism. I accept that the new agency does not have a specific role in relation to terrorism, but I should be grateful if, in her winding-up speech, the Under-Secretary provided more detail on its role. How, for example, will it work with the counter-terrorism agencies, which cover an enormous amount of the same ground? In connection with that, when the Home Secretary published the White Paper on SOCA earlier this year, there was much talk of changes to the intercept rules, which would make it possible to lift the ban on phone intercepts in court. That is as useful against organised crime as it is against terrorism. The House of Commons library notes that

"a proposal to allow the use of intercept material is still under consideration. Ministers are expected to announce their conclusions on the findings of a Home Office review before the end of the year, which could make it possible to add new clauses".

I told the Home Secretary that we would support the use of intercepts as long as there was proper scrutiny of the measure to ensure that steps are taken to protect innocent people from being convicted on intelligence that turns out to be wrong. However, I warn him that we will not tolerate the insertion of clauses that pose a fundamental challenge to civil liberties at the last minute and without scrutiny. That is an extremely important point.

The Bill proposes an overhaul of police powers. It moves away from consent-based policing towards policing by discretion. Amendments to the Police and Criminal Evidence Act 1984 extend powers to search premises to seize evidence. Section 8 of PACE is changed to introduce a new all-premises search warrant in addition to the existing search warrant for specific

[David Davis]

premises, thus allowing constables to search all premises "occupied or controlled" by the person named on the warrant. That it is worth while, as it will clearly help to solve problems faced by the police when dealing with criminals with multiple premises, but are the Government not concerned that the measures put a great deal of discretionary power in the hands of the police? The Bill outlines plans for civilian staff to be designated as staff custody officers for the purposes of PACE. Subject to the obvious practical concerns about training and supervision, some of which the Home Secretary dealt with in his speech, I support the proposal. We need more police on the streets and less paperwork, and I believe that it will help to achieve that.

Moving on to measures to deal with illegal animal rights activism, the clauses themselves are not contested at all by the Conservative party. We welcome the fact that something is finally being done, even though it is a little late and is not enough. The Bill should include provisions to protect companies against a targeted campaign and to protect shareholders or names from publicity when a company is being targeted. We can make constructive proposals to tackle such problems. The legislation must be effective, and fighting against such offences requires determination, skill, and a proper range of powers. We believe that the provisions should be expanded, and we will table amendments to that effect.

There are some parts of the Bill with which do not entirely agree or with which we disagree. We are concerned about the increased powers for community support officers—a group of people whose effectiveness has yet to be assessed. In his contribution to our debate on the Queen's Speech, the Home Secretary admitted that assessments of CSOs are still under way, both within and outside the Home Office. It may be premature to provide CSOs with more powers, as that may put them into situations for which they are not prepared. The chairman of the Police Federation said:

> "The role of CSOs must be fully clarified before a national roll-out, and there must be national standards for their training, which is commensurate with their responsibilities".

I agree.

We respect and support the concept of visible policing, but with more power comes more responsibility along with more duty which, under this Government, means more paperwork, thus cutting the cost-effectiveness of CSOs—their primary attraction, it appears, to the Government so far. That "powers creep" is taking place at a time when forces such as Hampshire have turned down the extra CSOs ring-fenced for them. The chairman of Hampshire Police Authority said that

> "we want properly-trained warrant holding police officers . . . we do not feel that these individuals are value for money".

Hampshire wanted the 13 police officers that that money would have provided. In Question Time last week—and I do not know whether the Home Secretary chastised him afterwards—the Prime Minister made an unusually interesting comment, when he said of policemen that

> "we shall continue supplanting them with community support officers."—[*Official Report*, 1 December 2004; Vol. 428, c. 628.]

That may have been a slip of the tongue, but it was certainly revealing. The public do not want policing on the cheap, which is precisely what the Bill is trying to encourage. They want fully trained police officers whom they can trust to cut crime.

Mr. Blunkett: The right hon. Gentleman quoted the Prime Minister correctly, but at the time we all took it—he clarified it for me afterwards—that he meant "supplementing". *[Interruption.]* Well, he did.

David Davis: I accept the Home Secretary's correction. He obviously chastised the Prime Minister, but he will forgive me for using the word that appears in *Hansard*, not the word that he was given later.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): Was it not a Freudian slip, because as I recall, it was the policy of the Conservative Government to employ civilians to release police to go out on the beat? However, it appears to be the policy of the Labour Government to employ quasi-civilians to release police so that they can spend their time in offices doing paperwork.

David Davis: My right hon. Friend is partly right. One of our concerns about CSOs is that they should not be there to supplant but to supplement or complement police officers.

Mr. Bercow: Harking back momentarily to clauses 116 to 118, on the protection of individuals engaged in animal research, of course, the Government are absolutely right to act, and two of my constituents who work at Huntingdon Life Sciences will be delighted that the Home Secretary has done so. However, does my right hon. Friend not accept that his brief exchange about language underlines the important point that sometimes Governments should be concerned not simply to legislate, regulate and act but to speak out alongside legislation in support of valuable work? Animal research is not an evil to be tolerated—it is something of profound benefit to the country. The more speeches from the Home Secretary and his right hon. and hon. Friends in support of that proposition, the better.

David Davis: My hon. Friend is quite right, and puts it better than I could. As I have said, the Government need to show determination and resolution in public as often as possible. Indeed, this is probably the only occasion on which I shall encourage the Home Secretary to make more speeches rather than fewer.

Chris Bryant: Before the right hon. Gentleman leaves the issue of CSOs, could I entice him to south Wales, so that he could talk to police officers who, two years ago, were profoundly cynical and sceptical about the introduction of CSOs in areas such as the Rhondda, where there is a low level of crime but quite a high level of antisocial behaviour? Those officers are now universally in favour of CSOs.

David Davis: I am tempted to tell the hon. Gentleman that I will do so only if he comes with me to Hampshire, but I might be misunderstood. However, I told the

Home Secretary that we need a full review, which will consider the sort of evidence that the hon. Gentleman mentioned. I do not object to CSOs, as long as they are additional to the police—that is the point that I was making about the word "supplanting". *[Interruption.]* Well, they are not. In Hampshire, for example, there is a ring-fenced funding for CSOs, and the force will not get police officers instead. We must look at the way in which CSOs work and identify their strengths and weaknesses before delivering change. In the run-up to an election, the Government appear to be in a devil of a hurry to make a series of changes that do not appear to be based on fact but on their wish to be seen as tough on crime, whatever the evidence of the past seven years.

Vera Baird (Redcar) (Lab): Will the right hon. Gentleman give way?

David Davis: I am afraid not, as I want to turn to the most contentious part of the Bill. The measure is about 220 pages long, but I have serious difficulty with two pages—the rest, one way or another, we can broadly support. As the Home Secretary knows, the part on which we fundamentally disagree is the provisions dealing with incitement to religious hatred. I understand and have considerable sympathy with the Government's aims in trying to prevent religious hatred. I associate myself at the Dispatch Box with my predecessor's comments, which were quoted by the Home Secretary, about his noble aims.

There is no dispute over the aims, but I sometimes wonder whether the Government understand the implications of their proposals. A simple change to previous legislation it may be, making it an offence to stir up religious hatred, but its impact will be profound, wide-reaching and not necessarily that intended. Indeed, the effect may be the opposite of that intended, as I shall explain.

For centuries the United Kingdom has had a tradition of religious tolerance, and at the same time a tradition of extremely robust religious disputation. That has produced a healthy society in which religious freedom and free speech have coexisted to the advantage of all. These joint freedoms have contributed in no small measure to the intellectual vigour of our society over those same centuries. They spawned the creativity that fostered a wealth of talent in many areas, from science to satire. Freedom of speech is one of the great virtues and simultaneously one of the great strengths of our society. The danger is that the Bill will curb that freedom of speech without any benefit being realised from the legislation.

The Bill curbs freedom of speech where free speech is entirely appropriate. Unlike race, religion is a matter of choice—choice of beliefs, values, practices and behaviour. It is quite proper that such things should be debated and contested, and the proposed curb is almost entirely unnecessary. Words intended to provoke violence or cause alarm, distress or harassment are all caught by existing laws. The Bill would sacrifice freedom of speech for little or no gain. The drafting is so ill defined that it is not even clear what is meant by religion. The provision is drafted so widely that any sect or cult could be covered by it.

Religion and race should not be put in the same category. As my hon. Friend the Member for Beaconsfield (Mr. Grieve), the shadow Attorney-General, commented to the Home Secretary earlier, what if an individual made remarks about a sect, cult or religion such as satanism, attacking it for cruelty or deviance? Will such groups have a case against the individual? They would, so far as I can tell, under the Bill. The two examples cited in today's written ministerial statement would be covered by existing laws if they led to violence or harassment, so why do we need to introduce new provisions?

I am sure the Home Secretary is aware that similar—not identical—legislation was introduced in Victoria, Australia. At present two Christian pastors are on trial for holding a seminar on Islam. The seminar was designed to educate Christians about the concept of jihad. Three Muslims came to the seminar and afterwards filed a complaint against the pastors, saying that the seminar vilified Muslims. People who initially supported the law in Australia have now realised its disastrous consequences. The Government may say that the Bill states that cases will have to be approved by the Attorney-General, but does the Home Secretary not understand that in the highly politicised environment in which the decision to prosecute will have been made, the impartiality of the Attorney-General will be undermined?

There are many incalculable ramifications of the Bill. It might encourage hostile legal action between religions or even within a religion, between different sects. It might deter publication of controversial texts. It might even cause resentment against those whom it sets out to help. Worst of all, it starts from the wrong premise.

Mr. Henry Bellingham (North-West Norfolk) (Con): Will my right hon. Friend give way?

David Davis: Not at this point.

The Bill starts from the wrong premise. Britain learned long ago the paradox that more freedom of speech leads to more vigorous debate, which leads to more tolerance. Evil ideas should be met with challenge. The best remedy for evil ideas is more speech, not less speech. We will support the Bill on Second Reading, but we do so on the understanding that we will seek to remove the relevant provisions from the Bill. We, too, oppose religious hatred, but we will do so by using our traditional freedoms, not by suppressing them.

2.4 pm

Mr. David Heath (Somerton and Frome) (LD): I was hoping to welcome the Bill, believing it to be a serious organised crime Bill, and I do welcome it, in large part. It is perhaps a reflection of the rather excessive personality of the Home Secretary that he could not leave it as a serious organised crime Bill. Introducing a seasonal note, if the Bill were a Christmas tree, it would be so overloaded with baubles that it would have fallen over long ago. At my count, it contains at least 22 measures in addition to the establishment of the Serious Organised Crime Agency.

We are given to understand that serious organised crime encompasses search on suspicion of harbouring a firework, the power of arrest for dropping a sweet paper, and dear Mr. Brian Haw in Parliament square. Those do not fall within my definition of serious organised crime, but I understand that we are nearing the end of a

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Parliament and the Home Secretary wishes to clear his filing cabinets of all the measures that he has not managed to introduce in any of the previous Bills that he has put before the House, so we must do what we can to subject them to proper scrutiny.

We have 155 clauses before us. On most of them, we broadly agree with the direction in which the Home Secretary is taking us. Some of them cover serious matters—disclosure in court procedure, for instance, is not a matter to be lightly dismissed and will need our scrutiny. Harassment in relation to animal experimentation is a matter of huge importance and I welcome the fact that the Government are taking it forward. We have already had a substantive debate on incitement to religious hatred, and I shall return to that.

My favourite clause, from my quick reading of the Bill in its initial stages, has not yet been mentioned, as it is not considered to be the most important clause. It is a quintessential piece of Home Office drafting. Clause 107, which deals with the photographing of suspects, states that a person may be photographed elsewhere than at a police station

"(a) with the appropriate consent; or

(b) if the appropriate consent is withheld or it is not practicable to obtain it, without it."

That seems to cover most circumstances, and I applaud the drafting for its comprehensiveness.

I shall deal first with the single agency. I do not often urge the Home Secretary to go further than he has done in any of the measures that he introduces, but in this case his proposals are modest. I support them because in the modern age of organised, international and national crime we need an agency capable of dealing with it. Our traditionally structured police forces cannot adequately meet those demands. That is why integrating the work of various agencies in a comprehensive way is the right way forward.

Other categories of crime that go well beyond police authority boundaries encompass different specialties and could probably, and could possibly in future, be incorporated into the working of the agency. I would support that, not because I want to establish a national police force under the Home Secretary's control, but because I want to free chief constables and local constabularies to deal with that which should be their first priority. At present, they have a large number of national and international distractions. Those are important and must be dealt with but, at the risk of sounding like the TV programme, "The League of Gentlemen", we sometimes forget that local police are there to deal with local crime for local people. That must be a key priority of local policing. The resources of chief constables are often under enormous pressure to deal with matters that go well beyond that definition. Therefore, I hope that the agency will prove to be a wider resource that enables our chief constables and police forces to crack down hard on crime in local neighbourhoods more effectively.

Mr. Bercow: I am grateful to the hon. Gentleman for giving way, and I do not want this intervention to be regarded as evidence of an insatiable ambition to sit on the Standing Committee, as I entertain no such ambition. However, he said that the Bill covered almost everything but the kitchen sink. Will he enlighten me as to why we need clauses 129 to 131, which deal with vehicle registration and road traffic offences? The Vehicles (Crime) Act 2001, which passed through this House under the auspices of the Home Secretary's predecessor, the present Foreign Secretary, dealt with those matters, and I do not understand why they should need to be addressed in this Bill. I presume that they do need to be so addressed, but I should like to be enlightened.

Mr. Heath: I have no difficulty with those particular clauses, but one always wonders why the Home Office did not think of a particular provision in the last Bill that it presented to the House. Every Session, half a dozen Bills come from the Home Office. Another one is always due, and there is always plentiful opportunity for provisions to be attached to whichever legislative vehicle happens to be passing. That is the case here.

I want to return to SOCA. I pay tribute to its predecessor organisations in policing terms, the National Criminal Intelligence Service and the National Crime Squad. I was involved with NCIS at an early stage in its genesis, as I sat on the standing committee—the predecessor of the service committee—that was set up by the previous Home Secretary to oversee the organisation. I believe that NCIS has done a tremendous job in providing and underpinning intelligence used by the police on a national basis. I hope that the lessons learned in the development of the two predecessor agencies will be incorporated in the ethos and context of the new agency.

However, some concerns remain. A principal concern affected the development of the regional crime squads and the National Crime Squad, and it has to do with the interface between national bodies and local constabularies. The feeling is that important areas of crime—and category 2 crimes are an obvious example—may slip between the two jurisdictions. In the early days of the NCS, there was a strong feeling of discontinuity in that respect, and it is possible that there may be a new discontinuity in terms of intelligence sharing. We have corrected one difficulty by creating the new agency, but we may also be developing another problem. It is very important that that turns out not to be the case.

Questions remain about the status of officers. The Home Secretary knows the views of the Police Federation on this matter, which has rightly stressed the important concept of the officer-constable. We discard that at our peril, and I hope that the right hon. Gentleman listens very carefully to what the federation has to say. The problem has practical consequences if officers are dissuaded from joining the new agency simply because they do not like the status or conditions attached. That is a matter of serious concern.

There are proper concerns about the Bill's application in Scotland, which was touched on in an intervention. I do not think that we have got to the bottom of this matter, but I am grateful to the Home Secretary for the conciliatory nature of his response. It is clear that work is still in progress, but we do have to question what happens when an officer belonging to the new agency

operates in Scotland. The Scottish judicial system and police arrangements are totally different from ours, and it is possible that difficulties will arise as a result.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): My hon. Friend visits a point that I consider to be of supreme importance in the context of this Bill. I have raised this matter in the House already. I am not sure that it needs to be dealt with in the Bill, but does my hon. Friend agree that training lies at the heart of the problem? To put it simply, does he agree that people must not take on the powers of a constable in Scotland unless they have been properly trained in Scots law and procedure?

Mr. Heath: That is absolutely right. For instance, familiarity with the Police and Criminal Evidence Act 1984, which applies to England and Wales, would not be sufficient to allow an officer to operate in Scotland. Specific training needs to be given, and I hope that we will be able to explore that in Standing Committee.

My final point in respect of SOCA has to do with accountability. We have already touched on that to a certain extent, but I was glad to hear that the agency will fall within the remit of the Home Affairs Committee. That important fact was not clear before today, but why has the Home Secretary taken the view that the new agency should have no service authority? Both NCIS and the NCS had one. In effect the right hon. Gentleman has taken on direct responsibility for the new body. Presumably, strong arguments were made in respect of why service authorities were required for the predecessor bodies, and I expect that similarly strong arguments have been made to explain why no such authority is needed now.

Mr. Blunkett: I should like to take this opportunity to be helpful to the hon. Gentleman. We have put a majority of non-executives on the new strategic board because we believe that it will be more streamlined and effective as a result—including, of course, when it comes to holding the director general to account.

Mr. Heath: I am grateful to the Home Secretary, and that is another matter for exploration later.

I do not take issue with the Government on the new proposals for disclosure. The Bill's extension of existing powers will clearly be of value, but I am worried about how they will be safeguarded to ensure safe trial. I shall return to that question later.

As I understand it, the Bill puts on a statutory footing the current situation in respect of plea bargaining. I have no problem with that, although some reservations are inevitable when it comes to total immunity from prosecution, which is a major concession to make to a person. Will the fact that total immunity has been granted to a witness be made known to the jury that hears his or her evidence? It is possible that the granting of total immunity could affect the validity or credibility of the evidence that is provided.

The Bill's provisions with regard to the national witness protection scheme are sensible and necessary, and I look forward to supporting them.

Vera Baird: The national witness protection scheme appears excellent, but it defines a witness as a "witness in proceedings". Does the hon. Gentleman agree that that could exclude people compelled to give evidence under the terms of the disclosure notice? In serious fraud cases, there is probably no need to protect people in that position, but in other cases such witnesses are likely to come under threat from the Mr. Big involved as soon as the notice is served. Should not those witnesses be subsumed in the witness protection measures too?

Mr. Heath: The hon. and learned Lady is absolutely right, both in what she says and in her concern about what is not made explicit in the Bill. That is something that we can explore at greater length in Standing Committee. Also, I want to make certain that the same level of protection is provided for witnesses in failed prosecutions as in successful ones. That is essential to making sure that people are ready to come forward with appropriate information.

I think that the Government have got themselves into a bit of a pickle in connection with the general power of arrest. I do not understand why they have adopted the approach evident in the Bill. In this country, the problem is that there is no clear differentiation between misdemeanours and felonies, as there is in other jurisdictions. The police and criminal evidence review examined this matter in 2002, and it acknowledged that there was a difficulty of definition. We understand that, but the review explicitly rejected the removal of distinctions that the Government are now proposing. Why have the Government rejected the review's proposal? The review was explicit on that point:

> "The Review recommends creating a definitive list of powers to arrest, complemented by information on how they can and should be applied. This should link to more enhanced training."

I agree, and I would even accept the obverse of that suggestion—a comprehensive list of offences to which no power of arrest applied, which would be a different way to approach the same issue. Providing no distinction allows an officer to arrest for trivial reasons, which would take us dangerously close to the sus approach—and I thought that we had moved away from that. It worries me, and we need to consider it with much more care.

The benefit that the Home Secretary adduced for the change—that it removes the necessity for discretion—is not true. The police officer has to exercise discretion as to whether the offence that he thought he was arresting someone for fell within the definition. He will now have to exercise a different discretion, as outlined in the Bill. All it will do is substitute one discretion for another without improving clarity. That proposal needs more work.

We have been clear in our support for community support officers, not in supplanting but in supplementing the police service. We have also been clear that we do not want to see a steady accretion of power to community support officers so that they become indistinguishable in power, but not in training, from properly trained police officers. I fear that we are moving towards that situation. It makes sense for CSOs to have some of the traffic powers they will be given, but the powers of arrest could create difficulties. They could also put CSOs at risk unnecessarily and we should draw back from granting them those powers.

[Mr. Heath]

I strongly support the harassment clauses. The House must stand up and be counted by saying clearly that those who engage in animal research do so with our blessing, for the betterment of mankind. They deserve to be protected from people who take a contrary view. Those people are entitled to take a contrary view, but they are not entitled to harass or threaten physical violence. We have already made huge changes in our approach to animal experimentation. When I was at university, I was issued with a vivisection licence as an undergraduate on matriculation. That does not happen now and I am glad, because there was no justification for me to undertake animal experiments as a first-year undergraduate. Things have changed and we should recognise that. We should be aware of the need to take a sensitive view of animal experimentation, but violence against individuals on that basis cannot be condoned.

The most difficult issue addressed by the Bill is incitement to religious hatred. No one in the House wishes to allow or promote incitement to religious hatred and I do not doubt the intentions of the Home Secretary in introducing this legislation. It is unacceptable for people to promote hatred against any group of people defined on the basis of their religion, which is often a cipher for racial hatred. Let us be clear about that. However, that does not stop me having serious doubts about the form in which the Government have chosen to bring forward this legislation.

I accept the difficulties involved, but the dialogue has not been sufficiently conclusive to allay the genuine concerns of a strange alliance between evangelicals and comedians. That alliance suggests that the Government have not got it right. We must be explicit about regarding incitement to religious hatred as unacceptable, but it is equally unacceptable for our law to prevent the expression of any religious belief or none. We should also accept the sensible expression of satiric intent or humour. We must strike that balance. There are genuine concerns about the present proposals and we will need to explore them in Committee and on Report. Unless we get them right, they will not be acceptable to the House or to the other place. It is incumbent on us to get them right, if we possibly can.

The Home Secretary is eager to help some faith groups through this measure, but there are more important issues, such as ensuring no discrimination in the provision of goods or services. In practical terms, that is more important than the measure before us today. Let us have a sensible debate, without ascribing motives that do not exist.

It is hard to compress one's remarks on the Bill because it covers so many issues. However, I cannot finish without mentioning the specific proposals for Parliament square. Members on both sides of the House will have varying views about the almost permanent demonstration in Parliament square, but I reject the introduction of new criminal legislation to deal with what is essentially an ad hominem problem that can be dealt with by civil sanction. If there is a nuisance, let us use an injunction to deal with it, but we should not introduce a new criminal offence that is indiscriminate and will—I predict—be used in inappropriate circumstances in the future.

Mr. Carmichael: Hard cases make bad law.

Mr. Heath: My hon. Friend is a lawyer and he has to say that, but I entirely agree with him.

This is a very large Bill that addresses serious issues, many of which it will be necessary to debate in detail, but I have serious concerns about the timetable for debate. If we do not do justice to the Bill in Committee and do not have the opportunity to deal with matters on Report, justice will be done in the other place. Therefore, it is in Ministers' interest to arrange matters so that we have a sensible amount of time to debate matters in this House; otherwise, great difficulties in timetabling may arise in the future.

By my estimate, we have had nearly 50 Home Office law and order Bills from this Government. More than 700 new offences have been put on the statute book. Sometimes the new offences repeal offences that have not even been implemented. I doubt whether incessant activity is a substitute for effectiveness. My argument has always been that talking tough is cheap, in every sense of the word, and it is far more difficult to be effective. Elements in the Bill will increase the effectiveness of our policing and security services and those are the elements that I shall support. However, I shall seek to reject those that are simply Christmas decorations—the baubles.

2.29 pm

Mr. Robert Marshall-Andrews (Medway) (Lab): It is a great, profound and rare joy to be able to congratulate the Government on what is for the most part a measured, effective and necessary piece of legislation. However, no pleasure is unalloyed, so having got over that, it is possible to be curmudgeonly about one or two general and specific parts of the Bill—so I will indeed curmudgeon about them.

It is not surprising that the Bill has almost unanimous general support, as one can see by looking round the Chamber. I have been instructed by the Whip to speak as slowly as possible—an instruction that I shall uncharacteristically ignore.

The first matter of general importance that I want to raise is the way in which the Bill began its introduction to the House. As a criminal lawyer—by that, of course, I mean a lawyer who has dealt with crime for most of my professional life—I have a small plea: let us stop talking up professional crime and professional criminals. Let us, as a matter of practice, stop telling each other, and the people, how good those criminals are, and how effective, big and dangerous they are. It is an unhappy fact that many law enforcement agencies, and, indeed, many politicians, have a vested interest in so doing. The more powerful one's enemy, the greater the plaudits when one succeeds and the greater the mitigation when one fails.

It has been my happy, or unhappy, task many times in my life to prosecute or defend those who are engaged in major professional national and international crime, and it is a plain fact that they, like all criminals, are cut and bleed just like everybody else; they all whinge and

whine in precisely the same way when they are caught, and beside the power of the state they are pygmies, in precisely the same way as all criminals are pygmies. Adulating serious crime—glorifying it—is a matter for the media, not for us, and we serve no purpose by doing so. We must treat it as a criminal enterprise; it is something to be dealt with, and we can indeed deal with it. The Bill, as it is right immediately to say, makes a considerable contribution to doing that.

I shall expend a little time on the other two controversial elements of the Bill. The first is the incitement to religious hatred. I have to say that the law will have difficulty with that. The job of the law is to interpret legislation, and the better the legislation, the easier it is to interpret. But juries and magistrates will have a problem with that element. The Attorney-General will have a problem in deciding what is and what is not to be prosecuted.

At root, the matter is philosophical; there is a profound difference between hatred based on race, sex or age—all of which are thrust upon us; we have no choice—and on religion, which is not thrust upon us. Religion is a matter of choice; it is a matter of what we do. It is intolerable, and should be criminal, to incite hatred of a man or woman because of what they are, but I have grave doubts whether it should be criminal, as opposed to merely socially unacceptable, to incite hatred of someone because of what they do. Religion is what we do, not what we are. We shall have grave difficulties with those proposals.

I join with ease in the plaudits to the Home Secretary for his motives, but motives must be thought about carefully. They pave not only the route to hell but the route to extreme difficulties in enforcing the law in society.

Mr. Brazier: The hon. and learned Gentleman is making some strong points, based on his years of legal experience. As it is already a criminal offence to incite violence, what possible interpretation, even in principle, could a court put on the Bill as adding to the existing law? What else could it possibly mean, except people objecting to other people's beliefs? What innocent interpretation could a court put on the measure, given that there is an existing law against incitement to violence?

Mr. Marshall-Andrews: The truth, which goes to the core of the argument, is that there is no interpretation. The fact is that the Attorney-General will interpret the Act in a way that is not written in statute, and bring prosecutions only when incitement is not only to hatred but also likely to cause serious violence. That is not in the Bill, but that is how it will be interpreted and it is not a happy state of affairs. I take the hon. Gentleman's point, which is well founded.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): In the light of the concerns that the hon. and learned Gentleman has expressed about the difference between religion and race, what does he make of the Government's decision, following a review, not to repeal the blasphemy laws, which, had they done so, would have made it clear to people that the Bill, which they are, rightly or wrongly, introducing, was not about the protection of ideology and ideas? Is not that a missed opportunity, and would he support a measure to repeal the blasphemy laws in the context of the Bill?

Mr. Marshall-Andrews: To the first of the hon. Gentleman's questions, my answer is: incomprehensible; and to the second: yes.

I turn to the third matter that I want briefly to deal with: the missed opportunity in the Bill in relation to plea bargaining. What is contained in the Bill is not plea bargaining; it enshrines what is already practice in the courts to provide either immunity or a diminution in sentence for those who turn Queen's evidence. That is not plea bargaining, which has a specific, largely American, cognisance and is an absolute direct bargain between plea and sentence. That is anathema to our law, because in the past it has been felt that defendants have said that they were, at least, misled, sometimes grievously, by their lawyers, or by their lawyers in conjunction with prosecution lawyers or even with the judge, and that they entered pleas on a basis that they did not understand. The purpose of our law, which is anathema to plea bargaining, is to protect the defendant.

The same is not the case in offences of serious fraud. I have spoken to the Under-Secretary of State for the Home Department, my hon. Friend the Member for Don Valley (Caroline Flint), about this matter, and hoped that we could take this opportunity to put into statute a provision to allow for plea bargaining in offences of serious fraud. This may seem a tributary, but it is not, because we spend a great deal of courts' and jurors' time on it—far more than on anything else. Our arguments about inconvenience to jurors would largely be negated if we were to allow a simple amendment.

Serious fraudsters do not require protection from their own lawyers; the reverse is more often the case. In those circumstances, there is no reason why for such offences, carefully regulated and tabulated direct plea bargaining—a sentence known in advance in respect of a plea—could not properly be introduced in the Bill. Will the Minister give that matter her consideration? If necessary, rather than being sentenced to the honour of serving on the Committee, I should be delighted to discuss that perfectly reasonable, small but effective provision, which could be added to an otherwise admirable Bill.

2.39 pm

Rev. Ian Paisley (North Antrim) (DUP): When the apostle Peter instituted the Christian Church, he said in his great sermon:

> "Neither is there salvation in any other: for there is none other name under heaven given among men, whereby we must be saved."

He declared a principle of Christianity: that salvation and everlasting life is vested solely and only in the Saviour. It has been rightly said in the House today that every religion must have a dogmatic objective; religions must say something confidently that they believe, and that, of course, rules out other beliefs.

I am not accusing the Home Secretary of having something sinister in what he is doing. We all know him, and the time that I spent with him in his office was quite pleasant, as well as straight. I am not lining him up and

[Rev. Ian Paisley]

saying that I believe that there is an ulterior motive. However, we must say that in the argument that we have heard in the House from him today, he seems to suggest that he can lean on the link between racism and hatred of people because of their race, and religious belief. That does not hold water in argument because, as the hon. and learned Member for Medway (Mr. Marshall-Andrews) has said already, religion is a matter of choice. If a person happens to be a Jew and becomes converted, he does not change his race, and still he is a Christian—but if a Christian becomes a Muslim, for instance, he ceases to be a Christian, because that is a matter of religion. That is a different issue from hatred because of race. What we have then is the interpretation, and I referred to that in my questions.

People should read the Book of Common Prayer that lies on the Table, and with which the House opens in prayer every day. A man said to me the other day, "Parts of the Bible should be cut out because I don't like them." I said, "Yes, we may come to a day when we'll be back to pre-Reformation times, when people were burned because they believed in the whole Bible." So we are on very dangerous territory when we ask the Attorney-General to do more than all the cardinals of Rome can do, and interpret something in that way. His interpretation may lead to a prosecution, and the poor jurors will be called on to ground of which they may have no knowledge, and they will have to make their decision. I say to the House today that that needs to be very carefully considered indeed.

Across the board, people may disagree vehemently with my religious beliefs, and people may disagree vehemently about my defence of what I believe is the very heart of the nation—the Christian family—yet those people will have the same problem with this matter. This is not a sectarian objection; this is something that takes in all religion and all peoples, and there is very serious worry. It is no use saying that people who say things in the pulpit will be exempt. According to the Bill, they will not be exempt. Even a preacher in his Sunday morning service—if he has a Sunday morning sermon; some preachers do not have that today—would be open to prosecution if he said something that would cause offence to a person in his congregation.

Now that the Bill has come to the House, it is time to apply our minds to the fact that we cannot link such issues merely with hatred because of race. There have been cases, even here in this country, where people have been brought to court because of the placards that they held. One man held up a placard denouncing homosexuality, and he was brought to court, found guilty and fined very heavily. In all fairness I must add that Peter Tatchell, who would take an opposite view, said that it was ridiculous and shameful that a man of that character was taken to court, tried and found guilty. Such matters could be accelerated if we do not remedy this matter.

I shall not detain the House because I have other duties elsewhere today, as hon. Members know, but I came to speak because I felt that, on behalf of the Democratic Unionist party in this House, I must put up our marker on this matter.

2.44 pm

Brian White (Milton Keynes, North-East) (Lab): I do not normally speak on home affairs. Having grown up in Belfast, I shall avoid the subject that the person whose Church I went to as a child has just touched on. I want to concentrate on a number of other issues, including the Serious Organised Crime Agency.

When SOCA is set up, the way in which its powers—whether customs powers, constabulary powers or immigration powers—are allocated is crucial, and a bureaucratic pre-allocation route will not be flexible enough to tackle some of the serious issues that the agency will face. One of the key things is that the agency's officers should have the ability to select powers appropriate to their task and to be accountable for those powers, rather than having a pre-allocation of powers, as is envisaged in the Bill. I hope that Minister will look again at that issue, because getting it right is crucial.

Getting the culture of the organisation right at the beginning is very important. We have learned the lessons of the Regulation of Investigatory Powers Act 2000, under which we did not get such things right at the beginning. The relationships between SOCA and local constabularies and international forces are important, and we must get them right at the outset.

For generations, the Home Office's immediate reaction to any problem has been to introduce legislation. Despite the universal welcome for the Bill, which contains a lot of good things, I fear that there is still a tendency in the Home Office to think that legislation is the only thing that matters. It is much more important to consider enforcement and the international co-operation that is required, both of which will determine whether SOCA is a success far more than the legislation itself.

A number of technological changes are taking place that will have a direct impact on SOCA. Again, we must consider those aspects, which are not touched on in the Bill. Education also has a role to play. We often forget when passing Home Office legislation how to educate people about the aspects that we need to tackle, and how we can prevent serious organised crime.

The Minister will be aware of the relevance of the proceeds of crime. I have tackled that issue with her in the past. If an agency seizes assets under the Proceeds of Crime Act 2002 and central Government are the prosecuting authority, the Department involved is reimbursed for the cost of the prosecution. Counterfeiting and piracy are major problems in this country—they represent a lot of organised crime activity—and local government trading standards officers are often involved in those prosecutions.

One prosecution for piracy and counterfeiting in Waltham Forest cost £90,000. The court confiscated the assets of the people who were found guilty, but there was no money to pay for the local authority's prosecution costs. I urge Ministers to take on board an amendment that has been discussed with the Department of Trade and Industry to allow agencies outside the Government to have their prosecution costs reimbursed. As we are amending the Proceeds of Crime Act, there is an opportunity for the Government to deal with that issue.

If SOCA is to work, its relationship with the private sector—particularly with banks, internet service providers and other companies—is critical. Again, the

Bill is too traditional in its approach and does not use the private sector to tackle serious organised crime. I would advocate that the directors of security of our banks and internet service providers be made special constables, so that they have the powers to collect the evidence to present to the prosecution authorities. Ministers have heard that argument, but we should consider innovative ways to tackle some serious organised crime. I hope that when it is up and running, the agency tackles those issues, rather than simply continuing down the traditional route.

It is vital that we have the resources and capacity to deal with international co-operation. One country recently gave a list of 500 paedophiles to us, but it overwhelmed the agencies that were supposed to deal with it because they did not have the capacity to cope. Having the right skills and the capacity to deal with such problems is important. I urge the Minister to consider not only how powers are allocated to SOCA, but the resources and training that will make it a success. If we do not have the skills or the resources both inside and outside the agency—that relates to linkages with other constabularies—we put it at a disadvantage.

Bob Spink (Castle Point) (Con): Is the hon. Gentleman aware that because of issues relating to the status of the new agency, many people in the National Crime Squad have said that they will not be happy to transfer to it, thereby denying it a source of expertise and skills? Does that cause him concern?

Brian White: If that were the case, I would be concerned. I appreciate that a number of issues need to be resolved, and those are being discussed. My understanding is that those people will happily transfer to SOCA, because it is the right way forward. We would expect uncertainties in any reorganisation. One of the important things about reorganisation is to get the culture right at the beginning. The director will have to get that right when SOCA is set up. If the hon. Gentleman's fears were well founded, I would be worried, but discussions are ongoing, as I hope the Minister will confirm when she responds.

We need to ensure that people in other forces understand what the agency is doing. There is still confusion in some police forces about what they can and cannot do under RIPA. Again, it is important that local police forces understand SOCA's remit and where it is going.

I regret that Ministers have missed an opportunity. The all-party group on the internet recently examined the Computer Misuse Act 1990 and made several recommendations, including upping the tariff set out in part I of that Act to two years, which would allow us to extradite people such as the members of the organised crime groups in Florida who are putting viruses into the internet. The problem with part I is that the tariff is only six months, so the offences are not extraditable.

The police will have the power the seize vehicles. Given the experience of Customs and Excise in doing that, and the problems that that has caused many of our constituents, I hope that Ministers will consider that power before police forces implement the measure. There is a difference between those who are actively engaged in fraud, whose cars should be taken, and those who are without insurance, tax or documentation because of incompetence or chaotic lifestyles. There is a fundamental difference between those who set out deliberately to act fraudulently and those who end up in a similar situation through their own incompetence. I am a great believer in the cock-up theory of life as opposed to the conspiracy theory, and when we consider clause 131, we need to examine the safeguards that can be built in to ensure that those whose lifestyles cause the situation are not penalised to the same extent as those who act deliberately.

The Bill contains much that is good, and it will be generally welcomed. It is a major step forward in tackling crime. The bringing together of functions under SOCA is important. We need to get the culture and the way in which SOCA is established right. I hope that when we discuss those aspects in Committee, the Government take on board some of the suggestions that will make it work more effectively, and that they learn the lessons of past agencies.

2.56 pm

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I have a difficulty with Home Office Bills. As the hon. Member for Somerton and Frome (Mr. Heath) said, the Home Secretary is now up to about 50 Bills. Nearly two weeks ago, I tabled a question to the Prime Minister on how many Home Office Bills had been enacted since he became Prime Minister. Wisely, he promptly shifted it over to the Home Secretary's office, and of course there has not been a reply as I imagine that they are still weighing up the import of the question.

Brian White: Does the hon. Gentleman accept that the Home Office in previous Governments has been equally bad?

Mr. Shepherd: The hon. Gentleman is launching himself on a hopeful exposition of ignorance on my part. There has never been a Government like this one. They have showered a confetti of legislation in home affairs matters on the House. It has not even been considered in Committee here, but it has had to be looked at seriously in the House of Lords. It is absurd to suggest that this Government are modest and timid in introducing Home Office measures. They flaunt them. They shout them from the top of every roof in the hope that no one will inspect them or understand that they are often ineffectual and contradict certain serious purposes that this House and this country have.

Bob Spink: Will my hon. Friend give way?

Mr. Shepherd: Not right now. I am beginning to address the very thought that the hon. Member for Milton Keynes, North-East (Brian White) set out.

It has been rightly pointed out that this is a compendium Bill. It is a portmanteau. The Home Office can stick anything into it that it wants. Indeed, the hon. Gentleman wanted something else stuck in it. Heaven forbid!

First, the Bill creates the Serious Organised Crime Agency. Secondly, it contains powers to compel people to co-operate with an investigation by producing documents and answering questions. Thirdly, it provides

[Mr. Shepherd]

for defendants to plead guilty and offer Queen's evidence in return for a discounted sentence. Fourthly, it introduces changes to police powers contained in the Police and Criminal Evidence Act 1984 and confers a number of new powers on the police. Fifthly, it extends the powers of community support officers and other police support staff. Sixthly, it provides for all criminal offences to be "arrestable offences", subject to a test of necessity. Seventhly, it provides for an offence of incitement to religious hatred. Eighthly, it creates a new offence of harassment of a person in his home. Ninthly, it create a new arrestable offence of trespass on sites designated by the Secretary of State. Tenthly, it gives the police new powers to control protests that hinder access to, or are disruptive of the workings of, Parliament, or which spoil the visual aspect of Parliament square.

Eleventhly, the Bill lifts the automatic reporting restrictions in youth courts in relation to proceedings for a breach of an antisocial behaviour order. Twelfthly, it extends the range of law enforcement agencies from which non-conviction information may be obtained. Thirteenthly, it enables the Criminal Records Bureau and its equivalent in Scotland to access passport, driving licence and national insurance number data in order to identify the identity of applicants for a criminal record disclosure.

I have listed only some of the propositions in the Bill, but many of them have, I would suggest, very significant human rights implications. Indeed, they engage a wide range of human rights, including the right to liberty under article 5; the right to a fair trial and the privilege against self-incrimination under article 6(1); the right to respect for private and family life, home and correspondence under article 8; the right to freedom of religion and conscience under article 9; the right to freedom of expression under article 10; freedom of association under article 11; and the right to be free from discrimination in the enjoyment of convention rights under article 14. That is quite a little coup, striking at the very heart of the Government's own Home Office flagship legislation, the Human Rights Act.

I do not know whether any Committee scrutinising the Bill or any judge who comes into contact with the Government's new proposals will find that they are in conflict with the range of rights that I mentioned. However, I would point out that this touches on something that is important to all of us—the balance between security and liberty, about which the Government are casual and careless.

Many people's minds have been concentrated by the new offence—or the replay of an offence that the Home Office tried to slip into a previous Bill, but did not get away with—relating to incitement to religious hatred. I come from a background, in Scotland and England, in which freedom of expression was the ultimate way of finding our liberty. It provides the way in which we assault the conscience of others.

James I of England, who was James VI of Scotland, said: "The business of state is mine; let no man meddle in it," and his authority for such a sweeping assertion was something called the divine right of kings. I might take exception to that concept, though I see that new Labour increasingly toys with it. Am I not assaulting a religious belief when I say that James I had no such divine right? What crime could I have committed under the Bill?—*[Interruption.]* It is a religious faith and belief. Having absolute power came from his belief and faith in the church. It may be an old argument about new Labour, but it knows nothing about the time before it was born. The struggle that I referred to was an expression of freedom, and it was a long march that enabled us to respect the premises on which our liberty was built.

The Home Secretary has found it necessary to invoke a derogation from the Human Rights Act and the convention on human rights, asserting that the very life of this nation is threatened. It is something to which the House has acceded, and the consequence has been the diminution of traditional liberties and freedoms. That is the thread that runs through the present Home Secretary's administration of one of our great offices of state. I do not acquiesce easily to those propositions, but I notice that on the front of the Bill, the Home Secretary asserts:

"In my view the provisions of the Serious Organised Crime and Police Bill are compatible with the Convention rights."

I do not think that he is right in that judgment and I am sure that he will be found not to be right. I would argue that the House should treat with great caution a Bill which the Home Secretary says should be debated in detail in Committee, when we have on the Order Paper, immediately after our present business, a programme motion that insists on the Bill's being returned from Committee on 25 January. Christmas lies between. Traditionally, at this stage of the Session, before a Bill goes into Committee we would barely have a Committee stage, if at all, before Christmas. We are looking at no more than four or five sittings for examining the Bill.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Eight.

Mr. Shepherd: My hon. Friend on the Front Bench has clearly negotiated eight sittings. Hallelujah. Yet this is a 220-page Bill with many contentious schedules and provisions. I imagine that the Liberal Democrats and, I hope, my own side will examine those provisions carefully. However, our experience of Home Office Bills, with all the knives and reductions, suggests that the House will not have the opportunity to debate the detail of the Bill. That is why I am cautious about it. I do not accept the general roll against our liberties and freedoms and I do not accept that everything is merely a technical advance.

It is the aggregation that matters. If we stand back and look at the architecture of new Labour's new police and security state, it looks unattractive. If we take little step by little step, it may not be obvious that we have moved, but I ask those listening to our debates to cast an eye over the sequence of these Bills that make up Labour's defence of our liberty. I suggest that they are not only ineffectual in many ways, but a real step back from the essential liberties that this country worked and fought long and hard to achieve.

3.7 pm

Vera Baird (Redcar) (Lab): It is clear that we need the Serious Organised Crime Agency that is established in the Bill, because we have not seen the reductions in harms caused by organised crime that we have seen in those caused by volume crime. The harms of organised crime that damage people most are those

associated with people trafficking: charging people to be trafficked to what they think will be a new life, which in fact leads them to be sold into slavery—usually sexual slavery, irrespective of gender—to feed the amazing capacity of men to buy women and children and young men, even though they know that those people are ill treated and live in appalling circumstances.

The second huge harm that befalls people from serious organised crime relates to drugs. I do not have to list the huge ramifications such crime has in our constituencies and the huge economic impact that it makes. I note that the aim of setting up SOCA, as explained in the White Paper "One Step Ahead", is rightly threefold. First, it is to disrupt criminal activities, including by adding to their costs and seizing assets. Secondly and rightly, it is to increase the risk for criminals—the Mr. Bigs—who must be more successfully targeted, arrested and prosecuted. That explains the need for procedural and evidential changes. Thirdly, and also rightly, there is the intention to reduce the market, among other ways, by reducing demand.

I can see how drugs education, treatments and initiatives can reduce demand for the massive importation of cocaine and heroin coming into this and pretty much every other western country on a weekly basis. Those initiatives must be supported, but have we not missed a trick when it comes to the question of people trafficking and disrupting the demand for it? Where are the measures to disrupt the desire for trafficked people? Where are the measures to reduce demand for ripe young people, who are sold off like fresh fruit to degenerates to be used for sex? Where are the measures to educate and treat those who behave in that way?

Education and treatment may be the wrong words. Hon. Members might think that I support social engineering, but we must face the fact that a market exists in this country for young people. If the recipients of sexual favours from those young people thought about it, they would realise that those young people have been abused and enslaved and are still being used in a framework of fear and oppression, but they disregard that in the interests of a brief physical sensation. We are missing a trick if we do not start seriously to recognise that disrupting demand for trafficked people is an urgent need. It is time to understand, recognise and think through that urgent need and to work out ways in which we can try to disrupt that unequivocally evil demand.

As the Home Secretary said—I agree with him—this is a practical Bill. I also agree with the White Paper that we should aim to make the UK one of the least attractive places in the world for organised crime. After we have implemented those measures, we must strengthen international co-operation to widen and disperse the measures that prove most effective.

I hope and think that SOCA will work. I never understood why intelligence and investigation were run by two separate bodies, and I am pleased that such incomprehension was not solely my own. Even in their modern incarnations, each body had a separate service authority, administration, internal rules, operational remit and complaints system, and it seemed to me that that was pointless. One authority that unites some skills and that calls by secondment on other skills from related groups such as the police, Customs and forensic scientists should be effective on first principles. Its focus on serious and organised crime should make that body more than the sum of its parts.

The concerns are easily and quickly listed, and I imagine that they are not profound. Accountability is still not 100 per cent. clear. Service authorities were attached to the National Criminal Intelligence Service and the National Crime Squad, but the exact status of the board that will replace them is unclear. How will the new board compare and contrast with those service authorities?

On resourcing, little new cash appears to be available for SOCA. I know that the intention is that SOCA should be self-financing quite early in its life, but that may create concerns, which need allaying, for local police forces. For instance, people who are seconded to SOCA will leave a gap, which local police forces must fill. Rather than being properly financed at the top, SOCA will impose a down-line cost on the police, perhaps putting at risk their capacity, especially if their leading staff are seconded. That point has been made before, because it is a real risk. In police terms, SOCA will be a glamorous new body for which people will want to work and to which people will want to be seconded. We must ensure that the built-in protections are there, so that local police forces are not denuded of their high-flying staff.

The complaints route is not entirely clear. I saw the Home Secretary respond on that matter, but I did not follow 100 per cent. of his explanation. It seems that when somebody is designated to SOCA as a constable, a Customs officer or an immigration officer, they will be subject to the Independent Police Complaints Commission.

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint) *indicated assent.*

Vera Baird: In a way, that pleases me, because the route is clear and the model is well tested—the IPCC has been good in the short time in which it has existed. However, the system is peculiar, because if somebody is seconded from Customs and Excise, where they were subject to their own complaints procedure, they will be subject to an entirely different procedure whose rules they did not know when they volunteered. The issue is not straightforward, but the Minister can see why I retain a little bit of residual concern about the complaints situation.

The possibility of a two-tier work force is also a concern. In the grass roots in my constituency, I have heard it expressed that people will be seconded at their particular level, seniority and pay from both the police and civilian organisations such as Forensic Science Service, Customs and Excise and the immigration service. It is possible to imagine an operation in which two people from completely different backgrounds do the same job for a year on radically different pay and conditions, which, in due course, might interfere with the cohesion that is essential for that body. That is another concern that must be thrashed out.

I shall quickly discuss two powers in the Bill relating to serious organised crime and two other police powers that concern me. We have heard a bit about disclosure notices, which have been taken from the model in the

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Serious Fraud Office. The model has been around since 1987 and works pretty well. However, it has a small compass of use and is used in few cases. The SFO is small, and it is governed by its lawyers, who are the only people who can use those notices. SOCA is a much bigger affair than the SFO ever has been or is ever likely to be, and it will deal with much higher levels of crime and much bigger gangs.

The power in clause 56(3) worries me. It allows an "appropriate person" to have the power delegated to them to use a disclosure notice. We all know that disclosure notices compel people to give evidence, not against themselves but against others, or to produce documents or other kinds of information. The power is strong, and it needs to be used in a sophisticated way. Although the caveat is that the power can be used only in exceptional circumstances, and following the intervention from my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews), who will define those circumstances?

Concerns exist about when such exceptional circumstances will occur, and, taking the SFO model, the power to use disclosure notices might be delegated to low-level people in SOCA. It will not be easy to control the use of those powers, because SOCA is much bigger. What would the remedy be if those powers were wrongly used, particularly granted that is an offence punishable by imprisonment not to obey the application of those powers?

Mr. Heath: What is the hon. and learned Lady's view about maintaining a distinction between the SFO and the new agency in the first instance? When the Solicitor-General was questioned about that matter, she advanced the argument that because of the combined prosecution and investigatory role of the SFO, it must be a separate body. However, I was not entirely convinced and would welcome the hon. and learned Lady's view.

Vera Baird: That is a rather broad issue to raise in connection solely with this power. I agree with the hon. Gentleman to the extent that I am not convinced that that justification is one that would necessarily make for permanent separation. Irrespective of whether one merges the two, however, it is more or less inevitable that the use of disclosure notices will be much more frequent than it ever has been under the Serious Fraud Office. I am worried about its being delegated too far down and about the huge consequences of refusing to comply with a notice, whether rightly or wrongly imposed.

I have two more concerns about disclosure notices. First, whatever the person says under the pressure of such a notice cannot rightly be used in evidence against them, but assuming that what they have said is, in the ordinary course of events, disclosed to anybody who is a defendant in a case that follows, it will be impossible to put the person who is the subject of the disclosure notice on trial with those defendants. Although the Crown will not be able to put to the person who is the subject of the notice what they have said, the co-accused most certainly will, and they will use it to discredit that individual and to put the blame on to him if there is the slightest inconsistency between what he says in court in his defence and what he has said under the pressure of the disclosure notice. I fear that the information that emerges from the use of these disclosure notices will be used in evidence and weigh on guilt and innocence, and that that will give people second thoughts about complying with them.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): Will my hon. and learned Friend vouchsafe to me her expertise on whether the procedure in clauses 56 and 57 might compromise the situation of journalists; or are they excepted by the provisions governing privileged information later in the Bill?

Vera Baird: My understanding is that they do not need to fall within the ambit of privilege, because the Bill contains a specific exception for journalistic material which means that they will not be troubled by the provisions.

Secondly—I raised this with the hon. Member for Somerton and Frome (Mr. Heath)—disclosure notices will usually be issued against minor players; that is what they are for. When officers are trying to unravel a gang, they will be conscious of who is at the outside edges doing small amounts and want to put pressure on them, in the form of an incentive or a compulsion, to talk about what is going on further inside, so that they can gradually peel off the layers, as it were, to get to the Mr. Bigs. We must face the fact that as soon as the disclosure notice is issued that minor player will come under threat from the Mr. Bigs whom their silence protects. That does not happen in relation to the SFO; we are talking about a completely different kind of crime involving extraordinarily large criminal empires buttressed by the regular use of violence, intimidation and threats to sustain them. These people will undoubtedly face intimidation, threats to injure, and even threats to and attempts to kill.

As I said before—I hope that I am not in error—new section 74, which establishes long-overdue national witness protection measures, does not include in its ambit somebody who is the subject of a disclosure notice, because its definition of "witness" relates to someone who is miles further on in the process, giving evidence in proceedings. That will not take away the problem.

We want this to work, and it will do so only if people who are served with notices know that they are safe in responding. I would much rather go to prison for a couple of years, which is the maximum sentence, than face the wrath of a Mr. Big who is determined to silence me one way or another. That is a big burden that the authorities will have to recognise straight away by putting in place provisions to protect people.

Mr. Marshall-Andrews: Before my hon. and learned Friend moves on, I want to ask her about the sanction for not complying with a disclosure notice. She will have noticed that the defence to such a charge is that they have not acted "wilfully". As she will know, that word causes more difficulty in criminal law than anything else. If she is on the Committee that steers the Bill through, as I am sure that she will be, will she contemplate at least attempting to amend it to the far more useful and reasonable term, "without reasonable excuse"?

Vera Baird: As ever, my hon. and learned Friend makes a good point, and whoever is on the Committee should consider it. I entirely agree that the word "wilfully" is slightly outdated, very hard to define, and causes more problems than it solves in criminal law.

Formalising the giving of Queen's evidence is obviously a good idea. It should not be carried on in an under-the-counter, ad hoc or arbitrary way; it should be done in a systematic way. However, this will not produce a straightforward benefit to the criminal justice system. It is extremely difficult to get juries to rely on the word of someone who is pleading guilty to get a soft sentence, when the only way in which he can save himself from a 30 or 40-year sentence is to talk about what he has done with his co-accused. Of course, in those circumstances, he would have every interest in piling on to his co-accused offences of which he himself might well be guilty. It would be very clear to the jury that that was going on, and that would make it difficult for him to be believed. It would be impossible to keep it from the jury that it was going on without perverting the course of justice, because it has to be clear to the defence that the individual has a motive for giving that particular evidence, whether it is true or not. It is important that both parties know what is going on.

The Criminal Justice Act 2003 allowed the introduction of previous convictions and all sorts and shades of past villainy to be put against the person giving evidence, just as they can be put against a defendant. However, it would be easy to undermine a jury's ability to give any credence to what such an individual said, given that he could easily be discredited because he is almost certain to have previous convictions and because all the material that will come from the defendants about the way in which he has previously conducted himself will show him to be a terrible villain.

The definition of what is [illegible]ful in such circumstances will clearly involve [illegible] will get a conviction. The individual will have been told to tell the truth, and the Crown will rely on him to do so, but his way out of his dilemma is to get the people in the dock convicted. That is a difficult situation for the authorities to handle. The individual could be sentenced before he gave his evidence. That would look better, but the authorities would then be hooked by him, because if he reneged on his agreement, he would already have his sentence and it would be hard to unpick it. There could well be grey areas in terms of whether he had told the truth.

On the other hand, if he were sentenced after giving his evidence, it would be as clear as day that he had an incentive to tell the truth—that is, to get the Mr. Bigs off the streets, as the prosecution wanted. Both options look slightly corrupt, and it is easy to mix up the legitimate use of a criminal who has turned his face against crime and decided to go legit with the corrupt use of people who are just trying to save their necks. If, in any trial in which a person is in the dodgy position of giving such evidence, there were in addition any dodgy police evidence that called into question their motives, such a prosecution would be doomed to failure. We can only hope that this procedure will become more familiar to us so that juries will learn better to rely on what is said by supergrasses, or whatever they are to be called. However, I would suggest that, in the short term, these measures are not going to make a huge difference.

By way of a footnote, I must point out that there is no provision in the Bill for the person entering into an agreement to give Queen's evidence to get legal advice during the negotiations. He will be subject to the terms of a detailed agreement that will be incapable of being revoked. Indeed, as I understand the Bill, his discounted sentence could be revoked if he did not tell the truth. It is hugely important that a person entering into such a contract should do so only if he has had its terms properly explained to him and understood them. I also wish the authorities luck in deciding whether someone has told the truth in a situation involving such an agreement, because that concept could become extraordinarily hazy.

The Bill is pretty clear and focused when it is targeted in those ways, notwithstanding the reservations that I have stated. However, when it is not targeted against serious organised crime, it seems to lack focus and to raise certain concerns. I am particularly worried about the amendment to the power of arrest. Clause 101 will amend the Police and Criminal Evidence Act 1984 by effectively making every offence arrestable, from parking on a yellow line or not having a light on a bicycle to murder, subject to a test of "necessity". That will be very difficult, I think.

Currently, when a policeman summonses someone, he must decide whether he suspects that person of committing a non-arrestable offence, an arrestable offence or a serious arrestable offence. The powers follow from that decision, but it is a fairly clear one to make, as he can see what is going on in front of him and what the offence is or is not.

It is said that that is a confusing position for officers to be in because there is no straightforward universal framework. The intention is that this should be the straightforward universal framework, with powers of arrest extended to every offence. I would have thought that if police officers find difficulty in deciding whether they are looking at a non-arrestable, arrestable or serious arrestable offence—granted, they have been trained to do that—they will find it bewildering to apply the test of necessity to everything that comes their way.

The hon. Member for Somerton and Frome referred to the 2002 review of PACE, which considered the problems of confusions over arrest powers but rejected this solution. I agree that it is right to reject it. The right hon. Member for Haltemprice and Howden (David Davis) referred, almost in passing, to this change representing a move from consent-based policing towards policing by discretion. In my view, it represents exactly that, which is not something that should be mentioned only in passing.

We are considering saying to police officers one of two things: either sort out some complicated principles of the Human Rights Act 1998 on the spot and make the decision accurately or—I think this is what we are saying—officers have all the powers they need and those should be used only when they think it necessary.

Mr. Heath: I am most grateful to the hon. and learned Lady for giving way. She is making an extremely important point, which she knows I agree with. Does she agree that, at the point of arrest, a lot of other powers flow from that in our statute law? If that arrest becomes

[Mr. Heath]

entirely discretionary on the part of the officer for any offence, so will all the other powers that flow from arrest when that person is taken back to the police station.

Vera Baird: The hon. Gentleman is exactly right. There are a number of serious powers—searching, searching premises, use of force—that flow from a decision to arrest, all of which will become the subject of what is bound to be a highly individualised decision that is likely to be, therefore, almost by definition, an arbitrary way of deciding who is arrested and who is not.

This "necessity" has to be a subjective term, has it not? It will mean what the officer in that situation thinks is necessary. There will never be some black and white rule whereby it can be said, "It is necessary in this situation, but not in that." Necessity will be in the mind of the individual. What better definition is there than an arbitrary power of arrest? The decision to use it is in the mind of the individual.

Either that is the real position or we are asking officers—in the absence of any rules about what is a necessity and in the absence of the definitions of which offences can and cannot be arrested for—to fall back on their individual judgment. So if we decide to look for some rules, what will we find? We can look only to the human rights convention.

The individual involved—either in the heat of the moment, on the roadside or in the middle of a field where he had apprehended someone who may or may not be a burglar—would have to decide whether he was justified, given the exigencies of the situation, in interfering with the individual's rights under article 5, which refers to arbitrary detention, while bearing in mind the rights under article 8, which refers to the right to privacy.

Are we are expecting—pretty soon we will be, I think—a community support officer, or in any event a trainee constable, to reach such a conclusion in the heat of the moment? That is just not going to happen. I am afraid that this will be an arbitrary test, and I am concerned about arbitrary powers of arrest.

I do not mind confessing that a few weeks ago I had something of a ruck with a police officer who asserted, utterly incorrectly, that I had gone through a red light and turned left, and who roared up behind me in his vehicle, clearly seeing that I was a weak and feeble middle-aged woman and thinking that he would get out and rough me up a little verbally. So, when he got out he told me I had gone through the light. I said that I had not and proposed to move off. He stopped me. He proposed to lecture me. I got cross with him. One can just imagine that the necessity to arrest me could not have been far from his mind, if he had that power. I am afraid that that is what will go wrong. Perhaps we do not have to worry—although I am worried about the arbitrariness of it all—but a situation that gets heated over a small matter will lead to misuse of this power.

Mr. McWalter: I have little doubt that, in the exchange to which my hon. and learned Friend refers, it was not the policeman who came off best. She is raising this issue partly because she will know that one of the great difficulties that police officers have is that somebody who seeks to evade their attentions often conceals their real identity. Consequently, a large number of offenders get away with relatively trivial offences, such as fare dodging on a train. If a police officer suspects that a false identity has been given, that creates major difficulties for effective policing.

Vera Baird: I appreciate that point entirely. Currently, however, section 25 of the Police and Criminal Evidence Act 1984 allows a power of arrest, not for that level of offence but for slightly higher ones, when we would be seriously concerned that people might be able to get away with the offence by using false names. If a police officer asks for a name and address, and has reasonable cause to suspect that a false one has been given, he then has a power of arrest under section 25. Such a problem—not for the ticket dodge, but for a higher level of crime—is therefore not present, and this provision is not required to meet it.

I have said all that there is to say about that proposal. It is very worrying, and it needs consideration in Committee. Perhaps it can be realistically explored in the way in which the Home Secretary appeared to be offering himself as ready to explore issues about which others might have real reservations.

Lastly, I am very concerned about civilianising the custody officer. The custody officer is usually called a custody sergeant, and he must indeed be a sergeant of police. By definition, he will be an experienced officer who has been in the force for a number of years. He is not a jailer—he is not just the person who locks up an individual. He has a responsibility for the civil liberties of that individual and to ensure that all the procedures, under the extensive PACE codes of practice, are put in place. He must keep a custody record, which he must open at the outset and which must be kept systematically. He is in charge of decisions as diverse as when the individual will or will not be entitled to see his family, how long they will need to be detained for, and when it is necessary to call a more senior officer to consider events that might have arisen in the police station. He will also have to make decisions about whether someone gets bail. As I understand it, those duties will be devolved down to a civilian, which causes me some concern.

The custody sergeant has additional jobs, which occur every day. When someone is arrested, the officers responsible are obliged to present the facts of why the person has been arrested to the custody sergeant. A senior police officer, as the sergeant usually is respective to those bringing in the individual, will have the power, authority and independence to say to those bringing in the individual that he does not accept that those facts amount to the alleged offence, if that is the case. Will a civilian employee be able to do that?

In addition, the custody sergeant has the responsibility of ensuring that interviewing is done fairly, that it is done for only as long as it should occur, and not longer, and that it is done only when it should occur. Will a civilian be able to resist the personalities, the force and the seniority of senior detectives who may want to interview again someone who has already been interviewed two or three times, because something new has arisen in the case? What is required is a person who has a full understanding of all the implications of the Police and Criminal Evidence Act 1984 and of the codes,

and who is totally independent of the inquiry and the officers involved, senior enough to be taken notice of, and able to take responsible decisions. That person will not be a civilian employee who, like community support officers, is of lower status than the police; he will have to be a civilian employee of higher status than the police with whom he deals. Why can he not be a police officer—the obvious person for the job?

What will we gain by releasing a custody sergeant to do whatever is intended on the beat? That is a rather unusual notion. The person concerned will generally be an officer involved in administrative roles in the police station, so no front-line troops will be released. The price will be a very high level of risk for the rights of those who are detained. Let us leave the job with a police officer, or else understand more fully why the change should be made. Are there not better ways of releasing troops on to the street?

Where it targets serious organised crime, the Bill seems very good and very focused. Arguably, some elements are not strong enough. For instance, I do not know why the definition of serious crime for the purposes of the extra powers does not include paedophile rings. There are respects in which that part of the Bill ought to be made tougher, and I hope that that can be done in Committee. Where the Bill is less targeted, it seems less focused—a bit of a Christmas tree—and I think it will require careful scrutiny.

3.41 pm

Mr. Julian Brazier (Canterbury) (Con): It is a great pleasure to follow the hon. and learned Member for Redcar (Vera Baird). I echo her point about the omission of paedophile rings, and I will shortly return to another point that she made.

I know from the many letters I receive from constituents that crime is the No. 1 fear. Violent crime and antisocial behaviour are in danger of becoming an epidemic, blighting the lives of numerous law-abiding, hard-working families throughout the country. The breakdown of law and order and respect for wider authority is arguably the most serious domestic problem in Britain today.

In Kent we are blessed with one of the best police forces in the country—in my view, one of the best in the world—but I am sorry to say that the Government, with their plethora of crime Bills, have done little to turn the tide back. Despite unbelievable, unprecedented amounts of legislation, violent crime is rising. The horrifying recent incidents—three murders by burglars, of which we have read in the press in the last week or two—underpin the bleak statistics.

Rather than dealing with the full scope of the Bill, I shall focus almost entirely on those who suffer terrible, degrading, inhuman treatment at the hands of international organised criminal gangs engaged in people smuggling. They have no voice. We are nowhere near winning the battle against drugs, and we now have a whole new war to fight. One of SOCA's most important roles must be to tackle the disgusting traffic in people—the vile trade in women and children.

Estimates of the worldwide value of migrant smuggling and trafficking vary. According to *Der Spiegel*, the German secret service has estimated that revenue for international criminal gangs operating in Europe alone amounted to €5 billion a year, of which about two thirds was collected by Chinese criminal gangs, three or four years ago. Some organisations now estimate the total value of the trade to be anything up to €30 billion a year. The Organisation for Security and Co-operation in Europe believes that it has now replaced the drugs trade as the world's most profitable illegal industry. That is a truly staggering fact.

The International Organisation for Migration has estimated that between 700,000 and 2 million women and children are trafficked across international borders each year. It observes that

"in most countries there are few statistics on the scale of trafficking."

Unfortunately, Britain is one of the most affected countries. The Home Office has no information on the number of women trafficked into the UK for the purpose of exploitation. Indeed, one official described the whole illegal immigrant population as a "knowledge black hole".

At a Home Office seminar five years ago, workers in health projects estimated that, even back then, 50 per cent. of those employed in London's sex industry's so-called brothels were immigrants. A more recent investigation by the Metropolitan police found that 76 per cent. of Soho brothels were staffed by foreign prostitutes, with Albania and Lithuania being the most common sources. Every year, more than 6,000 children aged between 12 and 16 are smuggled into Europe to work as prostitutes. An estimated 80 per cent. of people trafficked from Albania are teenage girls under the age of 18, according to a report in *The Guardian*.

Behind these grim statistics lie literally thousands of horrific individual cases. Typically, the victims describe how they are repeatedly raped until their resistance is completely broken. By the time that they reach this country, they are completely in the hands of their captors. Indeed, even if they do escape, they are in a foreign country. Frequently, they do not speak the language and have no idea to whom to turn. In many cases, the police in their country of origin are the very last people to whom they would go for help; they have no way of knowing that the situation here is very different.

The Bill does contain some welcome measures—in particular, chapter 4 of part 2 puts witness protection on to a statutory footing—but it is very important to provide safe houses for victims who have only just escaped their tormentors. The Home Secretary gave me a fairly conciliatory answer earlier in this regard; however, the anti-slavery coalition and Amnesty International pointed out in a joint presentation in the House last week that there are very few safe houses in this country for such women, and that there are now no safe houses at all for children, the only two having closed. It is vital that women, and particularly children, have safe places to go to, where they are beyond the reach of these remorseless criminal groups.

Amnesty International and others have also called for medical care, counselling and other aid before deportation. I have been involved in the campaign concerning the treatment of child victims in this country—a campaign that has been run for the past 15 years. There has been a transformation in their treatment, but how much worse has the plight become

[Mr. Julian Brazier]

of these young girls, who have been abused for months, and in some cases, for years? They know nothing about this country, yet they are receiving the same sort of treatment here. If we do not provide the resources to protect them and to encourage those who are brave enough to testify, the chances of penetrating the dark and murky underworld in which these rings operate is nil.

When this Government came to power seven years ago, we were told that we would be treated to joined-up government. This Bill is trumpeted as an example, and we all welcome the bringing together of the various agencies. However, in other fields relating to crime and disorder, measures have been implemented that conflict directly with each other. The Government have a professed desire to tackle binge drinking; yet licensing legislation prevents local authorities from considering police intelligence on licence applicants' previous conduct. It also prevents them from taking into account serious time-expired offences, and it creates a charter for previously illegal raves. At the same time, in the name of healthy living, the Government are waging war against smokers, fat people and anybody enjoying a Big Mac, while at the same time downgrading the classification of cannabis and presiding over an explosion in sexually transmitted diseases.

Sadly, my concern today—people trafficking—is no exception in this regard. Please let me be clear: I do not buy the argument of those well-meaning non-governmental organisations that say that the vile trade of people trafficking can somehow be separated from wider immigration policy. That is complete nonsense. The organisations that specialise in people trafficking started out in the business of people smuggling, and their profits grew when they expanded into this vile new sector. Bringing successful prosecutions against people traffickers through the testimony of courageous witnesses will help to close down people smuggling and vice versa. If we make it harder for people smugglers to succeed, we will help to deter people traffickers.

People trafficking is a symptom of the wider breakdown of immigration controls. A report by the United Nations High Commissioner for Refugees in July 2000 on the trafficking and smuggling of refugees states that much of existing policy making by European Governments is

"part of the problem and not the solution."

A passage in a migration paper published by the widely respected Brussels-based "Migration News Sheet" sums up the position perfectly:

"Through their severe short-sightedness and inclination to rush through emergency measures without reflecting on the consequences . . . EU states have helped to create the ingredients of a very lucrative form of international criminality which top Mafia bosses never even dreamed of, namely trafficking in human beings."

Our borders and internal enforcement procedures are undermanned. The Triad and Snakehead groups that operate women's prostitution were behind the Morecambe bay disaster. As long ago as June of the previous year, the Home Office were warned about the exploitation of vulnerable migrants by ruthless gangmasters. The warning was noted, but ignored, as a clear decision was made to do nothing. In a letter to the hon. Member for Morecambe and Lunesdale (Geraldine Smith), the Home Office said that the immigration service could not intervene because of "resource issues". It said that

"little useful purpose would have been served by sending officers to assist."

What were immigration officers doing that could have served a greater purpose?

The lack of specific anti-trafficking legislation to deal with perpetrators has often resulted in charges being brought under the Sexual Offences Act 1956. The hon. and learned Member for Redcar was right that we are far too short of tools. This is one of the few areas where we would benefit from having more Home Office laws, as we need much sharper measures to prosecute both the traffickers and the perpetrators. As a parallel—I am not suggesting that this could be directly imposed in British law—when we were discussing legislation to deal with sex tourism, we discovered that the Philippines had passed a law under which a prima facie offence is committed if a tourist is alone with a Filipino child without being able to show good reason. It takes a great deal of courage for women and young girls to testify, but once they have done so, the criminals often get away with short prison sentences. Sentences should reflect the nature of crimes that often result in the destruction of young lives. Indeed, those lives are often ended by sexually transmitted disease.

As always on immigration, the Government are sending out the wrong signals. Only one in five failed asylum seekers are removed from the UK, and more than 250,000 asylum seekers live here. Asylum applications are still much higher than they were in 1997, having peaked at more than double the number in that year. The Government are taking virtually no action against legal advisers who exploit legal loopholes for use by people smugglers, whose business helps to sustain people trafficking. If memory serves, in Home Office questions, I was told that there were only 12 cases in the previous year in which legal advisers were prosecuted. Interestingly, none of those cases related to work permits. We had a discussion on the subject in Westminster Hall. It is obviously true that most people traffickers do not go anywhere near the work permit system, but a system that has quadrupled the number of people already in the country who apply successfully for work permits serves as a pull factor that is of huge use to people smugglers. Incidentally, can someone explain to me what has happened to the 1,160 young women admitted last year, allegedly to take up jobs as dancers? Do we really think that none of them is being exploited?

The wider breakdown in immigration policy is creating an underclass of people who, at the more moderate end of the scale, are working in the UK illegally, subject to low health and safety standards and so on, through to the extreme example of those enslaved in child brothels. Hundreds of thousands of people continue to circulate illegally in this country, many of them to a greater or lesser degree in the hands of the people who originally smuggled them here. I sincerely hope that the creation of SOCA will help to eradicate this vile crime, and that the misery of the thousands of exploited and tormented women and children will be brought to an end.

The Bill on its own will not achieve that. Successful action against illegal exploitation must involve other factors, a number of which I have mentioned—safe houses for witnesses, more counselling and support for them so that they are more likely to be willing to testify, much tougher penalties in courts, and an effective overall immigration policy.

My final point relates to another topic. There was a tremendous cross-current of discussion on the introduction of the new crime of inciting religious hatred. Before the eloquent testimony of my right hon. Friend the Member for Haltemprice and Howden (David Davis) on the subject, the Home Secretary was generous in giving way to about 10 Members in various parts of the House who were deeply concerned about the matter. I should like to leave hon. Members in all parts of the House with one thought on that—the point that I put to the hon. and learned Member for Medway (Mr. Marshall-Andrews), with whom I frequently disagree, although he is my near neighbour in Canterbury.

I ask hon. Members to think about this: the law is already perfectly firm and clear on incitement to violence. We have a panoply of measures to deal with it. If Parliament passes an Act, the courts and the Attorney-General must look at it and say, "This is supposed to extend a power in a new direction. There must be some new dimension to this." What is this new dimension of incitement to religious hatred? How does it differ from incitement to violence? The only possible answer comes back to arguing about beliefs. If we go down that route, we have given up on free speech. I urge the Government to think again about these provisions, although I support the rest of the Bill and argue that it needs strengthening in a number of areas with regard to the vile trade in women and children.

3.58 pm

Mr. Gordon Prentice (Pendle) (Lab): I shall begin where the hon. Member for Canterbury (Mr. Brazier) left off and speak briefly on clause 119 and schedule 10. I have misgivings about the new offence that we are creating—that of stirring up religious hatred. It is being introduced for a noble purpose, as the Home Secretary acknowledged earlier, and for the best of reasons, but it still makes me feel a little uncomfortable. There is no consensus among the public that calls for the introduction of this new offence. When Lord Avebury looked at the matter in detail in the Special Select Committee, one of the conclusions was that there should be a degree of protection of faith but that there was no consensus as to the precise form that that might take.

That is still the position. Religions are belief systems, and all belief systems should be open to challenge, ridicule, satire and debate. In a free society, it should be possible to contest them.

Paragraph 305 of the explanatory notes states:

"Of themselves, criticism or expressions of antipathy or dislike of particular religions or their adherents will not be caught by the offence."

However, those are just the notes, not the terms of the Bill itself. Eminent jurists and lawyers say that the Bill would have that very effect.

The Bill contains no definition of religion, and that is amazing. There will be an offence of stirring up religious hatred, but we will not know what constitutes a religion. Apparently, the Government are content to leave that for the courts to decide.

Mr. McWalter: Does my hon. Friend accept that the expression of antipathy towards a creed might be okay in a conversation, but that schedule 10(11)(3) means that broadcasting such a view on the radio or in an interview on television or in the newspapers would render it likely to be seen or heard? As a result, strong antipathy expressed in that way would fall within the scope of the Bill.

Mr. Prentice: I shall come to that very point, but first I want to deal with the fundamental question of what constitutes a religion. I was about to say that this question will test the most eminent jurists and the finest legal brains in the land. In an intervention on the Home Secretary, I said that there were 5,015 Jedi knights in Sheffield. They belong to a religion that was listed in the 2001 census. Across the country, there are—amazingly!—390,000 Jedi knights. I suppose that they must worship Darth Vader, or something.

That is astonishing, so I took a closer look at the 2001 census and its list of religions. The list includes mysticism—well, why not?—paganism, new age beliefs, and Vodun. I confess that I have not heard of the latter, and I should be pleased to take an intervention from any colleague who might be able to help me out. The list goes on to cite the Wicca religion, Tin Tao, ancestor worship and Cooneyism. It mentions satanism too, and about 200 other religions. They all have adherents somewhere in the UK. The religions listed range from the bizarre to the absolutely mainstream. It will be left to the lawyers and the courts to interpret which religions will be caught by the new offence that is being created.

Andrew Selous (South-West Bedfordshire) (Con): Schedule 10(3) also refers to people who lack religious beliefs. That means that we are talking about inciting religious hatred among lots of our fellow citizens who do not believe in anything at all.

Mr Prentice: Atheism is included in the list, and I think that gnosticism is too. The list can be accessed on the web. As the hon. Gentleman says, the Bill captures those who believe in a religion and those who, conversely, do not. That is a little perverse.

What do we mean by hatred? I suppose it means a really intense dislike. How would Christians feel about satanists? I imagine that they would feel an intense dislike for the Antichrist—perhaps that is another one for the lawyers. After all, we have a satanist in the Royal Navy now: he got some publicity a couple of months ago.

I am not an expert in these matters, unlike some colleagues, but there is an ambiguity about where the line will be drawn on what is and is not acceptable. It all seems very subjective at the moment and, of course, one person's meat is another's poison. I have heard it said that the new legislation could be used by coreligionists—a fundamentalist Muslim against a more mainstream Muslim or an ultra-orthodox Jew against a liberal Jew. It might be felt that the liberal Jew was in some way selling out the religion.

[Mr Prentice]

Intention is not included in the Bill, as my hon. Friend the Member for Hemel Hempstead (Mr. McWalter) pointed out. Intention is not required for the offence to be committed. It must be shown only that the action had the effect of stirring up religious hatred. The hon. Member for Canterbury pointed out that the statute book is very thick and there must be any number of ways in which the police and the prosecuting authorities could successfully bring to book someone who incites violence.

In fact, Lord Desai made that point when he said that we do not need a new law, because the existing provisions should be sufficient. That point was amplified last night by an eminent academic lawyer, Professor Jowell, speaking in the Jubilee Room. He said that, for an offence to be committed,

"the words, behaviour, written material, programmes or recordings must be threatening, abusive or insulting".

He said that the provisions were very vague and he was not sure whether they covered something that was offensive. He also said that the provisions set a very low threshold and he was not sure what sort of statement would cross the threshold and be liable to prosecution.

The Home Secretary told us earlier that the person of the Attorney-General provided a lock or failsafe, because he would make the decision on prosecution. However, in deciding whether or not to prosecute, the Attorney-General would be establishing a benchmark of what was and was not acceptable. Is that a proper safeguard? Who knows what kind of religious beliefs a future Attorney-General might hold. We might end up with a really fired-up, souped-up, born-again Christian: we do not know.

The final worry is that the Bill may encourage self-censorship. People may be wary of saying anything that could be taken out of context and cause offence. The people who say that most passionately are those who work in the creative world—journalists, writers, comedians and performers. The comedian, Rowan Atkinson, who attended the meeting in the Jubilee Room last night, said that he believed that the Bill would lead to a

"chilling of the climate of free expression".

He went on to say that it was incredible that in future he might crack an illegal joke. That is astonishing and not very funny, so I hope that the measure will be considered exhaustively in Committee, because many people out there, as well as Members on both sides of the House, have big reservations about the new offence that we are about to enact.

4.10 pm

Bob Spink (Castle Point) (Con): I do not always entirely agree with the hon. Member for Pendle (Mr. Prentice), but he spoke eloquently and I agreed with every word he said. I am grateful to him for giving us the benefit of his sound advice.

The Bill is like the curate's egg—good in parts. In fact, it is good in most parts. There are 155 clauses and more than 200 pages. I agree with most of them, although there are one or two bits that I want to pick over, if I get the opportunity. There are obviously some easy political points to be scored here, if we wanted to try to do so, but today is not the time for that.

There is one serious and fatal problem with the Bill: the religious hatred provisions, which are ill-conceived, idiotic and an offence against freedom and common sense. They may damage mainstream religions, and they will certainly damage tolerance in our society, and will benefit only the worst type of extremists. They will also benefit the law industry, which stands to trade heavily and expensively on the uncertainties and lack of definition in the Bill.

Like many other pieces of legislation introduced by the Government, the Bill transgresses the law of unintended consequences. I accept that the Government are introducing it with good intentions, but it will deliver unintended consequences. It will reduce tolerance, and that is a major problem. Just as the Hunting Act 2004 will damage the overall welfare of our fox population, and the Gambling Bill will create super-casinos that will increase the damage done to individuals, families and society by excessive gambling, so the religious hatred provisions in this Bill will attack society's freedoms; they will damage tolerance, and may bring extremist right-wing responses that damage religions themselves.

I want to start on a positive note, however, and whistle quickly through one or two of the Bill's main provisions. On balance, the new agency—SOCA—is necessary to respond to greater co-ordination in international organised crime, such as people trafficking, drug trafficking and money laundering. I welcome the move to set up the agency, but I want to address two issues. First, the National Criminal Intelligence Service and the National Crime Squad, which, with some help from Customs and Excise, will form part of the new force, have generally served the country well. They have good management and administrative support and their officers are dedicated and professional. We should not forget to thank them and give them recognition for their achievements, dedication and professionalism.

Caroline Flint *indicated assent.*

Bob Spink: I am glad to see that the Minister agrees.

My second point about SOCA is that the agency will be close to sinister organised crime, and although there must be no crossover, that danger is always present in such organisations. We shall give the agency many new and powerful tools, so we must also have procedures for complaints about and regulation of the agency that command public respect and confidence.

The Home Secretary said today that accountability would be provided by the Home Affairs Committee. I do not quite understand how that will work, and I remain to be convinced about it. Clearly, there must be a strong independent element in the complaints channels, which must be publicly accountable and transparent, and it is not clear to me that the Independent Police Complaints Commission will work well.

The single co-ordinated and integrated agency—SOCA—will take the fight to those involved in serious crime. We should all welcome that, but we need to look carefully at the status of SOCA's officers, who will lose their status as officers of the Crown. The Police Federation has serious concerns about that, and we must listen carefully to those concerns, not least because

the vast majority of current National Crime Squad officers are unwilling to submit to transferring to SOCA, which may represent a great loss of skills for tackling serious crime.

I come now to a raft of technical police powers that I broadly welcome. The extension of investigative powers, which will enable the police to collect evidence and compulsorily question those who can help to solve serious crimes, particularly while the crime is hot, is an important measure. Used sensibly, it can help. I broadly welcome the extension of powers of arrest to all offences, but we must define limits to that, of course. I have great concerns about citizens' arrests, as will most hon. Members.

I welcome the super-warrants that will empower the police to act quickly against villains who are now much more organised and cleverer. They will give the police increased power and flexibility while the chase is on and the evidence is still available. I also welcome the police power to test for drugs at the point of arrest. The increased power for the police to take forensic evidence at the earliest possible moment must also be greatly welcomed. At a much lower level, the power to deal with incorrectly registered and uninsured vehicles is long overdue.

The powers to tackle animal rights extremists and to protect people from serious harassment are also long overdue, although I do not know why we did not simply extend the powers in the Protection from Harassment Act 1997 to do just that. That would have been a much easier way to deal with the matter, and it could have been done years ago. However, the power to remove protesters or to put onerous conditions on them, particularly as we are taking that power to deal with the problem outside Parliament now, gives me deep cause for concern. As someone said, hard cases make bad law. That is absolutely true, and we must be careful not to over-respond to the situation in front of Parliament. We must do nothing to stop fair and decent protesting in this country.

All those powers will enable us to make society safer and to bring more villains to justice—we all want to do that—but they will also enable us to establish people's innocence earlier. If we are taking evidence and testing earlier, we can establish people's innocence earlier. That must not be forgotten, and it is a very good thing. People who are innocent would not object to those powers being used on them, as that would establish their innocence.

These measures will help us to improve detection rates and therefore to increase convictions. Detection and conviction are the best ways to deter serious and organised crime. These measures will tip the scales of justice back towards the innocent victim and society, and against the serious villain. Some of the measures may offend the legal profession, but hon. Members must act in the best interests of society, not in the best interests of the Law Society—although I thank it for its excellent briefing on the Bill. It is high time we took tough action to catch and convict villains and to support the victims, especially if they have protected themselves, their families and their property against burglars, intruders and other attackers. We must also make the punishment of convicted people much tougher.

The Bill makes changes to the judicial system and increases police powers. I wait to see how Queen's evidence—plea bargaining—will be designed and work in practice. It offers clear administrative advantages, and I am not necessarily against that. I stress again, however, that when a sentence is given it must be appropriate, even after a plea bargain. We must not give slaps across the wrist to serious criminals. The punishment must be so tough that they and others are seriously deterred, and must also strongly promote and enable the rehabilitation of criminals while they are in prison. Bad people can and do reform to become good people, but not often enough under our politically correct wimpish systems of punishment.

Tough and harsh action at the start of a career in crime can and does deflect many away from crime. A constituent from Hadleigh e-mailed me yesterday to ask me to raise that with the Home Secretary. My constituent knows full well that tough action at the start of a career in crime can save not just society from crime, but the life of someone who gets involved in crime. Sadly, the Bill does not address punishment in any way. We need a Bill to do that.

We can all welcome the witness protection proposals and the improved money laundering provisions, but we must not forget low-level offences such as credit card crime and cheque fraud. Pound by pound, those crimes can feed through into serious crime and fund terrorism, on the old IRA model. I hope that SOCA will bear that in mind, especially while we suffer from the threat of terrorism, which on the international scale is largely from Muslim sources—and although that is a fact, I might be at risk under the religious hate crime provisions for saying it. That would be wrong.

The religious incitement measures will damage freedom of expression and religious liberty. They will prevent fair comment about religious beliefs and cults and enable them to silence their critics. Some cults are off the wall, some are downright nasty, some are dangerous and some are just silly—we have heard about the Jedi knights twice already, I think. Some cults are corrosive to society, especially Christian society, which is still broadly the society that we enjoy in this country—and I do not want anyone ever to be at risk of being prosecuted for saying that.

The law will be brought into disrepute by this measure. The Attorney-General and the courts will find it impossible to interpret the proposals consistently. How will we select a jury to deliberate on such charges? Will the jurors' religion be taken into account when the jury is formed? What relevance would that have to the decision that they made, depending on whose religious beliefs were being offended?

The Bill could even prevent comedians from poking fun at religions. It is a measure of how civilised we are that we can tolerate and withstand fun, jokes, jibes and criticism. The Bill is a move backwards to a less tolerant society. I can just imagine the thought police dragging Dawn French, under arrest and in handcuffs, off to prison after a particularly challenging episode of "The Vicar of Dibley"—*[Interruption.]* It might take several

[Bob Spink]

police to do that job, but where would the outrageous alternative comic stand in the face of the Bill, and who would like to see Billy Connolly thrown in jail?

Mr. Weir: Yes.

Bob Spink: I see a few nods around the Chamber, but I think that that would be a bad move.

The incitement to religious hatred proposal of 2001 provoked widespread criticism from many groups—not only Christians, but Muslims, atheists, humanists and gay rights activists. After two defeats in the other place, the Government dropped their proposals—yet another example of the other place doing a better job for the country than we are able to do in this House now. No wonder the Prime Minister wants to destroy the other place.

Existing criminal law already protects religious believers from criminal acts or incitement to commit such acts. We already have protection against religiously aggravated offences under legislation of 2001. It provided increased safeguards and much tougher sentences where a religiously provoked crime was committed. At the moment, the Crown Prosecution Service is monitoring 70 or 80 religiously aggravated cases, so it is working well. As I said, the laws to provide protection are already in place.

The new proposal is a step too far. It will prevent good organisations from fighting for human rights freedoms and religious freedoms around the world. I deal weekly, if not daily, with such matters, with the help of the great campaigner, Wilfred Wong. In Westminster Hall tomorrow, if I can catch the eye of whoever is in the Chair, I hope to speak up for Christians in Iraq. The Christian Institute does excellent work, dealing with cases of individuals who are mistreated because of their beliefs, but that clause in the Bill could prevent it from doing its job in the future.

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): Will the hon. Gentleman please explain how a prohibition of religious hatred against people—equivalent to the present prohibition of inciting racial hatred—that protects Jews on the basis of their faith, would stop the quite proper activities that he is describing on the part of Christian organisations? I think that the hon. Gentleman is misled, and he has not explained how the consequences that he fears will be brought about under the Bill.

Bob Spink: The Christian Institute certainly believes that there are dangers in the Bill as drafted. It is worried, for example, about dealing with the actions that Muslims sometimes take against people who convert from Islam to Christianity, in case that is regarded as incitement to religious hatred. That is the point. If the Minister believes that the Bill should go further than the current protection that the law provides against incitement to violence or any criminal acts, perhaps she will explain why she believes that it is necessary.

Fiona Mactaggart: Present law protects people not only against incitement to violence, but against incitement to racial hatred. The courts decided that two religious groups, the Jews and Sikhs, were covered by that protection, though it has to be said that that law has not stopped some of our comedians from making pretty florid racist jokes, so the hon. Gentleman's charge that humour would be silenced seems ill founded. Currently, only Jews and Sikhs are protected against incitement to hatred on the basis of their faith; Christians and Muslims are not protected in that way, and they deserve the same protection.

Bob Spink: It is my belief that the current law provides protection to anyone in this country, whatever their race or religion, from incitement to commit criminal acts. Is that not a fact?

Fiona Mactaggart: For the last time, it is true that the law protects people against incitement to commit a criminal act, and it also provides further protection against incitement to racial hatred. In a secretly filmed documentary, the British National party leader, Nick Griffin, said that he could not say the things that he said about Muslims about black people, because that would contravene the law on incitement to racial hatred, but he could say them about Muslims, because that was not illegal.

Bob Spink: The Minister makes my case for me. She says that people are protected from incitement to criminal acts, so why do we need this law?

Fiona Mactaggart: Hating people on the basis of their race is not a criminal act; inciting someone to hate people on the basis of their race is.

Bob Spink: The Minister makes my point for me.

I shall move on. We must be free to tell the truth to expose human rights abuses, and others must have the right to criticise us for what we do and how we do it. In any event, the religious hatred proposal is technically flawed. Paragraph 3 of schedule 10 does not even define what constitutes a religious belief or a lack of religious belief. Everyone, from atheists to animists and from humanists to Hindus, has cause to worry about the uncertainty within the proposals. Only lawyers are celebrating the Bill, because they will benefit greatly in wealth and in work from its great uncertainties.

As Matthew Parris pointed out in *The Times*:

"Glenn Hoddle's remark that the disabled may be being punished for sin in a former life was silly, but should it be criminal? It's a point of view. A few hundred million adherents to reincarnationalist faiths hold it. May I not mock the fallacy of reincarnationism? The new law will lead to trouble and confusion. Leave it alone, Mr. Blunkett."

Chris Bryant: Is it not ironic that the same journalist argued that Buttiglione should not remain as a commissioner, because of his views? At one moment Matthew Parris wants tolerance; at another, he does not.

Bob Spink: The hon. Gentleman has made his point—no doubt he will meet Matthew Parris in the newspapers on that issue. Some people think that Matthew Parris should be locked up. I do not happen to think so, but surely he should not be at risk of being locked up for

expressing his opinion about somebody's belief. Incidentally, Glenn Hoddle was today appointed the manager of Wolverhampton Wanderers, and we all wish him well.

Let us examine the Australian law on religious vilification, dating from 2001. On 9 November, *The Times* law page revealed that two Christian pastors were being prosecuted for criticising Islam by drawing attention to the teachings of the Koran and questioning Islam's compatibility with western democracy. Those pastors read out quotations from the Koran at a seminar, and were reported to the Islamic Council of Victoria, which took the case to court. The court sat for three days, and the case ran for almost eight months. Indeed, it may still be running—no doubt Matthew Parris will tell us tomorrow. On the back of that case, however, another similar case has been launched. That is, of course, nonsense, which we do not need in this country. We should not corrupt a good Bill with an ill-thought-out measure. The religious hatred provision should be dropped.

Finally, the Law Society's excellent briefing on the Queen's Speech states:

> "The Government's aim is to strengthen the link between the police and the community, increase the accountability and responsiveness of the police service and build the confidence and awareness of the community."

I agree with those words, but the trouble is that they are only words. To our cost, we know that the Government are all talk and no action, and it is by their actions that we shall know them. How will they act to improve the 999 call service, which has become a joke in many areas? When will they stop closing our police stations and making them part-time? In Castle Point we now have only two, part-time, police stations—one in Benfleet and one on Canvey Island. I want those to remain open, and open for longer if possible. Canvey Island police station was closed at one stage last year; I fought to get it reopened, with the help of the excellent Councillor Ray Howard, and we succeeded. We want to ensure that both police stations stay open.

In Castle Point we are lucky to have a very good police force with dedicated professional constables and officers and excellent leadership from Chief Superintendent John Mauger. Local detection rates are increasing; our local crime levels, having risen for some time, are falling; and our dedicated and tough antisocial behaviour order team has made a great start, with some 35 arrests in recent weeks. We now have in place six or so ASBOs, which have dramatically reduced street crime. I welcome the measures in the Bill to extend ASBO powers and to give triggers to local councillors, but we need to take much tougher action when ASBOs are breached if they are not to fall into disrepute. The Government must deal with that problem.

I congratulate our local police. They need more help, not less, but the Government gave them a rise of only a 3.75 per cent. this year, although they needed 5.75 per cent.—an additional £2 million—simply to stand still. They must get that if they are to make use of the powers in the Bill.

Mr. McWalter: Does the hon. Gentleman agree that although the current penalties for breaching ASBOs are quite severe, the probability of someone who does so having those penalties visited on them is too low? The problem is not the sentence, but the probability of its being applied.

Bob Spink: The hon. Gentleman speaks wisely; he is absolutely right. The courts are not taking breaches of ASBOs seriously enough. I can cite a specific case. A police team in my constituency did 120 hours' work to bring a case involving a very serious breach of an ASBO, but the person concerned got only 20 hours' community service. That is complete nonsense. ASBOs will be brought into disrepute if the courts do not take appropriate action.

Labour is targeting Castle Point for 4,000 more houses, but reducing our police funding in real terms. It is also targeting Castle Point as a seat that it wants to win in the general election. It will be judged, as I will, on actions, hard work and commitment to local people. I am very happy to submit myself to them, and I think that they will speak for me at the next election.

4.37 pm

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): It is a pleasure to follow the hon. Member for Castle Point (Bob Spink), particularly since the vast majority of his speech was taken up with the virtues of the Bill. Given that he welcomes its overall drift, even though he takes exception to certain provisions—as, indeed, do I—I hope that he, as well as many of his hon. Friends, will vote for its Second Reading.

In some ways, the Bill seeks to combat a "Dixon of Dock Green" approach to policing and crime. Huge numbers of people in our society would find that approach amusing and easily avoided when they contemplate nefarious behaviour.

The Bill brings together several agencies in order to take serious crime really seriously. That is welcome. As we have heard, it includes provisions relating to people who have been caught up in illegal immigration and are effectively imprisoned in brothels. Having come from another country, they are forced to perform sexual acts for their miserable living.

I recently graduated from the police service parliamentary scheme, and during my time with it we carried out a joint raid on one such house. There was an extremely young girl there—she could only have been about 14—who had been taken from Thailand and placed in the house. When the police arrived, she was overcome with joy that she had been rescued from her desperate servitude. When she was told that she would be on a plane the very next morning and that she was to be reunited with her family, she was ecstatic. She cried tears of joy at being liberated from her miserable circumstances.

That was a joint operation between the immigration service and the police service, but I had a sense that it was partly a show being put on for me as a Member of Parliament. I felt that such joint operations were not conducted frequently enough, and that the barriers between the operational systems of the two services seemed to be sufficiently high that, although that particular success was welcome, such successes were not being achieved regularly enough.

The Bill tries to link the operations of all the different services. It also tries to attack the gangs involved in those activities and the financing operations that lie

[Mr. Tony McWalter]

behind the gangs. The extension of provisions relating to the proceeds of crime is also an extremely welcome part of the Bill. I look forward to all those proposals receiving strong support.

I should like to add a footnote to an exchange that I had earlier with my hon. and learned Friend the Member for Redcar (Vera Baird) about clause 58. I queried whether, in her understanding, the clause would exempt journalists from the provisions on disclosure notices. I was worried that there was no explicit reference to journalists in the clause and, having taken other advice, I am still not clear about that. I know that the explanatory notes to the Bill say that the intention is to ensure that journalists cannot be subject to those processes, but I am not sure whether the wording of the Bill has quite achieved that purpose. If I am selected to serve on the Committee, I shall look forward to working out a way of making it more explicit that a clear exemption for journalists exists in this regard.

Like most hon. Members, including the hon. Member for Castle Point (Bob Spink) and my hon. Friend the Member for Pendle (Mr. Prentice), I remain as entirely unconvinced by the provisions governing incitement to religious hatred as I was when these matters last came before us. I voted against them at that time. I suppose that, if that debars me from serving on the Committee, I shall not have the opportunity to raise the issue at that stage, but I give notice to the Whips and the Minister that I fully intend to raise it on Report, if that is the earliest opportunity I have to do so.

A number of fundamental matters are at issue concerning the kind of country that we have and the kind of provisions that we make to manage the extraordinary diversity of views within it. People have suggested that we are simply extending to Muslims and Christians provision that is already available for Sikhs and Jews, but that is not what the Bill says. It says some specific things about those of some religion, or indeed none. Anybody expressing a creed is to be protected from other people inciting others to hatred of those people who are held to be professors of that creed.

A good thing about creeds—a bad thing about them, perhaps—is that people who say what they believe in have a positive agenda on their values, the kind of society they wish our society to be, the kind of person they want to be, the kind of families they think are the best structured and so on. They profess a range of positive things.

Let us consider certain aspects of a creed. For example, it is etched strongly into Britain that all people should have the right to develop and subscribe to whatever creed they want. The hon. Member for Aldridge-Brownhills (Mr. Shepherd) claimed that Labour Members have, apparently, no sense of history and he quoted a bit of history to illustrate his credentials. The truth is that the notion that everybody has the right to profess their creed is strongly etched into our constitution, courtesy of the work of John Locke in his essay "A Letter Concerning Toleration" and in "The Second Treatise of Civil Government" of 1689, which consolidated a view of our society that was put in place by the so-called Glorious Revolution.

Chris Bryant: If that was all established at such an early date, how come the Catholic emancipation Act did not happen until 1829?

Mr. McWalter: My hon. Friend raises a good point. Interestingly, even at that stage, "A Letter Concerning Toleration", which is in many ways a foundation of our society's view on what is to be accepted, stopped short of tolerating Catholics. It did so because although the principle behind Locke's thinking was that we must never seek to criminalise what someone thinks, we can criminalise what someone overtly does.

At that stage, as my hon. Friend knows, some held the strong view that those who went to a Catholic mass were showing deference to a foreign power. That foreign power was in conflict with the monarch. Hence, there was a sense in which someone who professed such a view might, by that act as opposed to what they thought, be deemed to be acting treasonably.

I have mentioned that a creed has a positive agenda, but most creeds also have not simply a set of positives—lights by which one might live one's life—but a theory about where darkness lies. That involves the things that are deemed by that creed to be opposed to it, odious or even worthy of there being visited on those who profess those beliefs a sentence of death, or perhaps eternal death, which is damnation. That is the dark side of creed.

Historically—I do not have to go to Darth Vader for my religions—if we consider the rise of Protestantism, we see that Calvinism professed many of the same positive aspects as Lutheranism. What was etched much more clearly into its fabric, however, was a theory about how odious, contemptible and disgusting the Catholic faith was. That was not merely in words in Calvinistic articles. As the hon. Member for Castle Point said, such beliefs can sometimes be corrosive of society, and Calvinism was constitutive of the society and character of Switzerland in the 16th century and later.

Mr. John Hayes (South Holland and The Deepings) (Con): The hon. Gentleman is making an interesting contribution to the debate. He talks about the dark side of creeds, but is he not really talking about the nature of tolerance? Tolerance is not indivisible. We exercise tolerance in the context of a wider range of ethical considerations. Of course we do not tolerate cruelty, wickedness or hatred. He is not talking about creeds so much as the nature of the human condition, in all its imperfection.

Mr. McWalter: I thank the hon. Gentleman for his intervention. First, there is a small distinction between toleration and tolerance. One of the things that got built into our system was toleration. That was saying not that every creed had the same value—clearly, some creeds had better value than others—but that we would at least not seek to gainsay the practices of those who profess other ideas.

The crucial point is that a kind of anodised version of religion characterises the Government's view both in this debate and the previous debate. That anodised view

thinks only about religions in terms of the light side—in terms of what they enjoin positively and the extent to which families, cultures and people are bound together by that set of beliefs. That is why we want to tolerate different belief systems—people have the right to conduct their lives in that way. We must be vigilant, however, about the extent to which people sometimes profess creeds that express deep, vengeful and murderous intolerance. Sixteenth-century Calvinism was such a belief. Incidentally, I do not know the extent to which these remarks will be seen as negative by large numbers of my constituents. It was such a belief, however, and from what little I know about it now, it may still be.

One of the reasons why Calvinism was such a vengeful and murderous creed, and why its state wished to extirpate anyone who did not profess it, was that there had been a Catholic inquisition 40 years before. Calvinists therefore saw the people whom they were vilifying as destroying the lives of dissenters. Some might say that their extreme hostility to Catholicism, which is etched into Calvin's work, had the justification of those earlier events.

Within the notion of a creed, we have a right to be vigilant about whether there are people in our society who profess a creed that has a capacity for an intense negative and dark side.

I think that, as leaders of the nation, we owe it to the nation to be vigilant. We are the custodians of John Locke's views, although they were expressed imperfectly at the time. My right hon. Friend the Member for Rother Valley (Mr. Barron) was right about that. We are the custodians of that tradition, and it is right for us to be vigilant in ensuring that the beliefs people express do not go beyond the bounds of what is acceptable to society.

Mr. Hayes: The conflict, or at least contrast, between dark and light that the hon. Gentleman is describing lies at the heart of almost every major religion. Nearly every religion I can think of—although this may not be true of all of them—marks a journey from darkness to light, and redemption depends on that journey. Surely legislating against that would fly in the face of all the principal faiths in the country.

Mr. McWalter: I am not suggesting that we should legislate against it. I am saying that it is right for a society to be vigilant—in its education system, for instance—about making people aware of some of the beliefs to which they subscribe. If people emerge from our education system with an anodised version of religion, that may not do the history of religion much justice. Ideas, creeds and beliefs are forces for good, for integration and the structuring of decent life, but they can also be forces of destruction, capable of exerting pressure on people to behave in all sorts of unacceptable ways.

I have a particular reason for raising this issue: 3 per cent. of my constituents are Muslim. I have met them on the doorstep and elsewhere, and I am particularly concerned about some of the younger adherents to their creed—and, indeed, younger adherents to other creeds as well. They often express their views in a particularly harsh and stark way. Perhaps as we get older we start to become more mellow, and less inclined to see those who are not with us as being against us; but some of the views expressed by some of my more excitable Muslim constituents give me cause for concern. Opinions on the status of heretics and, in particular, the status of apostates who turn against the religion into which they were born are expressed very crudely by some younger Muslims, and could easily get them into trouble. I agree with the Islamic Human Rights Commission, which fears that their religion could well be used against Muslim communities. Muslim representatives themselves express contrasting views, but the evidence I have seen strongly suggests that that could happen.

Many other people also profess their beliefs very stridently. It is much easier to hear about what and whom they dislike and hate than about what their positive message might be. I agree with my hon. Friend the Member for Pendle that the proposal in the Bill is well-intentioned, that we all know that it would not be there if the British National party had not decided to attack Muslims rather than, say, people who are black. That is the origin of this measure, which will factor in this anodised version of religion. If there are still Calvinists of the sort that I mentioned, or even Torquemada Catholics, it will be impossible for us to say, "Those people have a creed that is hateful, and we must do what we can to ensure that it is extinguished."

Andrew Selous: Does the hon. Gentleman agree that we currently have a law that protects Muslims, but not one that protects Islam? The two are different.

Mr. McWalter: Members of any religion are much more likely to take offence than those who hold less strong views. Most people in our society are fairly ignorant of such matters, myself included. I do not know enough about Sikhism to be able to delineate its dark side. But through education, we perhaps manage to convince all people that they should try to look honestly at their beliefs, reflect on them and see whether they have a tendency to conduce to bad behaviour in certain circumstances in a multiracial, multi-religious society. That is one of our society's values, and we bring it to those of different religious persuasions.

It is unlikely that the Government will rein back on this provision, but I reiterate what I said at the beginning of this short speech— *[Interruption.]* It is not so short now. This is a good Bill that contains lots of valuable things, but schedule 10 is not of value and I hope that the Government will resile from pushing it through on Report and Third Reading.

5.2 pm

Mr. Michael Weir (Angus) (SNP): On listening to the hon. Member for Hemel Hempstead (Mr. McWalter) go on at length about the dark side, it struck me that the hon. Member for Pendle (Mr. Prentice) perhaps had a point in mentioning the Jedi knights. He will doubtless now have a huge mailbag from obsessive science fiction fans, explaining the true place of Darth Vader in the Jedi religion. Fortunately or otherwise, the part of the Bill in question does not apply to Scotland, so I shall quietly side-step this issue, leave it to the Scottish Parliament to deal with its own version of that provision, and address instead the nitty-gritty issues relating to the Serious Organised Crime Agency.

[Mr. Michael Weir]

I should say at the outset that we in the Scottish National party and Plaid Cymru acknowledge that there is merit in the idea of cross-border co-operation in dealing with serious organised crime. We are not opposed to the Bill and we recognise the need for an organisation such as SOCA, but we have some serious reservations about the detail and, so far as the SNP is concerned, particular aspects relating to Scotland. SOCA's creation is a further indication of a move away from crime fighting on the ground and towards a more intelligence-led system. The hon. Member for Hemel Hempstead spoke of the "Dixon of Dock Green" approach, but there is a balance to be struck between such a traditional approach and a completely technological one. I fully appreciate that a great deal of intelligence information is required to deal with organised crime successfully, but it is also essential to have people on the ground.

SOCA will deal with many of the aspects of organised crime previously dealt with by Customs and Excise, which has moved toward intelligence-led operations. The Scottish Affairs Committee, of which I am a member, examined the operation of the Customs service in Scotland, and it is fair to say that we were less than impressed with the impact of this intelligence-led service. Many of our smaller ports do not have adequate Customs cover, and there is some evidence that many of those involved in the drugs trade regard the smaller ports as an easy route to getting illegal drugs into the UK. I suspect that that is increasingly true of people smuggling and other organised crime activities.

I refer the Under-Secretary to the final paragraph of the fourth report by the Scottish Affairs Committee:

"We support an intelligence-led Customs service, but not at the expense of all else. Accordingly, we recommend that HMCE should seek to supplement its approach to law enforcement in Scotland by increasing the number of occasions on which staff are on duty at strategic points. An important weapon in the fight against contraband should involve the strategy of anticipating likely avenues which traffickers might seek to explore next and putting into place appropriate procedures to deter them. We believe that prevention is better than cure. A frequent high profile Customs presence should be apparent in parts of Scotland where discernible risks of smuggling activity can be demonstrated."

Those concerns remain, and they probably apply to other parts of the UK. Indeed, the hon. Member for Castle Point (Bob Spink) made a similar point about his constituency. If SOCA is to be truly successful in defeating trafficking and other obnoxious organised crime, it must have sufficient officers on the ground throughout the UK, and should not rely entirely on remote intelligence. This morning, Sir Stephen Lander, the designated head of SOCA, noted on the "Today" programme that much organised crime in the UK originates abroad, so points of entry into the UK would be of essential interest to the agency. At many smaller ports, however, there is not even a fisheries protection officer, let alone a representative from Customs and Excise, so many of them could be used as points of entry for the import of illegal substances and for other obnoxious trades.

The Public and Commercial Services Union has expressed concern about the resourcing of SOCA, as there appears to be little new money to set up the agency, which is expected to be cost-neutral in its first two years. Are cuts in other crime fighting agencies inevitable if it is to be fully financed? The concern expressed by the Scottish Affairs Committee comes into even sharper focus, as there is likely to be a reduction in the provision for many remote and rural areas. If smaller-scale drug smuggling is not deemed a sufficiently serious problem, it could be overlooked. SOCA's objective should be to stop the drugs trade and other such activities, not shift the focus on to larger operators.

In preparing for our debate, I asked a parliamentary question to ascertain how many Customs officers were employed in Scotland. I was told:

"HM Customs and Excise has 85 Law Enforcement investigation staff based in Scotland including two officers seconded to the Crown Office, Financial Crime Unit and Civil Recovery Unit to support the Lord Advocate's Proceeds of Crime Act strategy."—[*Official Report*, 30 November 2004; Vol. 428, c. 89W.]

I would be grateful if the Minister clarified SOCA's intentions regarding the number of staff to be based in Scotland. Presumably, some Customs officers would be transferred or seconded, but how many officers will undertake other SOCA duties in Scotland?

We are concerned about the annual plan and strategic priorities that are to be set by the Home Secretary. Under the Bill, he is required to consult Scottish Ministers, but it is not clear what will happen if they disagree. Scottish Ministers do not have the power to veto the way in which the agency operates in Scotland. Indeed, there is confusion about the Home Secretary's role in relation to the operation of SOCA in Scotland. Under clauses 8 and 9, which deal with the annual plan and strategic priorities, he must consult, but under clause 24, which deals with the power to give direction to a police authority, he must secure the agreement of Scottish Ministers. If the Home Secretary can set SOCA's priorities, effectively he has the power to give direction to police authorities, irrespective of clause 24. Will the Under-Secretary clarify that that is the case, and that by using those powers the Home Secretary will have the right to direct the operation of police in Scotland, at least within the ambit of SOCA's investigations? If that interpretation is correct, it is unacceptable and I shall seek a strengthening of the power of the Scottish Minister so that there is more than consultation. As perhaps envisaged in clause 24, there should be agreement on the operation of SOCA in Scotland, as crime is a devolved matter. I am surprised that Scottish Ministers did not insist on that. The same applies to the code of practice in clause 11, where again there is only a requirement to consult.

On the Bill more generally, there appears to be a lack of a clear definition of serious organised crime. The original White Paper provided a definition, albeit a somewhat woolly one. It could be argued that one would know serious organised crime when one saw it, but that might not necessarily be so, especially at the outset of an investigation. There seems to be no brake on what the Home Secretary decides is serious organised crime. There has already been discussion today about Travellers, for example. One hon. Member spoke about computer viruses, which may be organised crime if used, for example, to undermine computer systems for the purpose of stealing money, although that may not be the work of a single hacker. Another hon. Member assumed that paedophilia would not be within the scope

of the Bill, but the activities of such rings—on the internet, for example—could be defined as serious organised crime. Some effort must be made to decide what serious organised crime is.

Given the absence of a definition and the fact that the Home Secretary can determine priorities, there is no long-term plan for the agency. That is fundamental to dealing with serious organised crime, however it is eventually defined. As the Bill is drafted, the agency could be subject to changing political priorities as Governments change.

From a Scottish perspective, the greatest concern relates to operational matters in clauses 23 to 25. Clauses 24 and 25 in particular cause us severe problems, as they relate to officers being seconded from police forces to SOCA, and vice versa. The most serious difficulty is that a civilian member of SOCA with no training in or understanding of Scots law and procedure could act with the powers of a police constable in Scotland. That raises serious questions not only about undermining police forces, but about the potentially disastrous consequences of not acting in accordance with Scots law or procedure, which could allow those caught in a SOCA investigation to get off on a technicality.

I raised the matter earlier in an intervention, but in his usual manner the Home Secretary brushed it off as not being of any great importance. He mentioned that officers had operated successfully with the French authorities on immigration. That may well be true, but I am sure they did not act independently of the French authorities on French soil, which effectively could happen in the agency. It is not a trivial or purely legalistic point. If the proper procedures are not carried out, there could be serious consequences for the whole investigation. After the investigation and charge stage, the Lord Advocate and the Procurator Fiscal Service in Scotland take over the case and it would go through the Scottish procedure thereafter, so there is the potential for huge difficulty.

It would be unacceptable if SOCA could authorise any officer in its employment to operate with the powers of a police constable in Scotland without any knowledge of the difference between English and Scots law and procedure. I urge the Minister to reconsider the provision and ensure that proper training is provided. I accept that it might be necessary for a SOCA officer from south of the border to be seconded to an investigation in Scotland, but only with proper training.

Interestingly, the Police Federation of England and Wales also raised concerns about the clause, from the opposite point of view, arguing that if a police officer transfers to SOCA, he could lose his status as an officer of the Crown. That problem has also been raised before, and deserves more consideration.

The Law Society of Scotland has raised another point in relation to clause 46, which deals with the assault and obstruction of SOCA officers. There appears to be a discrepancy that could result in there being a variation in the maximum sentence for that crime. The society says that the maximum sentence that can be imposed in Scotland under the clause is 12 months in prison, but that the maximum for the analogous crime under section 41 of the Police (Scotland) Act 2002 is nine months.

The maximum sentence possible for assaulting police officers or other emergency workers under the new Emergency Workers (Scotland) Bill, which is currently before the Scottish Parliament, is also nine months. It would seem illogical to have different sentences for the same crime. I appreciate that the Scottish Parliament might want to consider increasing the maximum sentence that it allows, rather than the other way around, and that that would probably be the best way to deal with the problem.

As the hon. and learned Member for Redcar (Vera Baird) noted earlier, the PCS union has raised concerns about the resources available to SOCA to employ its own staff at competitive terms and conditions. If staff are to be seconded from other departments on better terms and conditions than those available to full-time SOCA staff—and given that staff may be coming from various agencies, there is a clear danger that that might happen—and if they are doing the same work, that could create a two-tier work force and all the resentment and problems that go with that. If SOCA is to be the success that we all want it to be, it must be properly resourced to avoid those problems.

In conclusion, I repeat that we support SOCA in principle and can see the logic behind it. It will have an important part to play in dealing with organised crime which, by its very nature, tends to be cross-border. However, there are serious concerns about the aspects of the Bill that I have mentioned. I hope that the Minister will take some of them on board. We do not oppose the measure and hope to see SOCA in operation, but we hope that Scots law and procedure are properly protected in the final version of the Bill.

5.17 pm

Chris Bryant (Rhondda) (Lab): This has been a fascinating debate. I feel that I have never learned so much in a speech, short or long, as I did when I listened to the contribution about the dark side from my hon. Friend the Member for Hemel Hempstead (Mr. McWalter).

I welcome the Bill, in the broadest sense. I suspect that it contains many provisions on which most hon. Members will be able to agree when the time comes to vote. I shall say something about two particular measures, and then touch on the issue that has exercised so many contributors to the debate this afternoon—the incitement to religious hatred.

First, I welcome the provisions in respect of uninsured drivers and the powers that the police will have to take their cars away. Clause 131 amends the Road Traffic Act 1988. On June 10, I parked my car in Clydach vale while I waited to drive people to the polling station. Unfortunately, somebody drove into the side of my car. I was stationary at the time and it took three months before we discovered that the other driver was uninsured. I am therefore as aware as anyone else of the hassle that is caused to innocent drivers, and of the problems that arise in terms of increased premiums in subsequent years. The problem of uninsured drivers affects an increasing number of people, and the Bill will go some way to helping with that.However, in none of the Bills presented by the Government this autumn is there any measure to ensure that cars are insured. That

[Chris Bryant]

problem will remain as long as we ensure only that a car is insured on the single day that it takes to tax it. I hope that the Government will bear in mind the campaign undertaken by many hon. Members to ensure that all cars are insured.

Some redrafting may be required, however. According to clause 131, the constable is allowed to stop a car and demand insurance details under section 165 of the Road Traffic Act 1988. However, clause 131(5) states:

"If the constable is unable to seize the vehicle immediately because the person driving the vehicle has failed to stop as requested or has driven off, he may seize it at any time within the period of 24 hours beginning with the time at which the conditions in subsection (1) or (2) are first met."

My hon. Friend the Minister may wish to reflect that it might be difficult for a police constable to ask the driver of a car for the required information if the car has not stopped. It may be necessary to redraft that provision. In any event, I welcome the intent.

I also welcome the provisions on fireworks, which will tighten up legislation on which we started work last year. I know that many of my constituents have been relieved that this year has been a better year than last in terms of the number of youngsters carrying fireworks around and of fireworks being thrown in the streets, because we have tightened up the law on the sale of fireworks. However, clause 106 is welcome because it will give the police power to stop and search under-18s who might be in possession of a firework in a public place, as well as adults who are not firework professionals but who might be carrying category 4 fireworks, which are demonstration fireworks and—to all intents and purposes—are not much different from a bomb. That provision is welcome and I know that my constituents will be grateful.

While listening to some of the debate this afternoon on the provisions on incitement to religious hatred, I have felt that some of the arguments posed have been overstated and hyperbolic. Some hon. Members have created Aunt Sallies, suggesting that the legislation will do something that it patently is not intended to do nor has any likelihood of doing. It is a question of righting a simple injustice. Public order legislation already provides for the prevention of incitement to racial hatred. As has already been explained this afternoon, the courts have determined that that applies to Jews and Sikhs, for whom their ethnicity and their faith are intimately connected. In fact, that is true for many people of many different faiths. Many of those who are brought up as Catholics remain cultural Catholics whether they maintain that faith or renounce it. Even those who have become "notorious apostates", in the words of the Catholic Church, are none the less Catholics. Many people in Northern Ireland and other areas of the country with a serious sectarian divide will know that it is difficult to differentiate somebody's faith from their personal circumstances.

Those who have argued this afternoon that faith is always a choice are wrong both in fact and in Christian doctrine, which has always described faith as a gift, not a choice. The other reason it is important to right the injustice—that Jews, Sikhs and others are protected from hatred, but Muslims are not—is because there is significant Islamophobia in this land.

Mr. McWalter: On the theological point that my hon. Friend has raised, it should be borne in mind that faith is a gift offered that one has the right to reject or accept through the exercise of free will. It is still a choice.

Chris Bryant: My hon. Friend entices me into an area of theological debate in which the hon. Member for Wycombe (Mr. Goodman) and others might wish to participate. We might talk about prevenient grace and double predestination, to which my hon. Friend effectively referred when he mentioned Calvinism. However, now is probably not the time to debate such issues as you might call me to order, Mr. Deputy Speaker.

Islamophobia is a serious issue that affects many communities, not only those with a large congregation of Muslims, in cities such as Bradford or in the east end of London, but those with small numbers of Muslims. Where there are only two or three Muslims in a community, they can often feel far more isolated and can be subject to quite sustained personal vilification and harassment on the basis partly of their colour, but often, too, of their religion. This country should not countenance that. Far from the accusation that the clause will be intolerant towards religious expression, I believe it to be a statement of Britain's inclusiveness and its acceptance and toleration of different faiths.

Islamophobia is sometimes deliberate and sometimes casual. It is a great shame that so few people in this country understand the basic tenets of Islam. Remarkably few of us, even in the House, properly understand what jihad is. We completely fail to understand it when we describe it as a crusade; the concept is very different from that.

It is a shame that most religious studies courses in our universities are entirely confessional and vocational, for all sorts of historical reasons. I am an external adviser for the Oxford MA degree in theology and it saddens me that, for that degree, although one can study many of the Calvinist teachers of the 18th, 19th and 20th centuries, one is still unable to study many of the great Jewish or Islamic teachers. Only when we can turn that around will we have a chance of understanding Islam properly and of binding that community fully into the heart of British society.

We need to make a move because the existing loophole has been regularly and deliberately used by those who want to foster racial and religious unrest—those who dislike people who do not fit into their white perception of how Britain should be. I am talking primarily of the British National party but people in other organisations have deliberately used the loophole, too. Earlier, the Under-Secretary of State for the Home Department, my hon. Friend the Member for Slough (Fiona Mactaggart), referred to a BBC television programme that showed how the BNP are doing so.

Violence of any kind towards any person, whatever their religion, is obviously wrong. Setting fire to people's homes, attacking synagogues, gurdwaras or mosques, sending horrible literature or putting excrement through people's front doors because of their race or religion is

wrong and it is already covered by the law. However, while we allow a culture of hatred towards different religions to exist in this country, we enable that violence to grow in society. That is the menace I want to prevent by bringing the clause into law.

Some false arguments have been made this afternoon. We have heard much of the argument that the clause will harm freedom of religious expression, yet half the time the piece of religious expression that people seem to want to have the freedom to exercise is the freedom to hate other people. That is so distant from my understanding of any religion that I have come across that I find it rather difficult to comprehend.

As we heard when we debated this matter the first time around in 2001, there is an argument that people should have the freedom to make the Westminster confession. The Westminster confession is robust in its attack on the Roman Catholic Church or the Catholic Church—or the whore of Babylon as it is referred to in some of the documentation that was produced at the time. I agree that people should have the right to make the Westminster confession. They should have a perfect right to criticise the views of the Pope and to disagree with Cardinal Ratzinger and the congregation for the doctrine of the faith. There are large areas of theological dispute that I could have with them, but it is not a limit to freedom of expression to say that one should not incite people to hate Catholics.

Similarly, in the 19th century, when Christmas trees came into fashion in this country, many Calvinists believed that they were a terrible thing and that Britain was going back to its pagan roots as well as adopting Catholic symbols because people were celebrating Christmas. Some people may argue forcefully that all such celebration is wrong, which is fine. What is unacceptable is then to argue that those people who have Christmas trees in their windows or who celebrate Christmas are lesser people in society than anyone else and to foster hatred against those people, because out of hatred comes violence. I believe that it is perfectly possible in law to draw a distinction between incitement to religious hatred and forcefully holding a different theological position.

Another argument that has been advanced this afternoon—by some hon. Members of considerable standing in the House, so I am slightly surprised—is that there is no need to prove the intent to incite religious hatred and that that goes a step further than the Public Order Act 1986. In fact, that Act contains no provision to prove intent to incite racial hatred. The provision relates to intent, to provoking a breach of the peace or to the likelihood of such a breach of the peace being created. There is an exact parallel with incitement to religious hatred.

The shadow Home Secretary said in a rather curious speech, which ended extremely abruptly, that the United Kingdom had always been tolerant of other religions. That is profoundly untrue. We do not need to take a great lesson in the religious history of the United Kingdom to know that the Jews in York and in many other parts of this country, such as the east end of London, have suffered serious attacks throughout the centuries. The United State of America was founded in large measure on the back of religious dissidents who left this country because they found it intolerant.

Mr. Andrew Mitchell: Nevertheless, the hon. Gentleman does my right hon. Friend the Member for Haltemprice and Howden (David Davis) an injustice in that he was making the point that, unlike most European countries that sadly experienced conflict through religious wars, this country has generally avoided them.

Chris Bryant: This country has avoided religious wars, but we are straying again into the area of history. Many Catholics left this country at one point because they were fearful for their lives and many Protestants left when there was a change of dispensation—hence, not so much the vicar of Dibley, but the vicar of Bray, who changed his view on bishops according to whichever King came to power.

Mr. Mitchell: Nevertheless, the important point and the flaw in the hon. Gentleman's argument is that, although the vicar of Bray may have changed his religion, he did not lose his head.

Chris Bryant: There seemed to be a slight sigh in the House then and there is a slight sigh in my heart at being enticed further down that route, although I admit that I started it off.

Mr. Heath: I shall entice the hon. Gentleman down a different route. He is making an interesting speech in defence of the Home Secretary's proposals and many hon. Members share a lot of the concerns that he has expressed, but we still retain a nervousness about the way that the law will work in practice. I wonder whether he will comment on something. I do not expect a plethora of prosecutions because they must be agreed by the Attorney-General. Indeed, there have been few prosecutions for incitement to racial hatred. However, there will be an awful lot of complaints to the police and investigating authorities about people who are simply exercising their right to profess their faith. That will cause a great deal of unhappiness, discomfort and useless activity by Christian groups and many others.

Chris Bryant: I am grateful to the hon. Gentleman for moving me on to a different tack. I suspect that there will be remarkably few complaints, unless some of the hon. Members who spoke today are suddenly going to declare themselves. Once the few vexatious cases that are brought in the first months are dealt with robustly, we will have seen off the problem. I honestly do not believe that the measure is likely to produce a plethora of complaints over a long time. In fact, the gain to be had from being able to say to the British Muslim community that it is considered to be a resident part of our community, with the same protections under the law as other racial and faith groups, represents a significant benefit to all our society.

I am aware that Rowan Atkinson has advanced a counter-argument. I think he once played the Bishop of Bath and Wells in "Blackadder", and he has always been interested in religion as a ripe source of comedy. I remember watching the hilarious moment when many

[Chris Bryant]

Muslims were shown bowing down to pray and someone said, "The Ayatollah Khomeini has lost his contact lens." Rowan Atkinson said yesterday that it was important that he should not be prevented from cracking that kind of joke. Similarly, I remember Robert Runcie and David Jenkins being heartily lampooned in "Spitting Image". I knew David Jenkins at the time, and he enormously enjoyed the idea of having achieved such prominence. It may be that Anglicans are used to being lampooned because we have had centuries of it.

The truth of the matter is that I do not believe for a single instance that anybody is likely to use the Bill to prevent comedians from cracking decent jokes or from satirising, lampooning or holding up for jolly abuse clerics of any particular religion. The spiritual pride and hubris shown by any cleric who chose to use the Bill to prevent the mickey being taken out of him would be his undoing. The argument of those who think that we will lose the ability to satirise religion is overblown and misplaced. For that matter, I do not believe that theological disputes will come to an end just because we have instituted a law on incitement to religious hatred.

Mr. McWalter: If I understand my hon. Friend correctly, he is saying that the law will justify a significant number of actions, but they will not happen in practice, so it is all right. Is that it?

Chris Bryant: No. I am grateful to my hon. Friend for giving me an opportunity to clarify my argument, which is that there is an injustice in the law. Many groups in society are protected from incitement to hatred against them, but those who are not include those of particular religions, most notably those who subscribe to the Islamic faith. They should have that injustice seen to in law. I am almost certain that some cases will be vexatious, but there will not be many of them. Once they have been dealt with robustly by the Attorney-General, it is unlikely that such vexatious cases will be brought again. If there is real incitement to religious hatred, however, the law should be used to tackle the problem, not least because Islamophobia is rife. It leads to an increasing sense of danger for many young Muslims in particular, and we should give them every protection that the law can afford.

The version of religion that I have heard today is not the version that I have grown used to, neither through my schooling in Cheltenham nor, for that matter, through my theological training at Oxford. I do not believe that all religions hold as their fundamental tenet that they are unique. Indeed, many religions expressly declare that there is truth in other religions. All three of the main world religions declare that the others have some truth in them.

It reminds me of the classic story of the Welshman from the valleys who is lost on a desert island. When he is rescued, having been there for 10 years, his rescuer says, "I see you have built two chapels. I can understand why you have built one chapel, but why build two?". The Welshman responds by saying, "It is simple. That is the chapel I go to; and that is the chapel I don't go to." It is all too easy, after the crusades and centuries of battles between different expressions of faith, to subscribe to the view that every religion is always a problem in society because it preaches hatred. I do not subscribe to the tenets of the dark side, which my hon. Friend the Member for Hemel Hempstead mentioned earlier, and I do not believe that we should be encapsulating in law what the hon. Member for North Antrim (Rev. Ian Paisley) said earlier—that he reserved his right as a Christian to hate other people.

My final point to Ministers is that although the Bill is a good measure, we could make it better by abolishing the blasphemy laws and, for that matter, by removing the Church of England's privileges in terms of its seats on the Bishops' Bench in the House of Lords.

5.41 pm

Mr. Mark Hoban (Fareham) (Con): First, I apologise for not having been in my place to hear the conclusion of the speech by my right hon. Friend the Member for Haltemprice and Howden (David Davis). It is a pleasure to follow the hon. Member for Rhondda (Chris Bryant), who made one of his typically robust defences of Government policy to the House. I would also like to highlight the speech of the hon. Member for Hemel Hempstead (Mr. McWalter). In characteristically thoughtful style and with philosophical and historical sweep, he drew attention to the issues surrounding clause 119 and schedule 10, to which I too want to speak. I suspect that when he hears my speech, he may find some pale echoes of his own thoughts.

There is much in the Bill to agree with and support. The Home Secretary described it in his peroration as a practical Bill with practical applications. Most of the Bill might meet that stricture, but I am not entirely sure that clause 119 does. I do not believe that that clause and its associated schedule are practical in their application in tackling the problem that the Home Secretary outlined.

I shall suggest a few reasons why I believe that clause 119 will not work. First, there is a great deal of confusion between race and religion. The Bill seeks to draw together religious and racial hatred in the context of the legislation that first brought the crime of inciting racial hatred into force in 1986. It is right that people of every race should receive special protection from discrimination and hatred. There comes a point, however, when certain religious groups—we have talked about the Jews and Sikhs—are regarded in case law as being ethnic groups in their own right. They receive protection, as was made clear in a particular legal case, not necessarily on account of their religion, but because of their ethnic group.

I believe that we should distinguish between people's race and their religion. To exaggerate to make a point, a person's religion is, on the whole, a matter of choice, conscience or conversion, whereas a person's race is not. Speaking as a cradle Catholic, I can happily say that there may be cultural or family reasons why someone embraces a faith, and that those reasons may change over time in accordance with the exercise of conscience, but religion remains largely a matter of choice. As the hon. Member for Hemel Hempstead said, some people reject the gift that is offered to them through their lives.

whereas some would argue, "Once a Catholic, always a Catholic"—I am not convinced that that is necessarily so, although in my case it may be.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): The hon. Gentleman has made an interesting point. Logically, is he not arguing that somebody who accepts one faith rather than another should accept a lesser degree of protection in law? I do not think that that should be the case.

Mr. Hoban: Because certain ethnic groups are categorised in relation to their religion, there is an imbalance in the protection that they receive, which is an important issue to consider and bear in mind. My concern is that the Bill will be impractical to enforce, which will not help the current situation in which people express views hostile to a range of religions. There is an imbalance in the situation, and the hon. Gentleman is right to highlight it. However, I am not sure whether the Bill will resolve that imbalance to the satisfaction of people who want to express a view, or no view at all, on religious matters.

The second problem with the provision is the definition of religion. The Bill defines religious hatred as

"hatred against a group of persons defined by reference to religious belief or lack of religious belief."

It does not protect religion per se, and it does not extend the powers of the law of blasphemy. It protects people because they subscribe to a religious belief, rather than religious belief itself.

It will fall to the courts to decide whether a religion or belief falls within the definition in the Bill. That is drawn widely and, as the explanatory notes state, it includes:

"Christianity, Islam, Hinduism, Judaism, Buddhism, Sikhism, Rastafarianism",

a range of branches within those religions, and groups defined by a lack of religious belief. There is a concern that that protection will extend to groups that express dangerous views.

I do not know how many hon. Members heard the exchange on the "Today" programme on Friday morning between the representative of a group called Catalyst, which helps people who have joined cults and who wish to leave, and a representative of an organisation called The Family, which was known as the Children of God a few years ago. The representative from Catalyst argued that some cults are dangerous, because they create problems between people and their families and because of some of the views that they express.

If one starts to go down the route of accepting cults as religions, organisations such as Catalyst may find it difficult to do their work challenging cults' beliefs and the practices that they adopt in propagating those beliefs. The issue is one of definition, and the courts will have to decide an issue—what religion actually is—that philosophers have failed to resolve over centuries. We may provide protection that should not be extended to such groups, particularly when they express dangerous views.

Religion is a matter for debate and discussion—*[Interruption.]* The hon. Member for Rhondda is itching to intervene.

Chris Bryant: I used to be a youth officer for the diocese of Peterborough, where we often dealt with youngsters who had been bruised and abused by cults in Northamptonshire. I wholly agree with the hon. Gentleman that we should not advance protection for many of the things that cults may want to do. However, to incite religious hatred against people who subscribe to a particular set of religious views is surely always wrong.

Mr. Hoban: I will address that point in a second, because I want to discuss the dividing line between religious expression, freedom and activity, and actions that might lead to incitement of religious hatred, which is the third issue about which I am concerned.

Religion is a matter for debate and discussion. A wide range of activities would constitute religious activity. Where is the line drawn in debate and discussion between free expression, fair comment, causing offence—although it would not fall within the scope of the Bill's offence of inciting religious hatred—and statements that might lead to, or be deemed to lead to, inciting religious hatred? The explanatory notes define what hatred is not—

"The offences will not encompass material that just stirs up ridicule or prejudice or causes offence"—

but do not go on to define what it is.

Let me give an example of where the issue may arise. As a practising Catholic, I am called upon to bear witness to Christ through my adherence to the values set out in the Gospel. I do not think that that is controversial or would in any way incite religious hatred. But I am also called upon to be a missionary—to evangelise by taking the Church's message out to others. If I seek to engage somebody in a debate about my faith, where do I draw the line between legitimate discussion and debate, and what some may deem an incitement to hatred? If there was a chance of converting somebody to my faith, I would stress the positive, or light, side of religion, to echo the hon. Member for Hemel Hempstead. I do not believe that I would be inciting anyone to religious hatred. If I go further than that by emphasising the negative in other faiths instead of the positive in my own, where does that take me? Where does one draw the line between discussing the negative aspects of other faiths and inciting religious hatred? I might not intend to incite hatred, but my words could be interpreted in that way.

That is where the grey area starts to appear. What activities are to be defined as inciting religious hatred or deemed possibly to be doing so? It is difficult to define what constitutes an offence under the Bill. Different people might draw in different places the very fine line between emphasising the negative aspects of somebody else's faith and moving towards inciting religious hatred.

Let me make a more practical, less theoretical point that echoes remarks made by the hon. Member for Hemel Hempstead. Some people hold the view that Catholics' loyalty to the state and to the country is compromised by their need to follow the Church's teachings, set in Rome, and that where conflicts arise between the Church's teachings and our country's accepted morality, we are meant to follow the views of Rome because they take precedence. One might

[Mr. Hoban]

characterise that as, "Rome's orders are to be followed." Most reasonable people would agree that that is a matter of religious belief and a matter for vigorous debate.

What happens if one goes beyond the theological argument about to whom one owes obedience, to discuss the consequences of those beliefs for the actions of Catholics? The Bill is to do with inciting religious hatred against people who are defined by their religion. What happens if one starts to criticise the loyalty of Catholics to the state or to the Government? What happens if the Catholic Church decides that a war that the British Government seek to prosecute is not a just war?

Chris Bryant: Like Iraq.

Mr. Hoban: In some cases, the Catholic Church gave people the opportunity to exercise their own consciences to decide whether the war in Iraq was just.

If a soldier was serving in the armed forces when the Catholic Church had said that the war was unjust and the soldier should not be fighting in it, what would happen if his colleagues started to question his loyalty, commitment, dedication and willingness to carry out orders? The Minister has suggested that that would not be inciting hatred, but it would not need to provoke hatred or to have any physical manifestation to be interpreted by some people as inciting hatred.

The further we go into this religious debate, the more strident and vitriolic the argument becomes, and the more the loyalty of people serving Queen and country is questioned, for example, the closer we get to what might be deemed a grey area. The Bill is not clear about exactly what constitutes incitement to religious hatred. Could its provisions actually set one soldier or sailor against another? We also need to be aware that if they were applied to certain groups of people engaged in religious activity, those people might be deemed to have fulfilled some of its criteria. The Bill is very quiet about what constitutes hatred. People might think that this is somewhat fanciful, but it is not that long since we heard the slogan, "Home rule is Rome rule," and some of those sentiments might still be around today.

There is also the issue of intent. In the context of the existing offence of incitement to racial hatred, "Halsbury's Law Direct" says:

> "It is merely required that the defendant should intend to stir up racial hatred by his conduct or that such hatred is likely, having regard to the circumstance, to be stirred up thereby (whether or not the defendant realised this would be likely)".

So someone could, for example, create an art work that they felt was a powerful polemic against religion, but they could be caught under the provisions of the Bill if that art work were deemed by others to incite religious hatred, even if there had been no intention to do so.

There are many grey areas involved in trying to determine how the provisions should be applied to religious activity. There is also a broader point, however. Where does this leave freedom of speech? How do we reconcile freedom of expression with laws that prevent incitement to religious hatred? Religion is a legitimate area for public debate. My concern is that, consciously or unconsciously, legislation of this nature would curb the freedom of speech. The threat of being prosecuted, of vexatious litigation or of the police being summoned to investigate a religious meeting or the activities at a stall where religious literature was being handed out, for example, could be enough to make people think again, and stop them undertaking the legitimate expression of their views.

The Home Secretary referred to the Salman Rushdie test: would Salman Rushdie's book be banned under the terms of the Bill? He was clear that it would not. However, one man's free speech might be another man's legitimate debate, or another's incitement to religious hatred. This is a matter of perception and perspective. Not everyone sees these issues from the same liberal perspective that judges them on their merits and sees them as intellectual arguments. Certain writing, for example, might be intended to provoke and stimulate debate, or even to cause offence. However, we do not all share the common starting point of that liberal perspective, and some people will seek to use this law to curb freedom of expression. Although a number of Church groups have supported this legislation, other voices have been raised in opposition to it, expressing concern about its impact on freedom of expression.

This is an important and sensitive issue that we need to consider carefully. We cannot divorce it from existing legislation on religiously aggravated crimes in terms of blasphemy. We ought to consider such legislation separately rather than as an add-on to an important Bill, so that we could have proper and full debate—not just on the Floor of the House but in Committee—on how to give proper protection both to religion and to freedom of expression.

Clause 119 and schedule 10 will not help to promote that free religious debate. I believe that they will be used to curb freedom of speech and to undermine much of what is already said in this country that represents matters of religious debate, about religions and creeds of all types.

6.1 pm

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I welcome this wide-ranging Bill. I must admit that even when I realised how wide-ranging it is, I did not think that the debate on it would encompass issues so far afield as 16th-century Calvinists and 21st-century Jedi warriors, but so be it.

It is perhaps unfortunate that much of the debate has concentrated on the one major contentious issue, although that is the nature of debate. Before I make my contribution on that issue, I shall draw out other aspects of the Bill that will be enormously welcome. My first thought on reading the Bill was that it contains a huge range of measures. The right hon. Member for Haltemprice and Howden (David Davis), who led for the Opposition, commented that there are strategic elements and a whole lot that has just been thrown in. However, all the provisions have a commonality of aim.

The Bill is designed to put the law, those who support it and law-abiding citizens one step ahead of the criminals so that their values prevail over those of the criminal. The Home Secretary, when introducing the Bill, commented on the effectiveness of many criminals as capitalists. When I consider the ingenuity of major

criminals, and indeed of some of the most antisocial young people causing havoc on local streets, I cannot but feel that we and they would all be immeasurably better off if they only turned their effort to socially productive purposes. In many ways, the legislation is designed to make their preferences and preferred lifestyles more difficult to achieve and perhaps to give them and society a greater incentive to abide by the law.

The Bill will change the balance of advantage of behaviour in favour of the law-abiding citizen. It might not seem obvious why one piece of legislation should deal with a strategic organisation and the collection of strategic information, which are designed to curb the activities of the super-gangs, drug smugglers and people smugglers, while also giving local community support officers and local legislative bodies the right to combat localised crime in the form of antisocial behaviour, but there is a common theme that is designed to reinforce the Bill's ultimate objective.

This Bill is about giving confidence in the law. Every time a crime goes unsolved and every time a person indulges in antisocial behaviour but is not apprehended, it reflects badly on the law, law agencies and public agencies, and reinforces the intent of those who want to disregard them.

I want to single out one or two elements in the Bill that are worthy of particular mention. First, on financial reporting orders, I and other members of the Northern Ireland Committee did quite a lot of work examining the effectiveness of the Criminal Assets Bureau in the Republic of Ireland, and made a number of recommendations on the Assets Recovery Agency in the Proceeds of Crime Bill. Certainly, assets recovery is an essential weapon in the fight against organised crime, and financial reporting orders are a logical extension of the principles that underpinned the proceeds of crime legislation.

I have a query, however, which I hope that the Minister will clarify. While financial reporting orders relate to convicted criminals, who, having finished their sentence, might readopt their lifestyle and criminal activity and seek to regain the assets that they lost previously, it is not mentioned whether they will apply to someone who has been subject to the Assets Recovery Agency procedures, which require a lower standard of proof and may not involve a prison sentence. If we are to curb crime, particularly highly organised and lucrative crime, we must make it clear that crime does not pay at all, and not just if someone has been to prison. It must be clear that once a process has been implemented to recover ill-gotten gains, that process will continue throughout the person's life if they do not curb their lifestyle. That is an important element in law enforcement.

Secondly, there is the issue of impounding uninsured cars, about which my hon. Friend the Member for Rhondda (Chris Bryant), who has unfortunately left the Chamber, made some valuable points. It is symbolic to those 19 out of 20 motorists who do pay their car insurance and accept all the responsibilities of motoring that action is taken against those who drive uninsured. Many people on local estates know who is driving around uninsured, and seeing them get away with it day in, day out, with all the danger that that involves for other motorists and the expense that it generates for law-abiding motorists in terms of higher premiums, is infuriating. It is important that this legislation deals with that issue. Seeing people who engage in such antisocial behaviour losing out as a result, even if the full panoply of the law is not implemented in terms of court appearances and sentencing, will give local communities a degree of reassurance.

Another element that will be extremely popular is the additional power to search for illegal fireworks. Perhaps that was an omission from the previous fireworks legislation, and like my hon Friend the Member for Rhondda, my experience was that the antisocial use of fireworks was not as bad this year as in previous years. Anecdotally, however, I have still had complaints about people using fireworks which had noise levels that would appear to be illegal. We would welcome any move that gave increased powers locally to stop and search people, including retailers who are selling such fireworks.

The issue of incitement to religious hatred has exercised many Members today. We had a mini-debate about it earlier, in the form of interventions on the Home Secretary. I must confess that I am old enough to remember our debates on race relations legislation in the 1970s. Although I was not here then, I read a great deal about it, and many of the arguments and statements that I have heard over the past couple of days reawakened vague memories of the arguments and statements that were produced then.

Although some of the issues may be slightly different, looking back on that race relations legislation and its implementation I feel that a number of things must be said. First, it should be said that despite all that was said in the 1970s, the implementation of the legislation has been proportionate and there have been few prosecutions. Secondly, I think it can be said that most would agree that although there has been little recourse to prosecution, the existence of the legislation and the climate of opinion created by it have made a valuable contribution to race relations and to more moderate debate on the issue. Notwithstanding the foreboding expressed by some in the 1970s, I think that the legislation can be described as a success. I certainly do not know of many people who would advocate its withdrawal.

It is obvious from the debate that I have heard so far that there are party differences on this issue, and differences within parties. I have heard some robust statements, and some interesting points have been made. I feel that if we can make race relations legislation work, there is no reason why we cannot make religious relations legislation work.

Mr. McWalter: All human beings are equal, which is why we have race relations legislation. Not all beliefs are equal, which is why this proposal is inappropriate.

Mr. Bailey: My hon. Friend tempts me down a philosophical path that I will not follow. I want to talk about the application of religious relations legislation that concerns me, as a practical politician dealing with community problems in my area.

Some groups and political parties with specifically racist agendas are undoubtedly using the present lack of legislation on religion as a way of fulfilling those agendas. Attacks on Muslims that are designed for specifically racist purposes have nothing to do with a

[Mr. Bailey]

religious debate. I do not believe it is beyond the wit of man, woman or lawyer to create a legislative framework to prevent that.

My hon. Friend the Member for Hemel Hempstead (Mr. McWalter) made a valid reference to the attitudes of disaffected young Muslims, and that concerns me just as much; but I am chiefly concerned about the people who teach them and feed them those attitudes. It should not be beyond our wit to devise legislation to prevent that as well. We can talk about anti-terrorist legislation and the like, but there is still an area that it does not cover.

There will be a substantial debate on this issue in Committee and during the Bill's subsequent stages, and if I am satisfied that the provision meets the relevant requirements, I will be happy to back it. Nobody in this House would condone people who deliberately try to provoke interracial or inter-religious hatred, or one community's hatred of another. The acid test will be whether the provision fulfils its objective, which is why I am not inclined to be tempted into philosophical or theosophical debates on it.

I shall listen to the forthcoming debate with great interest. I am anxious that this important legislation work, and I shall reserve my judgment until the debate develops. The Bill deals with a range of issues that the public expect the Government to deal with. It will help us in our fight against organised crime and antisocial behaviour, and it will shift the balance of power towards communities and away from criminals. In particular, I hope that the religious relations provisions will lead to a climate of greater tolerance and understanding, and that in 25 years, Members of this House will wonder what the fuss was about, all those years ago when we introduced this legislation, just as Members today look back and wonder what the fuss was in the 1970s, when we introduced race relations legislation.

6.16 pm

Andrew Selous (South-West Bedfordshire) (Con): I want to begin by apologising to the House for not being present for some of this afternoon's debate; I was speaking in a Westminster Hall debate that was taking place at the same time.

It is the proper function of a responsible Opposition to applaud the Government when they get things right, as well as criticising them and suggesting alternative proposals when they get things wrong. It is acknowledged in all parts of the House that almost everything in the Bill is welcome, and quite properly so. I do not intend to go through all its provisions, but I should point out that those relating to uninsured drivers are particularly welcome. I know from my constituents the anxiety and upset that this issue causes; indeed, I am myself the former victim of an uninsured driver, so I know from personal experience how upsetting such an experience can be.

Like many Members who have spoken this afternoon, I want to discuss clause 119 and schedule 10, and I make absolutely no apology for doing so. It is the proper function of this House to discuss, debate and tease out controversial issues, and it is clear that these provisions are the subject of a great deal of public interest.

Mr. Heath: As the hon. Gentleman says, he is one of several Members who have chosen to concentrate on clause 119 and schedule 10, which leads me to think that we have had a rather unbalanced debate on this large Bill. Indeed, this confirms my view that the right thing for the Government to do is withdraw the clause and schedule and reintroduce them in a separate Bill, in order to accomplish the specific purpose for which they are intended.

Andrew Selous: The hon. Gentleman makes an eminently sensible suggestion, with which I agree. Perhaps the Government could detach these provisions in some way and subject them to a free vote.

It is always important to acknowledge good motives in politics, and certainly on the part of one's opponents. The Home Secretary referred to his having a noble motive in introducing the provision relating to the incitement of religious hatred. It is deeply hurtful and upsetting to be attacked because of one's faith or to experience one's religion being vilified and ridiculed. Many Christians in this country would probably say that they are the butt of adverse humour and believe that many aspects of public life challenge the faith that they hold dear, so I understand the Government's motives in including the clause in the Bill. We should all be moderate in our use of language, but it is especially important for people who are in positions of public prominence. We should not overlook the value of censure. We do not always have to resort to law, and public opprobrium can be used to rebuke people who do not use moderate language. Recently, some comedians experienced public censure when one of them overstepped the line.

This is clearly not a party political matter, as Members on both sides of the House have expressed concern about clause 119 and schedule 10. There are three reasons why we should be wary of those provisions and treat them with circumspection. First, the existing criminal law is fairly robust, and protects everyone from criminal acts and incitement to commit such acts. Since 2001, religiously aggravated offences have been introduced, further strengthening the law. Viscount Colville of Culross, who chaired the House of Lords Select Committee on Religious Offences in England and Wales, said:

> "There is a very substantial amount of criminal law relating to incitement . . . It is much more positive and less abstract than some people may think . . . a good deal of criminal law is available . . . I do not believe that it has all yet been tried out before we invent something else."—[*Official Report, House of Lords*, 22 April 2004: Vol. 660; c.4467.]

That is an important point. There is already a vast amount of legislation on the statute book. The problem is enforcement. To digress for a moment, I am particularly pleased that my party has policies to recruit an extra 5,000 police a year. That is the right approach; we do not always need to introduce more laws. The existing law on incitement is much stronger than we have been led to believe by Ministers.

Secondly, on freedom of speech, there have been a number of worrying incidents. Recently, the Bishop of Chester was reported to the police for remarks that he

made in a sermon in the normal course of his business. It is worrying that the thought police are already investigating what happens in the pulpit. Furthermore, a pastor in Scandinavia was recently sent to jail for a month for making certain remarks in a sermon. It is a paradox of religious faith that it has the power to offend and upset but, at the same time, to give great comfort, satisfaction, joy and contentment to many people. Because of the exclusive claims of many faiths, they inevitably cause upset and offence to many other people. It is in the nature of many faiths to evangelise, which may also cause offence. It is incredibly important that we do not restrict the freedom of people of faith to express themselves fully in the way that they believe their faith calls them to do.

We need to look at what has happened in other jurisdictions where Governments have introduced a similar type of law. In March 2002, a Christian group organised a seminar in Australia. It was a private meeting at which three recent converts to Islam sat at the back and took notes. What they heard caused offence to them, although one can argue about whether what was said was offensive. The Bill refers to words, material or recording

"likely to be seen or heard by any person in whom it is likely to stir up racial or religious hatred"—

a similar situation. As a result of a complaint, the case was taken to court. It has been in the Australian courts for seven months and has become bogged down in the Australian legal system. It is a worrying precedent that we ought to bear in mind.

I conclude by quoting from the executive director of the Australian Muslim Public Affairs Committee, Amir Butler, who said:

"Who, after all, would give credence to a religion that appears so fragile it can exist only if protected by a bodyguard of lawyers?"

6.27 pm

Mr. Andrew Mitchell (Sutton Coldfield) (Con): We have had an interesting and useful debate. It lacked the party political controversy of some of our discussions, and some extremely interesting speeches were made. I shall try to respond to a number of points made in the debate, but I start by emphasising that in the past, when there has been substantial agreement between both sides of the House, there has often been acute danger ahead for us.

The Bill, which we will not oppose on Second Reading, is something of a Christmas tree, as the hon. Member for Somerton and Frome (Mr. Heath), who speaks for the Liberal party, described it in his opening remarks. I agree and place on record our gratitude to NCIS and the National Crime Squad for what they have done. I also underline what he said about the national witness protection scheme. When I recently visited Nottingham to meet Mothers Against Guns, they eloquently stressed the importance of the scheme.

The hon. Member for Somerton and Frome expressed reservations about the new powers for community support officers and cited the 50 measures on law and order that have been introduced by the Government in the past seven years. It is clear from what he said that in Committee he and I will have much in common on our agenda.

The hon. and learned Member for Medway (Mr. Marshall-Andrews) spat out his support for those on his Front Bench and looked much better once he got that off his chest. He warned us not to over-flatter the criminals' success and inveighed against the Government's plans to deal with religious hatred, praising the motivation but pinpointing the dangers in practical terms. I very much agree.

The hon. Member for North Antrim (Rev. Ian Paisley), who must be preoccupied today with his other duties, in which we all wish him wisdom and judgment, pointed out that religion is a matter of choice, whereas race is a matter of fact. He stressed that the two concepts should not be confused.

The hon. Member for Milton Keynes, North-East (Brian White) made a wide-ranging speech in which he dealt with matters such as the proceeds of crime. My hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) said that there had been far too many measures on law and order—50—since the Government came to office. He accused the Government of confusing activity with progress.

The hon. and learned Member for Redcar (Vera Baird) made a really interesting speech. She agreed with the formation of SOCA and talked about people trafficking and drugs. She made two key points, on funding and on the danger that SOCA would act as a magnet for the best of our police forces. I shall return to both matters later.

The hon. and learned Member for Redcar also made a number of technical points about disclosure notices. We are concerned that clause 56 goes too wide and that it allows powers to be exercised by a constable, whereas previous legislation required authorisation to be obtained at a very high level. We shall want to look at this matter in Committee. She also mentioned the pivotal role of the custody sergeant and spoke of the dangers of civilianising that post. I thought that she completely demolished the Government's case, and I hope that Ministers will consider what she had to say very carefully.

My hon. Friend the Member for Canterbury (Mr. Brazier) made an excellent and moving speech in which he inveighed against people trafficking and the vile trade in children, women and men who are exploited and degraded by it. He said that the trade was worth nearly £20 million. He made clear how serious it is and said that the UK was a particular magnet for it, with 2 million people trafficked across our borders each year. In a speech that I have no doubt will be read with care by Ministers, he also set out the case against the clauses on incitement to religious hatred.

The hon. Member for Pendle (Mr. Prentice) also spoke about religious hatred and advised us that there are no fewer than 390,000 Jedi knights in Britain. He also dealt with the question of definition. Rowan Atkinson was in the House only yesterday and, like him, the hon. Gentleman talked about the "chilling" of the climate of free expression. That is an excellent phrase.

My hon. Friend the Member for Castle Point (Bob Spink) and the hon. Member for Hemel Hempstead (Mr. McWalter) concentrated on the issue of religious hatred. The hon. Gentleman treated the House to a philosophical and historical perspective on religion, and

[Mr. Andrew Mitchell]

attacked the Government for their anodised view. He urged the Government to resile from their support for the relevant clauses.

The hon. Member for Angus (Mr. Weir) gave a Scottish dimension to the debate. He supported SOCA, but expressed some concern about the difficulties inherent in implementing it in Scotland.

The hon. Member for Rhondda (Chris Bryant) took a view that was rather different from the one adopted by the more senior cleric on this side of the House who preceded him. Apart from him, only one other speaker supported the Government's proposals on incitement to religious hatred. He complained that my right hon. Friend the Member for Haltemprice and Howden (David Davis), the shadow Home Secretary, did not give him a peroration. I shall see whether I can give him one towards the end of my speech.

My hon. Friend the Member for Fareham (Mr. Hoban) also spoke about clause 119, and pointed out the flaws in the Government's case. The hon. Member for West Bromwich, West (Mr. Bailey) talked about financial reporting orders and said that crime must not pay. He was the only other speaker on the Government Benches to support the religious hatred clauses in the Bill.

The final contribution from the Back Benches was made by my hon. Friend the Member for South-West Bedfordshire (Andrew Selous). He opposed the religious hatred clauses, and underlined the importance of using moderate language in these discussions. I am sure that all hon. Members will be pleased by the moderate language used this afternoon.

The Opposition want to help the Government with this Bill. We want to identify various matters that we shall raise in Committee, and I hope that the Minister winding up tonight will take a fancy to some of the amendments that we expect to propose.

The first issue that we will want to discuss is the structure of SOCA. Although we support its formation, we understand that recruiting the brightest detectives and the best police from existing forces could damage those forces.

There is already evidence that some key leadership elements are likely to be removed from the police. We hope that the Minister will explain in Committee why she did not consider secondment as an option for staffing the agency, as happens in the Army with the special forces. We hope that she will put our fears to rest about the danger of a leadership vacuum as a result of the brightest and the best being recruited to SOCA.

We shall also want to be satisfied that SOCA, by dealing not with terrorism—we understand that argument—but with level 2 crime, including prostitution, drugs and people smuggling, will find a natural position between other law enforcement agencies. Considerable confusion could be caused, for example, if one agency is dealing with terrorism and another with people smuggling, as they are natural bedfellows. We will want to explore the relationship that SOCA will have with the intelligence agencies.

We shall also want to be clear that there will not be confusion in any particular region in which SOCA is responsible for the fight against drugs but the police are responsible for enforcing the law. We fear that if a failure resulted, each side would blame the other, which would not be good for policing.

We also want to be satisfied that the drive towards localism, local performance and local accountability will not be damaged by the new structure and that it will not have any unintended consequences. We want to be sure that addressing the regional vacuum will not cause problems elsewhere, especially in the relationship between SOCA and the local police forces.

We also want to be clear about the adequacy of funding. How will SOCA's funding needs be addressed? We also want to be clear that the Home Secretary will not, under clause 9, arrogate to himself wide powers to determine strategic priorities. Parliament must be careful not to pave the way for an unscrupulous Home Secretary to determine strategic priorities with an eye to achieving a political purpose. The Home Secretary said today that a Cabinet Sub-Committee would guide him on that. My reading of clause 9 is that that is not in the legislation. I hope that the Minister will be able to persuade us that it does not need to be.

We need to explore also the apparent provision—in clause 38(1)—that any member of staff of SOCA can be designated as having the powers of a police officer. It takes considerable training to be able to exercise those powers and we will need to explore that issue in Committee.

The major theme of the debate has been the religious hatred clauses. It will not have escaped the Government's notice that the Opposition are deeply unhappy about them, and that feeling is shared on both sides of the House. We are keen to maintain the balance between religious freedom and freedom of speech, but the debate has shown that those clauses are confusing, will make bad law and will not work. The Minister should consider carefully the telling intervention by my hon. Friend the Member for South-West Devon (Mr. Streeter), who asked precisely what threat the clauses were meant to stop. The Government have not answered that question. If it is the BNP, as many hon. Members have suggested, there are better ways to see off such dreadful people than introducing these clauses. My strong advice to the Minister is to have a word with the Home Secretary after this debate and to save the Committee and herself a lot of trouble by dropping those clauses now.

We shall also want to explore the issue of animal rights. My hon. Friend the Member for Huntingdon (Mr. Djanogly) will look at ways of strengthening the Government's clauses, which we support as far as they go.

We shall also want to know why the use of intercepts has not been included in the Bill. We are concerned by the lack of reference to them and we have called consistently for the Government to lift the ban on intercept use in courts. It is clearly odd to confine the fruits of intercepts to intelligence only. The UK is one of the few countries in which intercept evidence is not admissible and we hope that the Minister will explain why she is not changing that situation in this Bill.

We shall also want to look at the changes to PACE, in clauses 101 to 115. We shall want to look carefully at several aspects, including the concept—as set out in the debate—that everything is now arrestable. I shudder to

think of the paperwork, let alone anything else that would be involved in that legal change, which must be carefully considered.

We need to look carefully into a number of aspects, including the power of a civilian to make an arrest in very much wider circumstances, which could be counter-productive. The all-premises warrant is a considerable extension of power and we shall want to explore precisely what its effects would be and whether they would be acceptable.

Police community support officers have been discussed. A considerable increase in their powers is advocated in the Bill. We are not opposed to CSOs, but there has been no independent assessment of their effectiveness and value for money. We think that there should be one. Some forces, including Hampshire, have already made clear their view on CSOs and we are concerned about the additional powers of search and arrest, the use of equipment and the lack of training. It looks like an attempt by the Government to achieve policing on the cheap and could undermine confidence in the professionalism of the police.

We should also like to consider the changes proposed on dealing with money laundering.

We welcome the Government's announcement today that they will make the parents of under-10s responsible for the cost of wanton damage. Parents should have responsibility for their children.

There are a range of views on dealing with behaviour in the vicinity of Parliament and the matter will probably be best left until Report, so that the House can have a considered look at it in a wider focus than in Committee.

Finally, I turn to the general context for the Bill, where I fear that I must be somewhat less obliging to the Home Secretary and his team. If they think that by carpet-bombing the Queen's Speech with tough-sounding law and order measures—albeit ones with which the Opposition broadly agree—designed to conceal the Government's lamentable failures in combating crime, they will evade the justified wrath of the electorate at the appalling nature of their record on crime, they are sadly mistaken. The public will remember that these measures are not the start of Labour's agenda for fighting crime, but the product of seven years of talk, seven years of being asleep on the job, and seven years of failure.

6.42 pm

The Under-Secretary of State for the Home Department (Caroline Flint): The debate has been interesting, with about 14 contributions from Back Benchers.

About 60 per cent. of the Bill deals with the Serious Organised Crime Agency and the powers that go with it. There are also several other powers that will help to develop neighbourhood policing and will help the police on whatever level they operate, whether local, regional or as part of SOCA. They will all help to tackle crime. As my hon. Friend the Member for West Bromwich, West (Mr. Bailey) rightly said, the measure is about ensuring that the law is one step ahead on behalf of those who support the law.

The creation of SOCA is not about setting up a new police organisation, but about bringing together the National Criminal Intelligence Service, the National Crime Squad and the immigration crime side of the Home Office, as well as the drug investigations of Customs and Excise, in a new organisation with a new culture. That is why we had to address the powers of that organisation. When people use phrases such as "the brightest and the best", they do a disservice to those who, for whatever reason, want to work in different forms of law enforcement. We should recognise their particular skills in what they do. Some people are more interested in local policing, while others are interested in regional law enforcement or national and international law enforcement. I would not make the assessment that anyone is better than anyone else; they are all helping to fight crime and to tackle those who are involved in it.

In relation to the operation of SOCA at regional and local level, systems are already in place to ensure that different parts of law enforcement do not engage in operations that frustrate or put in jeopardy the work of other agencies. That will continue.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Will my hon. Friend give way?

Caroline Flint: I am sorry, I cannot give way. There is only a short time for my speech and my hon. Friend was not in the Chamber for the whole debate.

The Bill is also about ensuring that we deal with the operation of middle markets. That is why I was pleased to attend the launch in London just the other week of the middle market drugs unit, which has been established by the Metropolitan Police Service and Customs and Excise to tackle middle market drug organisations.

I shall try, if I can, to get through the contributions made during the debate. The shadow Home Secretary, the right hon. Member for Haltemprice and Howden (David Davis), raised a number of issues about the powers that the director general will be able to confer on those who work for SOCA and the powers of constables, Customs officers and immigration officers. It goes without saying that, as my right hon. Friend the Home Secretary said, the members of staff will need training in all those powers. That is certainly part of our thinking, and we will ensure that that happens. That also deals with a point made by my hon. Friend the Member for Milton Keynes, North-East (Brian White).

We are not persuaded of the need for an annual parliamentary debate on SOCA. Hon. Members have many opportunities to debate policing and wider law enforcement issues in the House.

SOCA will not have a direct role in combating terrorism; but as has been said, terrorism is often funded by organised crime. SOCA will investigate such cases and seek to bring the offenders to justice, but in doing so, it will work very closely with the intelligence agencies and others.

I wish to make it clear that no clause relates to intercept powers. There is ongoing discussion about that complex issue, but we do not intend to introduce any such clause in the Bill.

The right hon. Member for Haltemprice and Howden also talked about borders, as did a number of other hon. Members, including the hon. Members for Canterbury (Mr. Brazier) and for Angus (Mr. Weir) and my hon. Friend the Member for Hemel Hempstead (Mr. McWalter). Border controls are exercised by the

[Caroline Flint]

three main border control agencies—the immigration service, Customs and port special branches—for a variety of reasons, not only to control immigration, but to facilitate genuine visits, detect contraband, collect revenue, prevent fraud and protect against terrorism. Those functions are distinct from the new agency's remit and will not be subsumed into it. The e-borders programme will help to create a modern, integrated and intelligence-led immigration control system that uses advanced passenger information, passenger name records and emerging technology to best effect.

Andrew Selous: Will the Minister give way?

Caroline Flint: No. I am afraid that I have not got time to give way.

On the comments made about small ports, we will run pilot schemes at sites across the UK during 2005, with a view to rolling out new ways of working across most ports from 2006. We shall consider the points that the hon. Member for Angus made about that issue.

On the suggestion that there has been no evaluation of the effectiveness of CSOs, 27 local evaluations have shown that CSOs have been well received by the public, with significant potential to reduce low-level crime and antisocial behaviour. Initial findings of the national evaluation will be published before the Bill is considered in Committee. The right hon. Member for Haltemprice and Howden said in his speech that the Hampshire force did not want its allocated number of CSOs. If that is the case, I suggest that the force let us know and we will redistribute those CSOs. I do not believe that such a redistribution would be supported by MPs for the area or, for that matter, members of the public.

The hon. Member for Somerton and Frome (Mr. Heath) asked how SOCA will work in relation to other forces. As I have said already, SOCA will enable local forces to focus on level 1 and 2 crimes, while the agency will address national and international criminality. The Bill will allow SOCA to provide mutual support to forces. SOCA will be a UK-wide agency, and it will work closely with Scottish Drug Enforcement Agency in discharging its functions. I can assure the hon. Gentleman and the hon. Member for Angus, who also made this point, that SOCA staff will be expected to have knowledge of the relevant Scottish law when operating in Scotland.

The NCS and NCIS have a service authority—a point made by the hon. Member for Somerton and Frome—because they were clearly police-type bodies and therefore established along the lines of the police authority model. SOCA will not be a police force, but the SOCA board will exercise the strategic oversight of SOCA in similar ways to the service authorities.

The hon. Gentleman asked whether the granting of immunity to someone under clause 65 or 66 would be drawn to the attention of the court where that person testified. The answer is, yes, that will happen in the normal way.

My hon. and learned Friend the Member for Redcar (Vera Baird) asked whether the witness protection provisions would apply to someone subject to a disclosure notice under clause 56. The majority of people subject to disclosure notices are covered by the new witness protection provisions, as they are possible witnesses. Our intention is not that disclosure notices will put anyone at risk, and I will consider that issue further to find out how it is covered.

My hon. and learned Friend the Member for Redcar and the hon. Member for Somerton and Frome asked about complaints. The complaints procedure, including oversight, will be carried out by the IPCC and it will apply to all SOCA staff, not just those designated with police or other powers. We are planning to have direct recruitment into the organisation, but I shall check on how secondees might continue to operate or assist in the future.

Power of arrest was mentioned and we were asked why the change is necessary. The findings of the PACE review were published more than two years ago. Since then, we have published detailed proposals in consultation papers on police powers. The Bill's provisions are fully supported by the Association of Chief Police Officers and others. It is important to bear in mind the fact that under general arrest conditions in PACE, it is already the case that in practice all offences are arrestable.

My hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) was concerned about people who are involved in serious fraud. The White Paper consulted on plea bargaining and we accept that it is desirable for all defendants to seek an indication of the likely sentence should they plead guilty. We will take the detail of that forward with the senior judiciary shortly, but I shall look further at what he said about that in *Hansard*.

My hon. Friend the Member for Milton Keynes, North-East raised issues to do with SOCA and how it would engage with the private sector. He may be interested to know that an article on high-tech crime and the use of the internet in a trade magazine for those working in that industry resulted in a number of people e-mailing the Home Office seeking to become special constables to assist in that area because of their expertise in the internet. In some respects, SOCA is all about looking at the particular skills that we need to tackle high-tech crime.

I also welcome my hon. Friend's work on the all-party group on the internet. I have told him that we will table amendments to strengthen the Computer Misuse Act 1990, including the penalties that he mentioned. As others said, the Bill contains a number of provisions, and we take the view that adding to it at this stage is difficult and we shall not pursue it. However, we are looking for a suitable vehicle for that legislation.

My hon. Friend also mentioned powers. There was a bit of a misunderstanding. SOCA staff will not be restricted to the powers that they held in a previous organisation. All powers of customs and immigration officers can be made available to designated SOCA staff, subject to the necessary training and accreditation. We are still ensuring that forces are aware of RIPA. A dedicated team in the Home Office provides support to practitioners on how to use the powers appropriately. We are considering whether there is a need to address problems further.

A number of hon. Members referred to uninsured vehicles. I welcome the comments by my hon. Friends the Members for Rhondda (Chris Bryant) and for West

Bromwich, West on uninsured vehicles and fireworks. We have the opportunity to tighten legislation and tweak it in some respects. I make no apology for that. It is one thing to pass laws in this place, but as we know, we only see how they work on the ground when they are implemented. That is why we sometimes have to return to the issues.

The hon. Member for Aldridge-Brownhills (Mr. Shepherd) was worried about the implications for human rights. As he said, the face of the Bill states that it is our view that

"the provisions of the Serious Organised Crime and Police Bill are compatible with the Convention rights."

We have been careful to ensure that we seek advice on those issues throughout the process.

My hon. and learned Friend the Member for Redcar also mentioned the two-tier work force. There will be no two-tier work force. Following consultation with unions, it is our aim to establish a unified set of terms and conditions for all SOCA staff. We will not have police officers on police terms or customs officers on customs terms. She also asked about disclosure notices issued against those who have information rather than those who are suspected of having information. Clause 56(2) provides that notice can be issued against a suspect, and that will be the exception rather than the rule. In either circumstance, it is authorised by a senior prosecutor.

My hon. and learned Friend also raised a number of issues on Queen's evidence. We have not made it a requirement that a person entering into a co-operation agreement has legal advice before doing so, but they usually will. As she said, they will be well advised to do so. However, it is not appropriate to legislate to force every individual to get legal advice in those circumstances.

My hon. and learned Friend also mentioned human trafficking. She will know that, in addition to my other duties, I am engaged in a review of prostitution. Human trafficking was also raised by the hon. Member for Canterbury. I am very concerned about it. We will see how we can use the prostitution review to tackle that. We should also not forget what is already on the statute book in respect of labour and sexual exploitation. SOCA will, of course, have a role to play in these matters, too.

Questions were raised about custody officers and I have to say that the Northumbria pilot scheme found that custody sergeants were champing at the bit to get out of the stations and be with the public. It has been greatly welcomed, and I see no reason why properly trained police staff cannot undertake the role to the same standard as police officers—a view shared by ACPO.

The hon. Member for Canterbury raised a number of issues about people smuggling and trafficking in women and children. We are very concerned about that. He also made a point about paedophiles. He will know that the National Criminal Intelligence Service and the National Crime Squad have, in their different ways, assisted operations to tackle paedophile rings. There is no reason not to do so and we ensure in our international contacts with practitioners and Ministers in the EU, for example, that matters of cross-border crime are understood and dealt with by many different countries, not just ourselves. It is a global issue that we must look into.

The hon. Member for Castle Point (Bob Spink) raised a number of issues, including the effect of SOCA on the funding of Essex policing and local policing generally. A 3.75 per cent. increase in funding for Essex police was announced last week for 2005–06, up to £176 million, and police numbers have increased by 145 since 1997, with an additional 75 community support officers. It is all about added value for policing in this country. The hon. Gentleman referred to protests outside Parliament. We must ensure that we can safeguard the workings of Parliament in its unique surroundings. To that end, we believe it right and proper for the police to attach proportionate conditions on any protest.

Several speeches were made on the subject of incitement to religious hatred. For example, the hon. Member for Somerton and Frome, my hon. and learned Friend the Member for Medway, the hon. Members for North Antrim (Rev. Ian Paisley), for Aldridge-Brownhills, for Fareham (Mr. Hoban), for South-West Bedfordshire (Andrew Selous) and for Canterbury, my hon. Friend the Member for Pendle (Mr. Prentice), the hon. Member for Castle Point, my hon. Friend the Member for Hemel Hempstead, and of course the right hon. Member for Haltemprice and Howden, all spoke about it. They all had concerns about it or were against the provisions, though my hon. Friends the Members for Rhondda and for West Bromwich, West also made good speeches in support.

There are many issues and I would draw hon. Members' attention to a statement published this morning by the Home Secretary and the Attorney-General, which clearly outlines the basis of the offence and why it is necessary. It said that the proposals

"will make it an offence to use threatening, abusive or insulting words, behaviour or written materials with the intention or likely effect of stirring up hatred against people targeted because of their religious beliefs, or lack of religious beliefs, as well as their race."

I believe that it will close an unacceptable loophole whereby mono-ethnic faith groups are protected, but multi-ethnic faith groups are not. It will ensure that there is still a clear difference between criticism of a religion and the act of stirring up hatred against members of religious groups. This provision was supported by ACPO, which said that it sometimes wanted to prosecute but could not, and it provided evidence to the House of Lords Select Committee on Religious Offences. It is right to move forward on this issue. It is not about stopping jokes, and it is not about stopping Rowan Atkinson or anyone else from expressing a point of view, either to raise a laugh or engage in serious debate on these issues.

I was interested to hear from the hon. Member for Somerton and Frome that the Liberal Democrats would vote against this measure. I remind him that the Liberal Democrat shadow Home Secretary said on 7 July this year:

"This plan closes a loophole that has allowed inflammatory language to go unpunished, and the Liberal Democrats will give these plans their support."

Perhaps it will be the same as with antisocial behaviour orders: the Liberal Democrats were against it and now they are for it; on this occasion, they were for it and now they are against it. We will wait with bated breath to see what will happen.

[Caroline Flint]

Finally, the Bill is about tackling crime on a local, regional or national level. It comes from a Government who have put in more money than ever before, more police officers and more support on the ground for the people we represent.

Question put and agreed to.

Bill accordingly read a Second time.

SERIOUS ORGANISED CRIME AND POLICE BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Serious Organised Crime and Police Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 20th January.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—[*Derek Twigg.*]

The House divided: Ayes 275, Noes 130.

Division No. 007] **[6.59 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Bryant, Chris
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Colman, Tony
Corston, rh Jean
Cox, Tom *(Tooting)*
Cranston, Ross
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gerrard, Neil
Gibson, Dr. Ian
Godsiff, Roger
Goggins, Paul
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hinchliffe, David
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morley, Elliot

Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Oliver, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ruane, Chris
Ryan, Joan *(Enfield N)*
Sarwar, Mohammad
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woolas, Phil
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Ms Bridget Prentice and
Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Boswell, Tim
Brady, Graham
Brazier, Julian
Brooke, Mrs Annette L.
Bruce, Malcolm
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Campbell, Gregory *(E Lond'y)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Cotter, Brian
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hawkins, Nick
Heald, Oliver
Heath, David
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Howarth, Gerald *(Aldershot)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Jones, Nigel *(Cheltenham)*
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Laws, David *(Yeovil)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Maples, John
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, Matthew *(Truro)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Wishart, Pete
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Andrew Selous and
Mr. Geoffrey Clifton-Brown

Question accordingly agreed to.

SERIOUS ORGANISED CRIME AND POLICE BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That for the purposes of any Act resulting from the Serious Organised Crime and Police Bill it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) expenditure incurred by the Secretary of State by virtue of the Act;

(b) any increase attributable to the Act in the sums payable out of money so provided under any other Act; and

(2) the payment of sums into the Consolidated Fund.—*[Mr. Ainger.]*

Question agreed to.

DELEGATED LEGISLATION

Madam Deputy Speaker (Sylvia Heal): With the leave of the House, I shall take motions 5, 6, 7 and 8 together.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Agriculture (Northern Ireland) Order 2004, which was laid before this House on 24th November, be approved.

EUROPEAN COMMUNITIES

That the draft European Communities (Definition of Treaties) (European Police Office) Order 2004, which was laid before this House on 24th November, be approved.

That the draft European Communities (Immunities and Privileges of the European Police Office) (Amendment) Order 2004, which was laid before this House on 24th November, be approved.

INTERNATIONAL IMMUNITIES AND PRIVILEGES

That the draft European Police College (Immunities and Privileges) Order 2004, which was laid before this House on 24th November, be approved.—*[Mr. Ainger.]*

Question agreed to.

DEREGULATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 18(1)(a) (Consideration of draft regulatory reform orders),

REGULATORY REFORM

That the draft Regulatory Reform (Unsolicited Goods and Services Act 1971) (Directory Entries and demands for Payment) Order 2004, which was laid before this House on 25th October, in the last Session of Parliament, be approved.—*[Mr. Ainger.]*

Question agreed to.

PETITION

Scottish Regiments

7.13 pm

Pete Wishart (North Tayside) (SNP): It is with great pleasure that I present a petition on behalf of some 5,000 of my constituents, who remain very concerned about the proposals for the future of the Scottish regiments. The Black Watch was raised in my constituency some 300 years ago, and there is still incredible admiration and respect for the job that it does on behalf of us all. My constituents want to be reassured that, as well as having an illustrious past, it will continue to have a secure future.

The petition states:

To the House of Commons.

The Petition of the Save the Scottish Regiments supporters, Declares their opposition to plans to abolish one Scottish Regiment and merge the remaining Regiments into a single unit. The Petitioners further declare their pride in Scotland's historic Regiments, which have strong, beneficial community links. The Petitioners therefore request that the House of Commons urge the Government to abandon UK Armed Forces spending cuts of approximately £2 billion, and thereby ensure the future of the Scottish Regiments by reversing plans to abolish one Regiment and merge the remaining Regiments into a single unit.

And the Petitioners remain, etc.

To lie upon the Table.

Review of Life Tariffs

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

7.15 pm

Mrs. Claire Curtis-Thomas (Crosby) (Lab): I am grateful for having secured this evening's Adjournment debate and wish to use it to highlight how one of my constituents has been treated by the courts system and the Home Office after the brutal murder of her son, Michael Moss.

Michael Moss, aged 15, was murdered by three boys in the early hours of 16 November 1999. The murder was savage. After luring Michael to a school playing field, two of those convicted of his murder attacked him and stripped him naked. They left Michael seriously injured and unable to move. Then, they went to the home of the third killer, woke him and returned to the playing field. There, all three continued the attack.

The killers used sadistic and gratuitous violence. There is evidence to show that they used swings to obtain height and thereby generated maximum force to cause greater injury from the violence they inflicted. They also used a broken spirit bottle to inflict stab wounds to Michael's neck. They subjected him to prolonged torture and violence.

All three boys were convicted of murder at Liverpool Crown court on 26 July 2000. At the time of the attack, two of the boys who murdered Michael were aged 15 and one aged 16. The convicted boys were given life sentences by the trial judge. On 19 October 2000, Mrs. Elizabeth Moss, Michael's mum, was visited by a representative of the victim information unit of the probation service. At that meeting, she was informed that the tariff for the three offenders had been set at 10 years. Mrs. Moss was sure that this tariff was irrevocable. However, three years later—in November 2003—Mrs. Moss was contacted to be told that the tariff had not yet been imposed. Michael Moss's family were then invited to give their views to the Lord Chief Justice, who would consider their submission before setting the tariff. Mrs. Moss submitted information, which was detailed and lenient. She suggested a tariff of 15 years for such murders.

The Criminal Justice Act 2003 sets out new starting points in relation to the calculation of tariffs in mandatory life cases. In this case, if these boys had been convicted after 2003, the minimum they would have received, including the mitigation of age, was 12 years. I welcome the Government's introduction of these higher minimum tariffs for such serious cases. However, in Michael's case, when the Lord Chief Justice announced his tariff in 2004, he decided on a sentence of 10 years for two of the boys convicted and nine for the third. He included in his judgment the statement that although Mrs. Moss's

"views as to tariff are not relevant, they do indicate her praiseworthy and rational approach".

Having been invited to comment and to make contributions on the tariff, Mrs. Moss's views were subsequently ignored.

We are not here today to debate the tariff in this case. Instead, we should consider how Mrs. Moss and her family have been treated. Why were they asked for

information if it was to be automatically rejected? In a written answer to my parliamentary question on 16 September 2004, the Minister said that the Sentencing Guidelines Council would provide

"a more collaborative and transparent system, which is open to public scrutiny, and should engender greater public confidence in sentencing practice."—[*Official Report*, 16 September 2004; Vol. 424, c. 1686W.]

The actions of the courts and the Lord Chief Justice have been far from open and transparent in this case. They have led to confusion as to when the tariff was set and what influence the victim's family could hope to have when the tariff was being considered.

My concern is that Mrs. Moss has never been told why her views were elicited only to be dismissed as irrelevant by the Lord Chief Justice. Despite writing to the Home Office on a number of occasions—and discussing this matter privately with the relevant Ministers—Mrs. Moss has never received an adequate response to this question. Neither has she received an apology, which, on grounds of insensitivity alone, she deserves. I would ask that the Home Office should offer her an answer and an apology.

Mrs. Moss included personal details in her submission to the Lord Chief Justice. The details of this submission were revealed to the defendants and their families. Mrs. Moss accepts that, but was not prepared for the fact that personal details of the medical treatment required by the family to offset the emotional impact of the crime were widely publicised. It seems perverse that the Moss family's views were considered to be irrelevant to the process, yet details of the treatment that they required were suitable for public scrutiny. Mrs. Moss did not know that the judgment including those details would be published on the internet and so be publicly available to all. Could my hon. Friend the Minister explain what information is given to families when they make submissions to the Lord Chief Justice regarding the privacy and public use of such statements? Why was Mrs. Moss's express permission not sought if personal aspects of her submission were to be released publicly?

The Lord Chief Justice states that the defendants have expressed remorse. The offenders have now been in prison for four years, and the Lord Chief Justice's statement was the first that the family have heard of such an expression of regret. Information regarding the progress or otherwise of offenders in custody, their attitudes to their crime and their conduct while in the prison system are matters that are purposely withheld from the victim's family. However, Mrs. Moss is able to learn through a public document, with unrestricted access, the institutions where the offenders have been held, the names of their psychiatrists, their supervising and probation officers and other information regarding their conduct. Why is such information withheld from the family of the victim when it can be revealed publicly without any consideration as to the consequences for the families involved?

The Lord Chief Justice also said:

"In my view the recommendation of a 10 year tariff in the case of this very serious offence by the trial judge was merciful. If over 4 years had not elapsed since the offence and my consideration of tariff in the case . . . I would have considered 12 years the correct tariff."

The Lord Chief Justice drew attention to the length of time between the conviction and the imposition of a tariff in this case. He drew attention to the fact that this, along with other factors such as defender development, had affected his consideration of the tariff. I know that as a result of the European Court's view on the case of Venables and Thompson, the Lord Chief Justice could consider the

"personal development of the defendant",

but if the Lord Chief Justice had considered Michael Moss's case closer to the trial date, this information would not have been available to him when setting the original tariff. Indeed, the Lord Chief Justice suggests that he may have come to a different conclusion if he had set the tariff closer to the trial date. Could my hon. Friend the Minister please explain why there was such a delay, as this time lapse has clearly affected the tariff that was set?

Liz Moss, Michael's mum, has endured every mother's nightmare: her son was killed in the most horrific circumstances. Throughout the trial and sentencing of her son's murderers, she has sought justice in a moderate and commendable way. She is an incredible woman who has earned my deep respect for the calm way in which she has handled the terrible details of her son's death. At a time when victims' families need to feel that their views are relevant and valued, this family must feel that their own views have counted for nothing. Liz Moss has been treated very badly by this system, and she deserves at least an apology. I hope that my hon. Friend the Minister can also offer us an explanation on the questions that I have raised.

7.23 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I begin my congratulating my hon. Friend on securing this debate on victim consultation in the review of life tariffs. She has drawn the attention of the House to the experience of her constituent, Mrs. Elizabeth Moss, who had to endure the unimaginable tragedy of her son Michael's brutal murder in 1999. In outlining her concerns to the House, she has, as on so many previous occasions, shown both a deep compassion and a firm commitment to her constituents.

One of the Government's central aims is to rebalance the criminal justice system in favour of the victims of crime. Indeed, during the previous Session of Parliament it was my privilege to take through the House of Commons the Domestic Violence, Crime and Victims Act 2004, which for the first time sets out clearly what the victims of crime can expect from the criminal justice agencies. It is vital for victims of crime to have information and advice about the criminal justice process, and an opportunity to receive information about key stages in an offender's sentence.

It is the responsibility of the National Probation Service to arrange victim contact on behalf of us all in reaching out to victims in the important way that I have described. It consults victims before offenders' release from prison, so that they can make representations about any conditions that they think should apply to the offenders when they come out of prison on licence. That can include an offender's exclusion from a particular

[Paul Goggins]

geographical area. It does not mean that victims have the final say in such matters—in particular, they do not have the final say on the length of sentences—but it does mean that their views are heard and properly considered.

Responsibility for the setting of life tariffs—the tariff being the punitive period of a life sentence, or what could be described as the minimum period of imprisonment that must be served in custody—used to lie with Ministers. As my hon. Friend explained, in recent years it has gradually become a wholly judicial function as a result of landmark decisions in the domestic and European courts. Sections 269 and 270 and schedules 21 and 22 of the Criminal Justice Act 2003, which came into force in December last year, established new arrangements for sentencing in all murder cases, and for setting tariffs—or, as they are now known, "specified parts" or "minimum terms".

My hon. Friend referred to the setting of a 12-year tariff in relation to offenders under the age of 18 who have been convicted of murder. In fact, 12 years represents not the minimum term but the starting point used by a judge passing sentence to determine the appropriate sentence. He or she can move the starting point up or down depending on the circumstances.

The distinction between a tariff set by Ministers and a specified part announced by the sentencing judge in court is that the latter runs from the date of sentence and will have already credited the offender with any time spent on remand. That may seem a small detail, but it is quite important and will be of particular interest to a victim's family, who will want to know how long a life sentence prisoner can expect to serve before being considered for release.

There are three groups of offenders who were and continue to be affected by the arrangements introduced by the 2003 Act. They consist of those sentenced after 18 December 2003, whose minimum terms will now be set in open court by the trial judge, those sentenced before that date for whom no minimum term has been set, and those sentenced before then whose tariff, set by Ministers, has not yet expired. Cases in which no minimum term has yet been set will be referred to the High Court. Offenders whose tariffs were originally set by Ministers can apply to have them reviewed. In such cases tariffs may remain the same or may decrease, but they cannot be increased.

The views of the victim's family will be sought in all cases in which an offender has yet to receive a minimum term, or has applied for a review of his or her tariff. The judges who set and review minimum terms will have an opportunity to receive statements from families about the events surrounding a loved one's death, and the immediate impact of the offence on their lives. National Probation Service victim contact teams are using their considerable knowledge and expertise to work with victims' families in order to present these views to the judges.

If they so wish, families will have the opportunity to attend the High Court to hear the judge's decision on the minimum term to be served. Indeed, I can confirm that guidance has recently been issued to victim liaison officers confirming the arrangements for submitting these personal statements to the court, and notifying the date on which the tariff will be set.

This is clearly highly sensitive work, and it has been ongoing for several months. Victim liaison officers work with victims' families to enable their views to be represented. This will often include several visits and involve many family members as they seek to obtain information, and try as best they can to put into words the impact of the death of a family member. Families will have strong views about the sentences that offenders should receive, but it is clear that those views alone cannot dictate the length of sentence that an offender will receive. We should also remember that some families will not wish to express their views, and it is important that we respect their right not to engage in the process, if that is what they choose.

The process for considering all applications and referrals in lifer cases is a matter for the High Court. There is some frustration at the fact that full implementation of the procedures has been delayed. That is the result of judicial challenges from a number of lifers concerning the relevant provisions in the 2003 Act, the most notable factor being the absence of an automatic right to an oral hearing. I am pleased to confirm that things have moved on and that the High Court process, including all the arrangements for considering the victim's perspective, is expected to be fully operational in the new year.

There is nothing that the criminal justice system can do to make up for sexual or violent offences, particularly those involving violent death. But the system that we have put in place attempts to treat victims and their families with dignity, and it offers them the opportunity to ensure that their important views are heard. As my hon. Friend made clear, there has been considerable correspondence about the issue that she has drawn to the House's attention this evening: the tariff-setting process for the three youths who murdered Michael Moss. As that correspondence makes clear, responsibility for deciding tariffs for murderers aged under 18 was taken on by the Lord Chief Justice, following the European Court of Human Rights decision in the cases of Thompson and Venables in December 1999. That happened in advance of the enactment of legislation to transfer responsibility for setting tariffs from Ministers to trial judges.

Michael's murderers were convicted on 26 July 2000, so they fell to having their tariffs decided by the Lord Chief Justice. They were among the last to be convicted before the new legislation came into effect on 30 November 2000, so they were behind a queue of 130 or more cases that needed consideration. The way in which the Lord Chief Justice set about this task was entirely a matter for him. He decided to seek the views of victims' families, through the Crown Prosecution Service and the police. Where families chose to make statements, they would have been informed that those views would be disclosed to the prisoners concerned for any comments, before being submitted—along with all other relevant material—to the Lord Chief Justice for a decision. I can confirm that the Prison Service played no part in obtaining the views of the families in any of these cases.

My hon. Friend asked a number of specific questions, including why her constituent's views were dismissed by the Lord Chief Justice. Clearly, I am not in a position to make a judgment about the way in which the Lord Chief Justice handled this particular case, but the arrangements for setting tariffs in those transitional cases pending the new legislation were entirely a matter for him. He decided to seek the views of victims' families in all such cases so that he could be aware of how they had been affected. I am sure that he did not intend to be offensive in any way when he made it clear that the decision on the length of tariff was ultimately a matter for the judiciary. However, in the light of my hon. Friend's comments, I intend to write to the Lord Chief Justice asking him to clarify for her and for her constituent—and indeed, for me as the Minister—precisely what he did mean.

I can understand that Mrs. Moss is extremely upset about everything that has happened in this tragic case. Clearly, she deserves our deepest sympathy but, as I have said, the arrangements for dealing with those cases were explained in detail in correspondence with my hon. Friend and Mrs. Moss, and were decided and operated by the Lord Chief Justice. My hon. Friend asked why Mrs. Moss's permission was not sought for releasing her submission. My understanding is that, as part of the arrangements put in place by the Lord Chief Justice, families were told that their statements would be disclosed to the offenders concerned, so there was a risk that they might be made public. In addition—this is an important point—the Lord Chief Justice took the view that decisions that were effectively sentencing decisions on the most serious offences should be made publicly available. Disclosure of any material from individual statements was a matter for the Lord Chief Justice.

The location and progress of prisoners is not normally disclosable, but again, the Lord Chief Justice clearly felt that it was necessary to give some details of progress to explain to the detainees, the families concerned and the public the reasons for reaching his decisions. As for any question of delay, it is clear that the Lord Chief Justice had a very large number of cases to consider personally. The offenders in this case were among the last to be convicted before the law was changed to transfer responsibility for tariff setting from Ministers to trial judges. No doubt, that was one reason for the delay. The appeal against conviction by one of the offenders, which was not disposed of until July 2002, would have been another reason why the decision was not made earlier.

In conclusion, it is clear that Mrs. Moss has been through a terrible ordeal. I am certainly sorry if the new procedures put in place as part of the transitional arrangements led to confusion or misunderstanding. The procedures now in place, which are operated by the National Probation Service, ensure that all victims of crime are fully informed and fully engaged, and have choice about the amount of information that they receive and the representations that they can make about offenders, particularly at the point of release from prison. I hope that my remarks have clarified some of the issues raised by my hon. Friend, but I would, of course, be happy to correspond with her or discuss the case further. If there is anything more that I can do to try to help clarify the decision-making process on the setting of the tariffs for the three men who were responsible for Michael Moss's murder, I shall be only too pleased to do so.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes to Eight o'clock.

House of Commons

Wednesday 8 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Miners Compensation Scheme

1. **Mr. Win Griffiths** (Bridgend) (Lab): When the monitoring sub-committee for Wales on the miners compensation schemes for respiratory disease and vibration white finger last met; and what information was provided on payments made under the schemes for Wales and Bridgend. [201777]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): The Wales monitoring group met last Monday and reported progress for the whole of Wales showing that by mid-November a total of more than £451 million had been paid under both compensation schemes. Since then, the amount paid has increased by a further £3 million, bringing the total to more than £454 million.

Mr. Griffiths: I thank my hon. Friend for the great job that he is doing with the compensation claim scheme. Does he have any information for my constituency? As he has been at the forefront of dealing with the scourge of solicitors taking double payments, will he report on how successful he has been in that respect? What is being done to speed up smaller claims under the scheme?

Mr. Touhig: In my hon. Friend's constituency, £8.5 million has been paid under both schemes—£6.6 million under the respiratory disease scheme and £1.9 million under the vibration white finger scheme.

We have been working closely with the Law Society to ensure, in respect of solicitors who have taken payments from miners and their widows, that those payments, which belong not to the solicitors but to the miners and their widows, are returned. We are, however, having problems with claims farmers—people who are not solicitors but who act as intermediaries between claimants and solicitors—raking off very considerable amounts of money that do not belong to them. Unfortunately, several miners signed contracts, and it is very difficult to get that money back, although I believe that where solicitors have collaborated with claims farmers a liability should be pressed upon the solicitors.

As for my hon. Friend's other point, the Government have put to the judge a proposal for a fast-track payment scheme. The judge has approved the scheme, which will be voluntary and for live claimants only. It is hoped that it will start in the new year.

Adam Price (East Carmarthen and Dinefwr) (PC): Is the Minister aware that ex-miners who qualify under the Department of Trade and Industry's vibration white finger scheme are currently ineligible to claim industrial injuries disablement benefit because different criteria are used? The Industrial Injuries Advisory Council has called for that anomaly to be rectified. Will the Minister take that up with colleagues at the Department for Work and Pensions on behalf of the thousands of former miners in Wales who are affected?

Mr. Touhig: I am aware of the hon. Gentleman's point. I have written to colleagues as a constituency MP, and I know that it is a matter of concern to members of the monitoring group in Wales. I have no doubt that we will make representations, as he suggests.

Huw Irranca-Davies (Ogmore) (Lab): Echoing the comments of my hon. Friend the Member for Bridgend (Mr. Griffiths), I, too, pay tribute to the work of the DTI and the Law Society in returning money that rightfully belonged to miners, their widows and their families but was taken in percentages by claims handlers and other bodies. Can anything further be done to deal with that issue?

Mr. Touhig: I personally have made it clear on several occasions that those who are involved in taking money in that way are parasites who are preying on vulnerable people—elderly miners and their widows—by taking slices of money that do not belong to them. My hon. Friend refers to claims handlers and others. In Wales, those others include the union NACODS—the National Association of Colliery Overmen, Deputies and Shotfirers—South Wales, which is led by a member of Plaid Cymru. That organisation has been taking 5 and 10 per cent. slices off the top of claimants' payments. That is not appropriate, in my view, and I hope that all Members will join me in urging NACODS South Wales to hand the money back to the miners and their widows, because that money belongs to them, not to the union.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Many of my ex-miner constituents, particularly those from the Ystradgynlais area, welcome the speeding up of the process. However, the latest figures show that it will not be completed until 2014. Will the fast-track system have any impact on the final settlement date; and will the Minister write to me to let me know what that date will be?

Mr. Touhig: The judge has accepted the Government's proposals to speed up payments for live claims, and it is hoped that the process will begin next year. It is a voluntary scheme that a miner can choose on the advice of his solicitors, and perhaps his union. There will be

banding tariffs of £1,400, £3,700 and £12,900 depending on the degree of disability. The miner will be able to choose whether to take the fast-track route.

There is an issue about how long it will take to pay off all the claimants—there are 90,000 claims in Wales and it will therefore take a considerable time. However, I am worried that those who have criticised the Government for, they say, delaying the final payments, and claim that the scheme will take too long to pay out now criticise us for introducing a fast-track scheme. I do not suggest that the hon. Gentleman does that, but it has happened. My only comment to those people is to recall the late Aneurin Bevan's words on such matters:

"you can't have the crown of thorns and the 30 pieces of silver."

Llew Smith (Blaenau Gwent) (Lab): Does the Minister have the total figure that NACODS South Wales has creamed off from the miners compensation fund? Has he any evidence about where the money ends up?

Mr. Touhig: That remains a deep mystery. I have taken up individual cases from my constituency with NACODS South Wales. I said that I did not believe that my constituents needed to pay the money and I succeeded in getting NACODS South Wales to say that it will not try to gain that money. I cannot imagine what on earth it wants to do with it. At the last count, it had 30-odd members. I have no idea why it needs to claim a vast amount of money from vulnerable miners and miners' widows. I repeat: the money does not belong to NACODS South Wales but to miners and miners' widows. It should give it back now.

Trade Links

2. **Dr. Hywel Francis** (Aberavon) (Lab): What discussions he has had with Cabinet and National Assembly for Wales Government colleagues on developing better trade and cultural links with Australia and New Zealand. [201778]

The Secretary of State for Wales (Mr. Peter Hain): In November, I visited Australia and New Zealand, where I took the opportunity to strengthen business and trade links between Wales and a part of the world that has great opportunities.

Dr. Francis: Several successful small and medium-sized enterprises in my constituency and throughout Wales are developing effective international trade links. Will the Secretary of State outline some of the advantages that accrue to SMEs as a result of his visits and thus counter some of the unnecessary and unwarranted criticisms of them by Welsh nationalists? Will he also enter into discussions with the First Minister of the Welsh Assembly Government to arrange a trade mission specifically for SMEs to eastern Asia and Australasia to counter the "fortress Wales" mentality that is being encouraged in certain quarters in Wales?

Mr. Hain: I agree with my hon. Friend that there is great potential for small business investment from overseas countries including New Zealand and Australia, which I visited recently and met representatives of small and large businesses. As a result of a visit to China in April on behalf of Wales, a company has invested in Wales, and others are following.

It is typically small minded of the nationalist group in the National Assembly to attack such visits, especially given that the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) has said that Ministers should talk up Wales when they go abroad and the hon. Member for Caernarfon (Hywel Williams) has said that we should use the instruments of the British state to promote Wales abroad more effectively. The hon. Member for Meirionnydd Nant Conwy nods. He should sort out his Assembly group in Cardiff—he nods at that, too. *[Interruption.]* We will all help him to do that.

Mr. James Gray (North Wiltshire) (Con): What estimate has the Secretary of State made of the cost of his visits to Australia, New Zealand and China? How does he quantify the benefit of those visits to Wales? What plans does he have to visit Patagonia, where the people still speak Welsh?

Mr. Hain: The hon. Gentleman knows that, as I found in China, ministerial visits gain a higher level of access. According to the Welsh Development Agency, which organised the trip to China, there was greater access than ever to business leaders in Beijing and Shanghai. One direct investment resulted from the trip. According to the WDA, the same happened with the contacts that I had in Australia and New Zealand. It is my job as Secretary of State for Wales to bat for Wales and get more jobs for Wales. I shall continue to do that, despite Tory opposition.

Drugs

3. **Mr. Huw Edwards** (Monmouth) (Lab): What measures have been taken to combat illegal drug use in Wales. [201779]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): The Government take tackling illegal drug use extremely seriously. We work in partnership with a range of bodies, including the National Assembly, the police and the voluntary sector.

Mr. Edwards: I assure my hon. Friend that the Welsh Affairs Committee has received evidence from the chief constables of Wales about the success of Operation Tarian in combating illegal drug use. Will he join me in congratulating Gwent police on co-ordinating Operation Reptile and today's announcement of important seizures of drugs, arrests and the taking out of a significant drugs gang? Will he assure me that the Government will continue to support the police in their fight against the drugs trade?

Mr. Touhig: Yes, I certainly will do that. Indeed, I welcome the announcement today of Operation Reptile. My hon. Friend mentioned Operation Tarian, which came about as a result of the close collaboration between the Home Office, the Wales Office and the National Assembly. Operation Tarian is a police intelligence gathering unit whose aim is to prevent hard drugs from coming into Wales, and it is now in its second year of operation. In year one, 1.7 kg of heroin

and cocaine were seized, representing assets worth about £1.7 million. So far this year, about 1 kg of heroin and cocaine have been seized, and 17 individuals have been convicted for supplying illegal drugs. The operation is making good progress and shows the determination of all of us—the Government, the police and the voluntary sector—who are working in partnership to combat this menace in society.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I acknowledge the success of Operation Tarian, but there remains a serious drugs problem throughout Wales. The Gracious Speech mentioned intervention, which obviously is good, but may I remind the Minister that there are fewer than 40 rehabilitation beds in the whole of Wales? Regrettably, many towns in Wales need 40 beds each. This is a mammoth task. Will the Minister redouble his efforts to ensure that this matter is properly resourced in Wales?

Mr. Touhig: Yes, I accept the hon. Gentleman's point. Indeed, he raised it at the Welsh Grand Committee yesterday as well. The drug intervention programme that was launched last year aims to get drug misuse offenders out of crime and into treatment, and the Home Office has made about £5 million available to the Assembly in Wales for that purpose. The Assembly has also launched its own tackling substance misuse partnership approach scheme, which has five modules: community prescribing, needle and syringe exchange, residential rehabilitation, in-patient detoxification and co-occurring mental health and substance misuse. All these measures are working together to tackle this matter, but I recognise that intervention must come as quickly as possible. It is so important to identify that window of opportunity when someone wants to kick their drug habit, so that the system can be there to get them off drugs and bring them the support they need.

Mr. Bill Wiggin (Leominster) (Con): The Minister is right to say that drug and alcohol abuse is an escalating problem in Wales. There are only two rehabilitation homes registered for substance misuse in Wales, yet Rhoserchan is threatened with closure while deaths directly caused by illegal drug misuse in Wales have doubled since 1997. What will the Minister do to prevent this home from closing?

Mr. Touhig: I am not aware of the case to which the hon. Gentleman refers, but he will be aware that tackling this issue is a matter for my colleagues in the Assembly. They have certainly increased the funding for combating substance misuse across Wales. They have created the substance misuse action fund, and substantially increased the amount of funding available from £3.3 million in 2002–03 to £18.5 million by 2007–08. That is an increase of 550 per cent. I regularly have meetings with the Assembly Minister responsible for social affairs, and I value and appreciate the interventions and programmes that the Assembly is progressing. However, I shall certainly take note of the issue that the hon. Gentleman has raised, and if it is appropriate to do so I shall raise it with my colleague Minister in the Assembly.

Antisocial Behaviour

4. **Alan Howarth** (Newport, East) (Lab): If he will make a statement on progress in dealing with antisocial behaviour in Wales. [201780]

The Secretary of State for Wales (Mr. Peter Hain): Following the Government's lead, the police, community safety partnerships and others in Wales are increasingly using the wide range of powers that we have put in place to tackle antisocial behaviour, and 114 antisocial behaviour orders have been issued in Wales as of June 2004.

Alan Howarth: Is my right hon. Friend aware that, in five wards of Newport, East, crime has been reduced by 15 per cent in six months, thanks to the extra police officers that the Government have provided, and to their deployment to individual wards, enabling them to develop much closer local knowledge? Is he further aware that my constituents greatly look forward to the benefits of tackling antisocial behaviour that will come from the additional police community support officers whom the Government have just announced they will fund from the neighbourhood policing fund?

Mr. Hain: Indeed, and the truth is that it is Labour that is making Wales more safe and secure, in our local neighbourhoods and right across the country, and tackling antisocial behaviour despite opposition from the Liberal Democrats and the Conservatives to some of the measures that we have introduced in the House of Commons. We are also recruiting extra community support officers—300 are already in place, with more to come—and we have 800 extra police officers as well. I am delighted that Newport is one of the new action areas that are leading the drive against antisocial behaviour.

Mr. Bill Wiggin (Leominster) (Con): Findings from the 2003–04 crime survey report that 92 per cent. of people think that antisocial behaviour has not improved. The chief constable of North Wales told the Select Committee on Welsh Affairs that ASBOs were taking up to four days of court time, and in a Swansea school a cancer victim had her hair set on fire. I am sure that the Minister was appalled by that. Why is he the only one who thinks that things are getting better in Wales?

Mr. Hain: If the hon. Gentleman represented an area in Wales, he would know that things are getting better because of the action that we are taking. The truth is that antisocial behaviour, not just in Wales but right across the UK, is a serious problem and has been growing over the decades. We are the Government who are taking action to introduce more antisocial behaviour orders, and working with local authorities, and we will continue to do that despite the sniping from the Conservatives.

Mrs. Betty Williams (Conwy) (Lab): My right hon. Friend will be aware that antisocial behaviour was tackled in the walled town of Conwy by using a dispersal order earlier this year. That was a success, as my constituents do not now feel as intimidated as they used to when going out to evening events. Does he have any

data available at this stage to show how successful the use of dispersal orders is in Wales, and whether they are widely used in the rest of Wales?

Mr. Hain: I do not have that data to hand, but I agree that such orders can be extremely successful, and ought to be pursued by local police officers and the authorities generally. The point is that they are used right at the beginning, before antisocial behaviour takes hold and wrecks a neighbourhood. Measures are now available, and they should be used by all concerned.

Department for Work and Pensions

5. **Hywel Williams** (Caernarfon) (PC): What discussions he has had with the First Minister of the National Assembly for Wales regarding job losses in the Department for Work and Pensions within objective 1 areas in Wales. [201781]

The Secretary of State for Wales (Mr. Peter Hain): The First Minister and I have discussed the effect of the efficiency review on civil service jobs in Wales, and the new Department for Work and Pensions contact centre jobs coming to Wales, including 250 jobs at Bangor.

Hywel Williams: I thank the Secretary of State for that answer. I am surprised that he did not mention the fact that 2,600 jobs are being destroyed in Wales by this change, 1,700 of which are in objective 1 areas—the areas that the Government define as being most in need of economic regeneration and as being poor. In that regard, what has he done to make sure that the interests of Wales are fully considered when Government policy is discussed in Westminster?

Mr. Hain: We do not accept the figure that the hon. Gentleman quotes in respect of likely job changes and job losses. We are seeking greater efficiency by shifting jobs and resources from back-office staff to front-line services. I would have thought that he welcomed that. I recently met the leaders of the Public and Commercial Services Union in Wales. There are 430 new Department for Work and Pensions jobs in contact centres in Pembroke dock, Bangor and Bridgend, 500 new DWP jobs already in the pension centre in Swansea, 600 new Office for National Statistics jobs coming to Newport, 385 new DWP jobs already in Wrexham and 85 new Customs and Revenue jobs already in Cardiff. Jobs are changing, but more and more investment is bringing more and more jobs into Wales, across the public and private sectors.

Ian Lucas (Wrexham) (Lab): Wrexham welcomes the redeployment of jobs concluded in February 2004, but there is concern about the integration of Jobcentre Plus and the Pension Service in Wrexham, which could lead to redundancies in the town. Will my right hon. Friend have a word with the relevant Minister in the Department for Work and Pensions to ensure that there are no compulsory redundancies in the Pension Service in Wrexham?

Mr. Hain: I will certainly investigate that matter. The objective has been to avoid compulsory redundancies, and the recent discussions with the unions concerned have sought to achieve that objective.

Lembit Öpik (Montgomeryshire) (LD): The Chancellor says that he wants to move city-based public sector jobs out to the regions, including to Wrexham. Staff in local centres such as that in Newtown fear that their jobs might also be moved to Wrexham, which, ironically, would mean shifting work from smaller to larger conurbations. I do not expect the Secretary of State to make policy at the Dispatch Box, but would he be willing to meet a delegation of Department for Work and Pensions staff to discuss their concerns and the case for keeping work at existing rural locations such as Newtown?

Mr. Hain: I understand the hon. Gentleman's point, and we will consider a meeting. He will also want to know, however, as I said a moment ago, that I met the leaders of the PCS and our discussions and contacts will remain.

Mr. Bill Wiggin (Leominster) (Con): The Secretary of State was talking about the number of jobs created in north Wales. Whether the number of jobs lost from the Department for Work and Pensions is 2,600 or some other number, it will mean that people will now have to telephone a call centre in Bangor. Will that achieve better delivery of front-line services, or will it experience the same problems as out-of-hours general practitioner services?

Mr. Hain: I am surprised that the hon. Gentleman asks the question, as there is Welsh language provision for the Bangor call centre.

The truth is that we are providing more and more jobs in the public sector, in front-line services and in the private sector as a result of the dynamism of the Welsh economy. That contrasts with the dreadful record under the Conservatives. Talking of Conservative policies, may I ask the hon. Gentleman whether he cleared with the shadow Chancellor the fact that the Welsh budget will not be affected by the £35 billion of savings and cuts that the shadow Chancellor wants to make? England, not Wales, will have to bear the cost of those savings.

Dee Estuary

6. **Mr. Ben Chapman** (Wirral, South) (Lab): What recent discussions he has had with English local authorities and environmental bodies regarding dredging in the Dee estuary. [201782]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): Consideration of the port of Mostyn's dredging proposals is a matter for the National Assembly, the Environment Agency and the Department for Transport. As my hon. Friend knows, my right hon. Friend the Secretary of State and I have taken a close interest in this matter.

Mr. Chapman: Does my hon. Friend agree that given the environmental importance of the estuary, the habitats directive demands full consideration of the alternatives to dredging? Does he share my hope that when the Environment Agency Wales reaches a "minded to" position, it will take full and balanced account both of realistic commercial, but perhaps temporary, considerations and of the permanent need to protect the ecology of the estuary?

Mr. Touhig: I know that my hon. Friend has been a strong advocate for his constituents on this issue. The Environment Agency recently submitted an application for a regulating order to manage the cockle beds in the estuary. The area concerned covers both England and Wales, although of course the Department for Environment, Food and Rural Affairs is in the lead in this case. DEFRA and my colleagues in the Welsh Assembly are preparing a draft order, which should be ready for public consultation in the new year. I know that my hon. Friend will want to be kept closely informed of developments.

Small Businesses

7. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What representations he has received from small business organisations on central Government regulation of small firms in Wales. [201783]

The Secretary of State for Wales (Mr. Peter Hain): My hon. Friend the Under-Secretary of State and I have regular meetings with representatives of the business community to discuss issues that concern them.

Mr. Bellingham: Does the Minister agree that the European Union agency workers directive will be highly damaging for small firms in Wales? What is his view of it, and what advice has he given Welsh Labour MEPs?

Mr. Hain: As the hon. Gentleman knows, last week the Chancellor announced new measures to ensure that small businesses are not affected by over-burdensome EU regulations. He may also know that the small business sector has had a very successful record in Wales recently. The Welsh business survival rate is higher than the United Kingdom average. We had 7,000 business start-ups funded by the Assembly in the last financial year, and in October we had the 19th consecutive month of business growth.

As the Leader of the Opposition is now present, may I ask him whether he cleared the fact that the ring-fenced Welsh budget will not—

Mr. Speaker: Order. I call Mr. Rosindell.

NHS Dentistry

8. **Mr. Andrew Rosindell** (Romford) (Con): What discussions he has had with the National Assembly for Wales on improving the provision of NHS dentistry in Wales. [201784]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): I shall be having a bilateral meeting on Monday.

Mr. Speaker: The hon. Member for Romford is allowed a supplementary question, but he appears not to want to ask one.

Antisocial Behaviour

11. **Mark Tami** (Alyn and Deeside) (Lab): What discussions he has had with the First Minister on combating antisocial behaviour in Wales. [201787]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): My right hon. Friend and I have regular discussions with the First Minister about matters affecting Wales.

Following the Government's lead, the police, community safety partnerships and others in Wales are increasingly using the wide range of powers to tackle antisocial behaviour.

Mark Tami: I welcome the many moves that have been made to deal with antisocial behaviour, but does my hon. Friend agree that there is still progress to be made, and that we can learn from the success of many areas, including Manchester, in making the legislation more effective?

Mr. Touhig: I certainly agree with the point that my hon. Friend makes. The important message to get across is that this Government are tackling the problems of antisocial behaviour in our communities. We are putting in the resources and funding, providing extra police officers and community support officers, and introducing the appropriate legislation. That should be contrasted with the policy of the Conservatives, who are committed to £35 billion-worth of cuts, which would wreck our public services and destroy all that we are doing to combat antisocial behaviour. Of course, the Liberal Democrats campaign against antisocial behaviour in the constituencies, but vote against every such measure that we bring before the House.

PRIME MINISTER

The Prime Minister was asked—

Indonesia

Q1. [202998] **Mr. Win Griffiths** (Bridgend) (Lab): what plans he has to visit Indonesia in the next three months to meet President Bambang Susilo Yudhoyono to discuss British support for, and co-operation with, Indonesia in the campaign against the threat of terrorism.

The Prime Minister (Mr. Tony Blair): I have no current plans to meet the President of Indonesia. However, senior officials have been to Indonesia for discussions with the new Government on a range of issues, including co-operation on counter-terrorism. A Foreign Office Minister will attend the European Union and Association of South East Asian Nations meeting in Indonesia in March 2005.

Mr. Griffiths: I thank my right hon. Friend for that positive response. He doubtless does not need to be told that if terrorism is to be defeated in Indonesia and the wider world, it is vital that the newly elected President Bambang Susilo Yudhoyono be given our full support

in his efforts to continue the reform process, to develop good governance and justice, to fight corruption and to promote sustainable economic prosperity. Will my right hon. Friend ensure that his Ministers in the Department of Trade and Industry, the Department for International Development and the Foreign and Commonwealth Office work closely to encourage trade missions and British investment in Indonesia?

The Prime Minister: Well, we will give the President—*[Interruption]*—every support. In particular, we welcome and applaud Indonesia's counter-terrorism efforts, including the detention of more than 100 members of the Jemaah Islamiyah organisation, the arrest of some of the perpetrators of the Marriott attacks in Bali, and the investigation into the attack on the Australian embassy. The point that my hon. Friend makes is absolutely right: it is important that we intensify counter-terrorism efforts, since Indonesia, as well as many other countries, faces the threat of terrorism. But I also agree that it is when we tackle poverty and economic development in Indonesia that we will also make an impact on the underlying causes of terrorism.

Engagements

Q2. [202999] **Mr. Desmond Swayne** (New Forest, West) (Con): If he will list his official engagements for Wednesday 8 December.

The Prime Minister: This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Mr. Swayne: At the beginning of this week, Jonathan Baume, the leader of the First Division Association—the mandarins' union—was quoted on Radio 5 as saying that, at times, No. 10 and the Chancellor's office have competing and conflicting agendas, and that civil servants and Ministers are having to make sense of this battle. Why did he say that?

The Prime Minister: I cannot answer why he said it, but what I can say is that I am delighted that the hon. Gentleman has given me the opportunity to point out that under this Government and this Chancellor, we have had 2 million extra jobs; the lowest levels of inflation, unemployment and mortgage rates for 30 years; a strong economy; investment in health and education; and falling crime. That is surely enough to please even the hon. Gentleman.

Mr. Mike Wood (Batley and Spen) (Lab): My right hon. Friend will know that PC Ian Broadhurst, a constituent of mine, was shot dead in Leeds on Boxing day last year. It now transpires that the bullets used in that killing and in the attempted murder of two of his colleagues were home-made. The components and the machine necessary to produce that ammunition were bought over the counter, with no questions, no vetting and apparently no checks whatever. Will my right hon. Friend pledge his and his Government's support for the campaign—launched by PC Broadhurst's mother, Cindy Eaton—to have this loophole in the law closed quickly?

The Prime Minister: Once again I extend my sympathy to the family of my hon. Friend's constituent and say how sorry I am for the situation in which they find themselves after a tragic and brutal murder. We are studying carefully the facts of the particular case and are aware of the campaign on behalf of the family. We hope to make a response shortly. I entirely agree with my hon. Friend that the way in which these items are sold over the counter is a very important issue, and we need to ensure that the law is tough enough to deal with that problem.

Mr. Michael Howard (Folkestone and Hythe) (Con): Yesterday, the Metropolitan Police Commissioner said that he totally supports the private Member's Bill to change the law on self-defence against burglars. Will the Government support it too?

The Prime Minister: What we have said is that we will consult chief police officers, the Crown Prosecution Service and, indeed, the Attorney-General. I entirely understand the concern about this particular issue and I share the general view of the Metropolitan Police Commissioner. If we get the right response from those people, we will, of course, support a change in the law. As I understand it, the particular private Member's Bill has not yet been published. We will have to consider the best way to take it forward, but I entirely share and understand the concern and hope that we can reach agreement on it.

Mr. Howard: I am very glad to hear that, once again, where we lead, the Prime Minister follows. Can the Prime Minister tell us why the Lord Chancellor said this week that the law did not need to be changed?

The Prime Minister: First, let me deal with the issue of the right hon. and learned Gentleman leading and us following. The Home Secretary said that he was prepared to review the law on this matter a couple of months ago, and the right hon. and learned Gentleman jumped on the bandwagon only when he thought that there was something in it for him. I would have thought that we could deal with this issue perfectly sensibly. I entirely understand the concern. The Law Commission looked into it and said that the law did not need changing. I believe that the number of circumstances in which someone was convicted after taking on a burglar in their home would be very limited. None the less, in the light of recent concern, it is worth looking into whether we need to clarify the law in order to send a clear signal to people that we are on the side of the victim, not the offender.

Mr. Howard: The right hon. Gentleman talks about bandwagons, so I will tell him about bandwagons. This is the man who joined Michael Foot's bandwagon to get into the Labour party; joined the Campaign for Nuclear Disarmament bandwagon to get on in the Labour party; and did over his Chancellor's bandwagon to take over the leadership of the Labour party. He is Mr. Bandwagon. Now let us get back to the question, which the Prime Minister manifestly did not answer. The Lord Chancellor said this week that the law did not need to be changed. Why do his Government say one thing one day, and something else the next?

The Prime Minister: What discomfited the right hon. and learned Gentleman is that I gave him an answer that he did not expect in reply to his first question. There is genuine public concern about this matter and we want to meet it. I am sure that the right hon. and learned Gentleman does as well, so rather than engaging in rather absurd point scoring across the Dispatch Box, why not simply agree that, on the basis of advice from chief police officers, the Crown Prosecution Service and the Attorney-General, we will bring forward proposals, consult the other parties in the House and try to reach a sensible agreement on this matter?

Let me make one thing perfectly clear to the right hon. and learned Gentleman. It is as a result of the measures taken by the Government that crime is down, burglary is down and extra numbers of police are on our streets. If we took the measures that he and his shadow Chancellor are going to implement, we would be cutting the number of police officers on our streets.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): Does my right hon. Friend agree that the hand of history now rests on the shoulders of the hon. Member for North Antrim (Rev. Ian Paisley)? Does he further agree that that hon. Gentleman should accept the leadership that the people of Northern Ireland have placed in his hands and say yes?

The Prime Minister: I think that the issue will be very clear once we publish the documents and proposals that we have been working on in the past few weeks. As the House will understand, we have worked extremely hard over the past seven years to secure peace in Northern Ireland, with power shared between all parts of the community and all parties, based on a commitment to exclusively peaceful and democratic means. The essence of that agreement is now in place, but the question is whether it can be implemented in such a way that it gains sufficient confidence on both sides of the community. We will carry on doing everything that we possibly can to bring that about.

I pay tribute to everyone who has been engaged in this process over the past few months. I think that people will see later today that we have made immense progress, and what I have learned above all else in respect of Northern Ireland over the past few years is that any setback—in any shape or form—should simply be a reason for us to redouble our efforts and carry on trying.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): Given that the Prime Minister has admitted that the Government will fail to meet their climate change targets, how does he expect the British public to have faith in his declared ambition to lead the industrialised world—including President Bush—in tackling the climate change issue successfully, once and for all?

The Prime Minister: First, I want to make it clear that there are two targets, both of which relate to 1990. The Kyoto targets are our international obligation, and we will meet them—indeed, we have met them already. We are one of the very few countries in the world that will meet those targets, and we can be proud of that. It is true that we set an even tougher target for ourselves on CO_2 emissions. Instead of a 20 per cent. reduction, we will achieve one of 14 per cent., but there are years to go before we must reach the higher target. As we say today, we do not accept that we will not meet that target, but again, we must make sure that we take the measures necessary to meet it.

Mr. Kennedy: The problem is that all the plans and strategies that the Prime Minister has reiterated this morning would have sounded great in the first seven days of a newly elected Labour Government, but we are now in the seventh year of this Labour Government. What practical and effective steps does the Prime Minister propose to take on issues such as tackling aircraft pollution, reforming the climate change levy successfully, and achieving a reduction in domestic energy consumption? Is not this yet another example of the Prime Minister talking a very good game and persuading himself, but failing to deliver in the end?

The Prime Minister: The right hon. Gentleman has rather glossed over what I actually said, which is that we will meet our Kyoto targets. On CO_2 reduction, we have set a target of 20 per cent. and are on track to achieve a reduction of 14 per cent. We must do even more, but I shall list some of the things that we are doing. We have set a target for renewable energy levels by 2010. We are putting an obligation on energy suppliers to produce an increasing proportion of energy from renewables. We have the climate change levy, and I hope that the whole House will support us in maintaining that, but I remind the right hon. Gentleman that we had to force it through when we introduced it. We have the emissions trading agreement, which is also extremely important, and the measures announced in the pre-Budget report for energy efficiency innovation, on which we are spending hundreds of millions of pounds. It is not true that we will fail to meet our international target: we will meet it. We have more to do to meet our domestic UK targets, but we are taking the measures necessary to do that.

Law and Order

Q3. [203000] **Mr. Graham Allen** (Nottingham, North) (Lab): When he next intends to visit Nottingham, North to review progress of cross-departmental working on law and order issues; and if he will make a statement.

The Prime Minister: I have no current plans to do so. However, I am always pleased to see good progress in cross-departmental working on law and order issues. As my hon. Friend will know, my right hon. Friend the Home Secretary's full ministerial team visited the region on 4 and 5 November. They saw some 26 projects in the region, including several focusing on community safety. They also engaged in discussions with local people. That is precisely why it is important that we continue with cross-departmental working, particularly in order to reduce antisocial behaviour in our communities.

Mr. Allen: The Government are doing all that they can from the centre to tackle law and order problems, including introducing welcome legislation and massive resource provision. However, that must have an echo at a local level, with people being reunited with the criminal justice system. Most people in my constituency

do not know what the Crown Prosecution Service is, or the probation service or magistracy. Will my right hon. Friend accept that the next phase of our attack on crime must be to organise a crusade to link every tenants association and neighbourhood watch back to the criminal justice system, so that we can effectively progress the fight against crime?

The Prime Minister: I agree with my hon. Friend and that is why the local criminal justice boards were established. It is obvious, when we look at antisocial behaviour, that many communities are now using the extra powers and the extra police officers and community support officers, and they are getting local partnerships working. The powers are there and the resources are there, but—he is right—it does require local people on the ground to use those powers and resources adequately. What we can and do provide from the centre is the framework within which that can happen. Many hon. Members will know from their constituents that even though there are still major problems with antisocial behaviour, real and good work is being done by the police, local authorities and others on the ground to tackle that menace.

Engagements

Q4. [203001] **Dr. Howard Stoate** (Dartford) (Lab): I can tell my right hon. Friend that the extra investment in health in Dartford is extremely welcome, with an accident and emergency extension and a £9 million treatment centre being built at my 3-star Darent Valley hospital, and a £2 million local improvement finance trust—or LIFT—programme to modernise general practices in the area. As he is aware, the Thames gateway is a massive regeneration and growth area with significant projections for new jobs, housing and population. Can he reassure my constituents that the extra investment needed in infrastructure, especially in health, education and transport, will be sustainable in the future?

The Prime Minister: I can give my hon. Friend that assurance because, as part of the Thames gateway project, we will ensure that there is the proper investment in the infrastructure in those areas. He is right to say that the improvements will come from the LIFT programme, but they will also come from the reduction in the waiting lists, the investment in hospital buildings, and the increases in the number of nurses and doctors, which are yielding results. As one of the international reports indicated this week in relation to health care, the UK now has one of the fastest improving health care systems anywhere in the world.

Mr. Michael Howard (Folkestone and Hythe) (Con): In Labour's first term, crime rose, detection rates fell and the number of asylum seekers more than doubled. Presumably the Prime Minister agrees with his current Home Secretary, who thinks that after four years of Labour Government he inherited "a giant mess"?

The Prime Minister: At least he never said there was "something of the night" about him. Let me remind the right hon. and learned Gentleman that in our first term crime fell under this Government, and under this Home Secretary crime continues to fall and we have record numbers of police officers—as opposed to the record of the right hon. and learned Gentleman, who cut the numbers of police officers. Not merely have we got record police numbers: we have community support officers as well.

Mr. Howard: I shall tell the Prime Minister what his Home Secretary says about me. He thinks that I was the first Home Secretary to focus on cutting crime. That is what he says. Now I shall tell the Prime Minister what his Home Secretary thinks about the current Foreign Secretary's time at the Home Office. *[Laughter.]* Wait for it. He says:

"It was worse than any of us had imagined possible. God alone knows what Jack did for four years. I am simply unable to comprehend how he could have left it as it was. It was a giant mess."

He does not stop there. He thinks that the Secretary of State for Culture, Media and Sport is weak; the Secretary of State for Trade and Industry does not think strategically; and the Secretary of State for Education and Skills has not developed as expected. He also says that the Prime Minister does not like being told the truth and—as no doubt the Prime Minister will agree—that the Chancellor is a bully. Could the Prime Minister please arrange for the Home Secretary to make regular reports on his Cabinet colleagues and place them in the Library?

Hon. Members: More!

The Prime Minister: I think that we have had quite enough. Since we are talking about records as well as the comments that people make—[Hon. Members: "Oh!"] Well, the right hon. and learned Gentleman does not actually want to discuss the alternative records of his time in office and our time in office, but that is what I am going to do. When he was responsible for employment, it went down and unemployment went up by 1 million—[Hon. Members: "Ah!"] That is right, is it not? When the Home Secretary was in charge of employment, unemployment fell by 500,000. When we were in office, we increased the investment in health and education, we got mortgage rates down and we got inflation and unemployment down. People remember not the comments but the record, and it is the record of the right hon. and learned Gentleman's time in government that we will concentrate on between now and the election.

Ms Julia Drown (South Swindon) (Lab): Given that absolute poverty kills a child every three seconds, has the Prime Minister seen the "Make Poverty History" early-day motion, which has more signatures than any other on the Order Paper? What is he doing in preparation to make next year the year when the international political will is created to make poverty history?

The Prime Minister: The main focus will obviously be the UK's G8 presidency. The Commission for Africa report will be published in March, and will focus not just on increasing levels of aid but on removing trade barriers for the poorest countries in the world, by making sure that we have the right framework for

conflict resolution in Africa, since it is often conflict in Africa that creates disease, famine and death. We will also make sure that we are reducing debt levels. In other words, there will be a comprehensive plan for Africa. I hope that we can get it agreed at the G8 and then, literally, take it out to every part of the international community and get the necessary action. I know that my hon. Friend will agree that we are leading the way on these issues and as a result of the successful management of the economy, as well as increasing investment in our own health and education services, we have been able to treble aid to Africa, to reach £1 billion a year, which ties in very well with the campaign that will be launched right across the country to make poverty history—a campaign that we fully support.

Q5. [203002] **Mr. Graham Brady** (Altrincham and Sale, West) (Con): If a police officer makes an improper expenses claim, he will face disciplinary action. He then has the right of appeal to the Home Secretary. How can this Home Secretary sit in judgment on any such appeal?

The Prime Minister: I do not agree with the hon. Gentleman. If any claims are made, they can be submitted to the normal authorities here and investigated.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): One of the proposals in the Queen's Speech was for a Bill on consumer credit, and that proposal received almost universal acclaim from consumer groups, Citizens Advice and the majority of the financial services industry. Given such widespread backing, may I urge the Prime Minister to ensure that the Bill is introduced sufficiently early in the Session to give it a good chance of becoming law if by some chance there were to be an early Dissolution of this Parliament?

The Prime Minister: It is important that we give consumers proper protection and we are doing that. We shall also be providing money to help more people to establish bank accounts and to deal with some of the problems of financial exclusion from the banking system. The measures that the Chancellor announced last week will make a major impact in that regard, but I agree with my hon. Friend that the Bill would be an important piece of legislation and I hope that it will command support right across the House as that would hasten its progress.

Q6. [203003] **Paul Holmes** (Chesterfield) (LD): As the Prime Minister will know, by next summer all councils must have held compulsory ballots of their tenants on stock transfer. The ballot options are financially rigged by the Government against the option of staying with the council rather than opting for a housing association or private finance initiative landlord. Will the Prime Minister explain to my constituents in Chesterfield, a quarter of whom are council tenants, and to his own Back Benchers, why he and his Government have such a dogmatic, ideological prejudice against those who democratically vote to remain council tenants?

The Prime Minister: That is a very odd point to make. We are giving people a vote; I think that there have been more than 150 already, and 70 per cent. or more voted in favour of the change. People should be able to make up their minds; where they vote for change, they believe that it is in their interests. The hon. Gentleman should allow his constituents the right to vote on that, as the Government's purpose is actually to give his constituents the chance to decide their own future.

Q7. [203004] **Hugh Bayley** (City of York) (Lab): Not a road or pavement in any town or city in the country is not smeared and disfigured with great white blobs of chewing gum. What penalties will the Clean Neighbourhoods and Environment Bill impose on people who drop chewing gum in the streets? Why do not manufacturers sell chewing gum in packets that contain a slot in which to put used gum; and should not the packets have a warning showing the penalty for dropping chewing gum in the streets? Perhaps the manufacturers should pay for cleaning up the mess that their customers create.

The Prime Minister: I had not quite appreciated what a social evil chewing gum was until my hon. Friend made that impassioned plea. Of course, there are provisions in respect of litter in the Clean Neighbourhoods and Environment Bill, but they are part of a general series of measures that will allow local communities to deal with issues such as fly-tipping, abandoned cars, graffiti—the things that really degrade and devalue the look of an area—and along with the other measures that the Home Secretary has announced, will result in the most comprehensive programme of measures on antisocial behaviour that this country has ever seen. Many people, including some hon. Members, were doubtful about the importance of those measures on antisocial behaviour, but they now recognise that they are actually working in communities up and down the country.

Q8. [203005] **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): Does the Prime Minister accept that, for this country to comply with its international legal obligations, we must hold a full, independent inquiry into the number of civilian casualties in Iraq since the invasion last year?

The Prime Minister: I do not accept that. In our view the figures from the Iraqi Ministry of Health, which has surveyed the hospitals there, constitute the most accurate survey that there is, but me just make this point to the hon. Gentleman and, through him, to the authors of the letter today: those who are killing innocent people in Iraq today—those who are responsible for innocent people dying—are the terrorists and insurgents who want to stop the elections happening in Iraq. Any action that the multinational force or the Iraqi army is taking in Iraq is intended to defeat those people, who are blowing up innocent people, preventing people from joining the police force and killing innocent aid workers—killing anyone trying to make the country better.

So let us be quite clear about this. If we want to stop any civilian deaths in Iraq, the best way to do so is for the hon. Gentleman and others to come behind the

electoral process, come behind the UN-appointed Iraqi Government and ensure that we stop the terrorism and start the democracy.

Mr. Ivan Henderson (Harwich) (Lab): By the middle of next year, four new schools will be built in my constituency—three new primary schools and one secondary school—and 24 schools have been involved in an education action zone. Last week, they celebrated the success of that education action zone. They are now moving into school clusters. Will my right hon. Friend assure me that the support for the education action zone will remain there for the school clusters in the future?

The Prime Minister: I can assure my hon. Friend that the record investment going into our schools will remain in place. That money is set aside. Over the next few years, there will be a massive injection of capital funding. In any constituency in this country, we can see the difference in school buildings, extra computers, extra teachers and extra classroom assistants—of course, that turns up in the best results for 11-year-olds, GCSEs and A-levels that this country has had—and every single penny piece of that investment was voted against by the Conservative party.

Q9. [203006] **Tony Baldry** (Banbury) (Con): May I ask the Prime Minister a question of which I have given him notice? Is he aware that less than half of home-owning pensioner households are claiming the council tax benefit to which they are entitled, so a staggering £750 million goes unclaimed each year? Having been successful in the ballot for private Members' Bills, I intend to introduce a one-clause Bill that, I hope, would better inform and better enable those pensioners to claim that council tax benefit. Will the Government support such a Bill?

The Prime Minister: Obviously, on the support for the Bill, we would have to see the specifics of it, and I understand that the hon. Gentleman is in discussion with the Secretary of State for Work and Pensions. Incidentally, I thank him for notice of his question. Of course we support the principle of getting as many people as possible the benefits to which they are entitled, and we have made certain changes both to the forms that people have and in relation to the information campaign, to ensure that people get the information that they require. I am afraid that we will have to look very carefully at whether we can go further and engage with the statutory responsibility in the way he describes—there are obviously a lot of ramifications—but in general, of course we want to ensure that the more generous payments that we are giving to people, particularly with things such as pension credit, actually get to them. But I am afraid that, on the specifics of the Bill, we will have to wait until the outcome of the considerations that he and the Secretary of State for Work and Pensions must have.

Q10. [203007] **Mr. Jim Cunningham** (Coventry, South) (Lab): Given the present security situation in Iraq, is my right hon. Friend confident that the January elections can take place?

The Prime Minister: Yes, I am. I emphasise that the elections are overseen by—indeed, the terms of them are dictated by—the United Nations. The United Nations people engaged in the process believe that the elections can take place. Somewhere in the region of more than 200 parties have registered to participate in the elections. All the information that we have from people in Iraq is that they are desperate to take part in the elections.

This is a good moment to talk about elections in Iraq, the day after President Karzai was sworn in in Afghanistan, a country that for years and years was a failed state, run by a gang of murderers, thugs and fanatics. It is now a country in which millions of people—men and women—can vote. That is the same vision as we have for Iraq. If we succeed in that vision, Iraq and the world will be a more stable and safer place.

Q11. [203008] **Mr. John Wilkinson** (Ruislip-Northwood) (Con): Is the Prime Minister proud of the measure stealthily slipped into the pre-Budget report, whereby the tax on orphan assets in life insurance policies is to be raised to 30 per cent. from 10 per cent.? Is he aware that the chief executive of Norwich Union, the biggest life insurer in the country, calls that a disgraceful clobbering of his policyholders, and that it will cost them £150 million over the life of their policies? Is he not satisfied that damage enough has been done with the removal of dividend interest tax relief on pension funds? Why clobber the pensioners and retiring people twice?

The Prime Minister: I do not accept that. There have been discussions with all the institutions over a period of time on the issue. There is a balance of funding review, as the hon. Gentleman knows, and we should await its outcome.

Orders of the Day

Commissioners for Revenue and Customs Bill

[Relevant document: The Ninth Report from the Treasury Committee, Session 2003–04, on The Merger of Customs and Excise and the Inland Revenue, HC 556.]

Order for Second Reading read.

12.31 pm

The Paymaster General (Dawn Primarolo): I beg to move, That the Bill be now read a Second time.

The Bill implements the principal recommendations of the O'Donnell review of the revenue departments. It brings together the Inland Revenue and Customs and Excise to create a single new department called Her Majesty's Revenue and Customs. It also establishes a new, fully independent prosecutions office, the Revenue and Customs Prosecutions Office. This office will provide independent scrutiny of all Her Majesty's Revenue and Customs prosecution cases, and will conduct prosecutions where appropriate.

It is principally a machinery-of-Government Bill to implement sensible reforms to tax administration, and I was pleased to hear the shadow Chancellor support that when he said in the debate on the Loyal Address last week:

"The Treasury's Bill on the merger of the Inland Revenue and Customs and Excise carries our general support".—[*Official Report*, 1 December 2004; Vol. 428, c. 636.]

I therefore look forward to a constructive and useful debate on the detailed measures. Before I go on to discuss those, I should like to take a moment to thank members of the Treasury Committee for their excellent work, which culminated in the recently published ninth report, exploring the issues around the merger of Customs and the Inland Revenue.

Sir Teddy Taylor (Rochford and Southend, East) (Con): Will the Minister comment briefly on the employment implications of the proposals? Will they be substantial or limited? Can she give us any idea?

Dawn Primarolo: I shall address that in the course of my remarks. If the hon. Gentleman forgives me, however, I will continue to pay fulsome tribute to the Treasury Committee's report.

I welcome the Committee's endorsement of a pragmatic approach to legislating for the creation of the new department. I have carefully considered all the points contained in its thorough report and will respond to them. Although it is not a matter for the Bill, for completeness I shall quickly clear up one concern that the Committee raised about the clarity of ministerial accountability arrangements for the new department. David Varney, the prospective chairman of Her Majesty's Revenue and Customs, wrote to the Committee Deputy Chairman, who I am pleased to see is in his place, on 15 October to help with this matter. The position is clear. I shall be the departmental Minister for HMRC, and all Treasury Ministers have lead responsibility for specific matters. Such arrangements are normal in central Government departments. We regularly review such arrangements and, as suggested by the Treasury Select Committee, we shall review these arrangements as the merger progresses.

I shall return in more detail to the other points raised by the Committee in the course of my remarks and, no doubt, as we discuss the relevant clauses in more detail in Committee. As I have said, I am pleased that the shadow Chancellor and the Treasury Committee are not alone in their support for integration. Over the summer my officials have conducted a programme of consultation with representatives of the new Department's stakeholder groups to inform the development of the Bill. A summary of that consultation is reproduced as an annex to the regulatory impact assessment. I am pleased to say that support for integration was almost universal.

I shall explain what I mean by integration. I am talking about a major change in the way in which taxes and revenues are administered. This is not about shuffling a few Whitehall deckchairs, creating a new department and then assuming that the job is done. It is far more fundamental than that, as the Treasury Committee highlighted. I am talking about a process that goes beyond a simple merger of departments. It is a process of real integration, of bringing the two existing departments together and developing better new ways of working. It is about delivering truly joined-up services to taxpayers, and about creating an organisation that can meet taxpayers' needs because it can look across their affairs and tailor its services to their particular circumstances.

The question of meeting taxpayers' needs is a key one. That means that integration must mean different things in different parts of the business—another point touched on by the Treasury Select Committee—with parts of the business with very similar activities and remits merging in their entirety. For example, there are the corporate services; business areas with similar stakeholders or functions fully integrating their structures and activities—for example, the large business service—and other parts of the business that deal with a unique group of stakeholders not shared by other parts of HMRC connecting into the new Department structure. One example is some of the frontier protection work.

That sounds like a huge job and of course it is. Integration cannot be delivered overnight nor can it be delivered in this Bill alone. I shall give the House some idea of the scale of the task.

Mr. Andrew Turner (Isle of Wight) (Con): Before the right hon. Lady moves on, I thank her for mentioning frontier protection work. The Bill proposes the saving of 16,000 posts by 2007–08. There is already considerable dissatisfaction with the extent to which our borders and ports are left open to smuggling. The Bill appears to be driven more by revenue than by the prevention of smuggling. Will the right hon. Lady assure me that our ports will be better protected as a result of the Bill and not less well protected?

Dawn Primarolo: The hon. Gentleman confuses two subjects, one of which is not connected with the Bill. When he refers to reductions in staff across the Inland Revenue and Customs and Excise and to savings of 16,000 posts, he is referring to the Gershon efficiency

[Dawn Primarolo]

savings, not the Bill. If the hon. Gentleman looks at the regulatory impact assessment, he will see that the proposals surrounding the merger are very different from those that he has suggested.

I hope to make it clear in the debate that the Bill takes every opportunity to protect the current functions of both departments. It involves a change in the machinery of government to allow the departments to start to come together and, over the period of integration, many issues will need to be addressed. However, I absolutely assure the hon. Gentleman that the figure of 16,000 that he quoted is not correct.

Mr. Turner: Will the right hon. Lady give way?

Dawn Primarolo: I will give way again, but if the hon. Gentleman looks at the regulatory impact assessment—I do not believe that he has it with him—he will see that figures are given for the expected savings across all the departments. They involve 100,000 staff and they will not have the impact that he fears.

Mr. Turner: I am grateful to the right hon. Lady for giving way again. Among other things, the press notice issued by her Department on 23 November said:

"Through delivering a single Department, the Bill would . . . Enable the new department to meet its demanding Public Service Agreements and realise efficiency savings, with integration contributing 3,000 posts towards total savings of 16,000".

Dawn Primarolo: Yes, but if the hon. Gentleman will allow me to make progress, I can specifically address that point. We are discussing the merger Bill today, not the efficiency savings that are in the agreements arising out of the Gershon review. My speech will touch specifically on the reductions in staff anticipated as a result of the departments being merged and duplication being removed. I will also touch on safeguards, efficiencies and the delivery of services. If the hon. Gentleman is a little patient, I will be happy to give way to him again if he feels that my remarks have not addressed the points that he has raised.

The Inland Revenue and Customs and Excise are among the oldest Government departments. The Inland Revenue can trace its history back more than 300 years—it is a rather junior partner in some senses—while a nationally organised customs system dates back to the 13th century.

The new department will have more than 30 million taxpayers and stakeholders, of which 4 million are businesses. HMRC will collect more than £400 billion a year in receipts and pay out over £25 billion in tax credits and child benefit. The costs of running HMRC will amount to some £4.8 billion a year, and the department will have nearly 100,000 staff; 20 per cent. of the civil service. It is a huge task and I very much understand the hon. Gentleman's point about the continuation of services through the period of change.

Given the huge task, it is not particularly surprising that the Treasury Committee has suggested that further primary legislation is required fully to implement integration. Of course, as we the start the process of integration, I cannot confirm what will be needed, but I can say that we will be doing further work with David Varney, the prospective chairman of the new department, to look at how it should manage its business. If legislative change is needed to support our conclusions, it will be brought forward in an appropriate form for consideration by the House.

Delivering real, meaningful integration is a process that should be measured in years, not weeks. That has been acknowledged by all those who have commented on the Bill. It must be an ongoing process of continual improvement; a process that identifies and responds to taxpayers' needs, involving proper consultation where appropriate to produce robust and effective new policies. It must develop and exploit new technologies and working methods to create the integrated, coherent and consistent approach that we all seek, and that taxpayers rightly expect.

The Bill is, and can only be, the first step in that process, but it is a vital step. It creates the organisational structures within which the process of integration can develop. Without the Bill, that process of improving the way in which we deliver services to taxpayers cannot even start in the systematic way that we all want.

I shall explain briefly why integration is so important. The O'Donnell review identified clear benefits from integration that will pay real dividends for people and businesses throughout the UK, and are vital to ensuring that this country remains a highly competitive place to do business. Foremost among those benefits are the improvements to taxpayer or customer focus that integration can deliver. The delivery of more joined-up services will result in a more consistent and coherent approach to taxpayers' affairs. Understanding taxpayers and taking a view across their affairs is essential to deliver a world-class service, built on support for taxpayers that is tailored to their needs.

We have already started identifying areas where this approach would be beneficial. The Chancellor's announcement at the pre-Budget report of a new small business unit at the heart of the new department is a key example. Improvements to the use of information within the new department should, as IT capability is developed, reduce the need for taxpayers to supply the same information several times over. The Chancellor's pre-Budget report announcement of work to develop ways of minimising the requirements on small businesses through, for example, a single tax return for all taxes and a reduction in the number of forms, is a key component of this agenda. Returning to the point made by the hon. Member for Isle of Wight (Mr. Turner), that will bring efficiency savings for business and Government alike.

The same developments that will improve the taxpayer experience will also improve the effectiveness of revenue administration, helping to reduce the tax gap. Better use of information, built around an ability to look across a taxpayer's affairs, will allow for more effective targeting of resources to areas of risk. That will improve fairness, making it harder for those who seek to avoid their obligations to succeed, and reducing unnecessary interventions in the affairs of honest taxpayers. There will also be efficiency improvements. Through economies of scale and alignment of common areas of activity, integration will produce efficiency savings of 3,200 posts by 2007–08.

The Treasury Committee's report rightly suggested that a detailed analysis of the costs and benefits of integration would be helpful. The regulatory impact assessment published alongside the Bill sets out the costs and benefits of the legislation. Future substantive proposals for legislative reform will also be accompanied by regulatory impact assessments in the usual way, so that the costs and benefits of particular measures to effect integration can be considered. That further addresses the hon. Gentleman's point with regard to progress on integration over a period of time.

Mr. David Laws (Yeovil) (LD): The Paymaster General is right to say that the regulatory impact assessment contains some, but perhaps not all, of the costs relating to the merger. Will the merger result in a net cost saving over the period of the existing spending review? Will there be a total saving, taking into account all the cost savings and all the additional costs?

Dawn Primarolo: I shall make two points to the hon. Gentleman. First, the regulatory impact assessment includes an initial setting-up cost of £75 million for the department. If further costs are incurred, they will be identified in any subsequent regulatory impact assessment. Secondly, on savings, over the period to 2007–08, the reduction of 3,200 posts will produce a net saving in the region of £500 million—I will make sure that that figure is exactly right—by taking out duplication.

Mr. Laws: Will the Paymaster General clarify whether the £500 million saving will come from the gross staff reduction, to which the hon. Member for Isle of Wight (Mr. Turner) referred, or from the 3,200 posts, because the saving sounds rather large for 3,200 posts?

Dawn Primarolo: If I have not got the figure exactly right, I will make sure that it is corrected. The saving will result from the merger's taking out duplication in the departments as the services provided by the Bill are delivered more efficiently and effectively.

Mr. Andrew Tyrie (Chichester) (Con): Will the Minister clarify the time frame over which the £500 million will be garnered? When will we see the full benefits?

Dawn Primarolo: The total annual efficiencies and the figure that I have quoted are by 2007–08; I thought that I made that clear in my initial comments. Savings across the department as it delivers both its public service agreement targets and integration will produce the required savings.

Turning to the content of the Bill, hon. Members undoubtedly will be pleased to hear that I do not propose to describe the detail of each and every clause today—that pleasure awaits us in Committee—but I want to take a moment to outline the key measures that the Bill introduces. I confirm that we will table a number of Government amendments later. That is unfortunately inevitable, because those technical amendments involve cross-referencing right across the tax system. However, with the exception of a measure, which is currently being finalised, to provide information gateways for the new prosecutions office, those amendments will be minor or technical drafting amendments; the Bill before hon. Members today is, in essence, complete.

The Bill establishes HMRC as a non-ministerial department, led by commissioners acting under the general directions of Treasury Ministers. That arm's-length relationship between Ministers and Revenue administration will maintain the existing convention that Ministers do not intervene in individual cases. The Bill transfers the statutory functions of the two existing departments to HMRC, and it provides for the manner in which the commissioners and their officers may exercise those functions. It also provides for the method of financing the costs of running HMRC, and creates a new framework for managing and accounting for the revenues, tax credits and other moneys that the department collects and pays out. That new framework includes measures to enhance parliamentary oversight of HMRC's finances; for example, it enhances existing arrangements for reporting daily revenue flows to the Comptroller and Auditor General.

The Bill introduces flexibility around the future functions of HMRC, putting it on a level footing with ministerial Departments to allow the transfer of functions into or out of HMRC by Order in Council.

Mr. David Heathcoat-Amory (Wells) (Con): The Paymaster General has just said that important functions could be transferred out. Those important powers could include intelligence gathering, enforcement and criminal prosecutions, and the transfer would simply be agreed by statutory instrument, which, as she knows, are seldom debated and not amendable. Does she think it right that important powers on enforcement and criminal prosecutions should be transferred in that way? Surely the point of the Bill is carefully to circumscribe and limit powers, so that Parliament knows in advance and in primary legislation who will exercise those powers, which should not exercised by Ministers as provided for in this Bill.

Dawn Primarolo: If what the right hon. Gentleman, who was a distinguished Treasury Minister, suggests were true, I would agree with him, but the Bill introduces flexibility without compromising either the integrity of the tax system or the principle that administration of revenues is held at arm's length from Ministers. The transfer from HMRC of taxes, duties, national insurance and tax credits work is not permitted under those arrangements, and the functions are the same as those of other departments. I assure the right hon. Gentleman that the Bill does not provide a gateway for transferring the responsibilities of the department without the proper scrutiny of the House.

Mr. Heathcoat-Amory: The Paymaster General has mentioned tax-gathering powers and tax credits, which will remain in the department, but I have mentioned other powers, such as intelligence gathering, prosecution and enforcement. She has not said whether there is a block on those powers being transferred. It would be different if those powers went from the new department, which will be headed by appointments by the Crown and

[Mr. Heathcoat-Amory]

therefore will be at one remove from Ministers, to Departments headed by individual Ministers. Will she give an assurance on those points?

Dawn Primarolo: I want to be as clear as possible in giving the right hon. Gentleman an assurance on that point. I want to make it clear that all the department's current functions associated with tax and tax credits cannot be transferred under the Bill. The department could collaborate with a devolved Administration or undertake particular work—for example, the collection of student loans—on behalf of another department, but that does not include the administration associated with any of its revenue collection or protection duties.

That leads me on to the department's powers. The Bill is, as I have mentioned, the first step in an incremental process of integration. It does not introduce substantive changes to the administration of regimes, and existing powers for enforcing regimes therefore will be transferred to the new department without any change to the way in which or purposes for which they may be used. The Bill achieves that by ring-fencing powers to prevent their inadvertent extension within HMRC.

Let me spell out what that means in practice. I think that the right hon. Member for Wells (Mr. Heathcoat-Amory) will recognise this from the time when he was Economic Secretary. It means that a VAT inspector will retain all her current powers in HMRC, with no changes. Similarly, the powers of a corporation tax inspector in HMRC will remain as they currently are in the Inland Revenue. The Bill ensures that the VAT inspector's powers do not become available to the corporation tax inspector, and vice versa. That applies across all HMRC functions. Powers in the new department remain as they currently are in the separate organisations.

This is, of course, only a temporary position. As the Treasury Committee report acknowledged, delivery of integration in the longer term on the scale that I described is likely to require greater consistency of approach to enable effective working across different taxes and duties. To that end, I can announce today that the Government will issue a consultation document in January that will consider the suitability of the existing range of powers, including the requirement to provide information; interest and surcharge regimes for late payment; penalties for non-compliance and rights of appeal; and the modern regulations and practices that HMRC will need to be a high-performing 21st-century tax administration.

The Government intend that following that initial consultation and the completion of the Bill's passage, HMRC officials should enter into more detailed discussions with representative bodies. The consultation exercise does not aim to deliver reform in time for the creation of HMRC, but will be the beginning of a thorough review, with the aim of legislating where necessary in the 2006 Finance Bill.

In the meantime, to aid clarity on and public understanding of the powers available to HMRC for its different functions, an advice note on the powers available to officers of the new department will be published in time for the inception of HMRC. The Inland Revenue and Customs today placed a copy of the draft of that advice note on their internet site, seeking comments. It is also available in the Vote Office and the Library. The departments will also write to key representative customer and tax bodies to invite their comments.

This considered and incremental timetable for change has been welcomed by key representative taxpayer bodies, as well as by the Treasury Committee. I hope that the House, too, will endorse it.

The Bill confirms HMRC's authority to pool information internally so that information supplied for one of its functions can be used for any of its other functions. That authority is vital to deliver the joined-up services that the O'Donnell review envisaged and to capture the consequent benefits in service and effectiveness. Again, that has been recognised by key external commentators as a necessary prerequisite for the successful integration of services.

I stress that HMRC will of course take taxpayer confidentiality every bit as seriously as the predecessor departments; the importance of that was recognised by the Treasury Committee's report. There will be no let-up in HMRC's commitment to safeguarding taxpayer confidentiality.

Mr. John Burnett (Torridge and West Devon) (LD) *rose—*

Dawn Primarolo: If the hon. Gentleman will allow me to finish the passage on confidentiality, I will give way to him then.

To that end, the Bill introduces a statutory duty for all officers to maintain the confidentiality of information that they acquire in the course of their duties. That replaces the Inland Revenue oath, and for the first time extends it across former Customs and Excise matters, giving statutory backing to existing duties of confidentiality under employment contracts, across a larger range of functions. To reinforce that duty, the Bill provides for a criminal offence of unlawful disclosure of confidential information about an identifiable person by an HMRC officer. That extends the existing provision for Inland Revenue and Customs staff to all functions of the new department. The Bill replaces the existing authority for commissioners in either department to authorise disclosure of information with a much tighter provision that restricts them to authorising disclosures in prescribed, limited circumstances where there is a public interest case for doing so, as defined in regulations. Those regulations will be available for Members to see before the commencement of the Bill's consideration in Committee.

The Treasury Committee identified the importance of maintaining taxpayer confidentiality where the Treasury and Ministers are concerned. The Government strongly agree with the Committee's view, and I can confirm that confidential information about identified taxpayers will continue to be kept in HMRC and will not be passed to the Treasury or to Ministers.

Mr. Burnett: May I take the Paymaster General back a paragraph or two to the streamlining of powers? Will she give the House the benefit of her initial views about

how that will take place, particularly in relation to culture and tone, tax-gathering and co-operation, and policing-type functions?

Dawn Primarolo: We need to consider whether powers are, for example, necessary, appropriate, proportionate, sanctioned by the correct level of authority, have a right of appeal against them, or are sufficient in a changing environment. The Bill and the consultation give us the opportunity comprehensively to consider those issues.

It will be vital for taxpayers—for all of us as taxpayers—to understand exactly what is expected of us and what the sanctions may be if we do not discharge those obligations properly. It is important, in a new department, to try to ensure continuity of powers. This is a huge task, hence the need to consult instead of putting everything in the Bill. Because many of the powers have developed over a long period to deal with specific circumstances, it is much more appropriate that we consider them in the round.

Mr. Michael Fallon (Sevenoaks) (Con): The Paymaster General spoke about confidentiality. Although I welcome the clause on that, confidentiality was a matter of concern to the Select Committee. The department's officers currently have to sign a statutory declaration on taking up employment, and I hope that she will reassure us that including the welcome provision in the Bill does not necessarily relieve officers from signing that individual statutory declaration.

Dawn Primarolo: I assure the hon. Gentleman that officers will be required to sign the declaration. When he reads the points that I made, he will remember that I spoke about the employment contract for the new department. We have improved all the protections that currently exist. If the new department can start at the beginning of the next financial year—parliamentary process permitting—the new confidentiality requirements that I have identified will operate. I cannot express too strongly the importance that I personally—and the hon. Gentleman, the Treasury Committee and, I believe, every hon. Member—place on a clear and unambiguous commitment to protect taxpayer confidentiality with the necessary functions. It is vital for continuing compliance rates that taxpayers provide information to the Revenue departments. The bedrock of that process is the knowledge that their confidentiality is protected. We should guard that at all costs, and I hope that the hon. Gentleman believes that the Bill provides for that.

The Bill also introduces new arrangements for ensuring the highest possible standards in HMRC in relation to criminal investigations. As my hon. Friend the Economic Secretary announced in September, the Bill extends the remit of Her Majesty's inspectorate of constabulary to provide for it to inspect HMRC's compliance with the requirements of the criminal justice system. It also extends the remit of the Independent Police Complaints Commission, giving it a key role in considering allegations of criminal or gross misconduct by HMRC officers. Those two proposals will implement the recommendation of the Butterfield review that Customs identify how additional external scrutiny can best be introduced into investigation work. Given that the departments are merging, I hope that hon. Members agree that it is right to take the opportunity to ensure that the new department is subject to the highest standards of scrutiny and accountability.

The Bill provides for obstruction, assault, or impersonation of HMRC officers to become a criminal offence, thereby consolidating existing provisions that relate to the Revenue and Customs. That ensures that officers can perform their functions within the protection of the law and protects the public from the unlikely event of unscrupulous people passing themselves off as officers.

The Bill aligns the penalties for those offences with their police equivalents, helping to deliver coherence and consistency throughout the criminal justice system. It also restricts the officers who could previously arrest for such Customs offences, so that only officers authorised by the commissioners to exercise the power of arrest for the offences can do that. That tightens arrest arrangements and will remove the power of arrest for the offences from several Customs and Excise officers who currently have it legally but do not need it in their current jobs and are therefore administratively barred from using it.

The Bill establishes a fully independent prosecutions office—the Revenue and Customs Prosecutions Office—to provide independent scrutiny of criminal cases investigated by HMRC. The creation of that office was a key recommendation of the Butterfield review. The director of the prosecutions office will be accountable to the Attorney-General, ensuring a clear separation of responsibilities from HMRC.

Sir Teddy Taylor: The Paymaster General has spoken for 45 minutes and interested us with many of her comments. Will she refer to the Bill's employment implications at some stage?

Dawn Primarolo: I referred to the employment implications when I identified staff savings of 3,200 by 2007–08. There was an exchange between several hon. Members and me about that. I went on to demonstrate how that would be achieved in some cases by removing duplication and moving forward on several reforms. I gave the example of the pre-Budget report announcements on the Small Business Service and allowing one tax return for all taxes.

Mr. Laws: I am grateful to the Paymaster General for giving way again so graciously. She is obviously learning from the Chancellor. Will she confirm that the figure of 3,200 is a working assumption, been taken from the example of other mergers, or does it follow detailed work examining specific aspects and estimated savings that might be made?

Dawn Primarolo: Of necessity, it is a working assumption at this stage. The merger, the preparation for it and the commitment to spend public money to begin the process cannot start—the two departments do not have the authority to undertake that work—until the completion of Second Reading. I have therefore been advised of the figure by the prospective chairman and management of the new department. I know that hon. Members will keenly follow the implications.

[Dawn Primarolo]

However, hon. Members have also pressed me on many occasions over the years to remove duplication, simplify the system and allow one contact point whenever possible for information for a taxpayer—I gave the example of a taxpayer's having to give the same information to several different components of the existing department. When we achieve that, we will be more effective, but it is inevitable that fewer staff will be required.

Let me revert to the fully independent prosecutions office. As I said, the director will be accountable to the Attorney-General, thus ensuring a clear separation of responsibilities. The creation of such an office is an important contribution towards maintaining public confidence in the criminal justice system, because it ensures the independence of the prosecutor from the investigator in cases that require criminal proceedings.

That independence matters because it ensures that the prosecutor can conduct a fully impartial assessment of the merits of a case before it reaches the courts. Independence does not, of course, mean distance. HMRC and the new office will work closely together to ensure that the prosecutor's expert and independent advice can be called on to provide guidance on the requirements of the criminal justice system at all times.

This constructive approach to prosecutions, with clearly defined and distinct roles for the investigator and prosecutor, will ensure that the quality of criminal justice work undertaken in HMRC and by the new office is of the highest possible standard.

Mr. Kelvin Hopkins (Luton, North) (Lab): Will the new arrangements make it easier or more difficult to sustain convictions? While billions of pounds are being evaded or avoided each year, it is important to ensure that the system is able to sustain convictions and that the Exchequer receives the maximum possible benefit from them.

Dawn Primarolo: My hon. Friend is absolutely correct. It is vital to ensure that a case has all the information and evidence required to secure a prosecution. These recommendations arose from the Butterfield report, which was commissioned by my hon. Friend the Economic Secretary, and will ensure that investigations will be able to benefit from the expert advice of the prosecution service, which will then take a decision on whether the evidence supplied by the department would secure a prosecution. It is also important that we set a high standard for operations in this area, in order to maintain confidence and to ensure that the tax system works as it should.

Mr. Burnett: Will the right hon. Lady give way?

Dawn Primarolo: I have given away many times, but I shall give way once more. I realise, however, that I must be testing the House's patience by speaking for so long.

Mr. Burnett: I do not think so: many of us are extremely interested in what the Paymaster General has to say. I have been bellyaching for years about taking the Inland Revenue prosecution service and the Customs prosecution service and putting them under the aegis of the Attorney-General, and I very much welcome this provision. As she knows, the Butterfield report related to a Customs case, and things have not been too happy in that prosecution service for some time. I should like to know the answer to one or two questions that might superficially sound mundane but are not. Will staff regularly transfer from the Inland Revenue to the prosecution service; and will the prosecution service be housed away from the Inland Revenue premises?

Dawn Primarolo: With regard to the staff, the necessary expertise currently in the two departments will transfer to the prosecution service. As the Bill states, the appointment of staff will be a matter for the director. I do not know exactly which office block the service will eventually be housed in, although I am sure that we can find out before we reach the winding-up speeches. From memory, I think that it will be in separate accommodation, but I do not want to mislead the House on that. I honestly cannot remember, but I will ensure that the hon. Gentleman has a reply to that question before we conclude our debate today.

The Bill establishes the office under a director, who will carry out his functions under the superintendence of the Attorney-General. I think that that will be widely welcomed. The director may designate appropriate members of his staff as prosecutors, who will enjoy the rights and responsibilities necessary to enable them to conduct prosecutions on his behalf. All staff of the office, including prosecutors, will be subject to the director's instructions.

Confidentiality remains as important an issue in the prosecutions office as it is in HMRC. The Bill therefore places a duty of confidentiality on RCPO staff, and backs this up with a criminal sanction for unlawful disclosure of information. The prosecutions office will operate to the highest possible professional standards. In order to provide independent assurance of those standards, the Bill provides for the office to be inspected by the Crown Prosecution Service inspectorate, and in a reflection of this focus on standards, the Bill sets out clear minimum requirements for qualifications, which all RCPO prosecutors must satisfy in order to be appointed to the role.

The Bill is modest, although the task that it sets in train is not, as it will involve a very substantial programme of reform and change, which will deliver incremental improvements to services over the coming years. A key challenge for HMRC management throughout the integration process will be to ensure ongoing, consistently high standards of service to taxpayers, and to ensure that the delivery of business as usual is not compromised. Indeed, this very point was identified as a risk in the Treasury Committee's report, and we are very alive to it. The House and the Treasury Committee will be pleased to hear that it is a challenge that HMRC management are absolutely committed to meeting, as am I.

The O'Donnell review acknowledged the importance of strong leadership in managing the transition process, and I am confident that the management team led by David Varney will maintain an absolute focus on business results alongside the delivery of the new

departmental structures and processes. I have equal confidence in Inland Revenue and Customs staff, who have delivered, and continue to deliver, high standards of professional service in their respective departments.

We can trace a nationally organised customs service back over 800 years, to the time of King John. In 1671, King Charles II put the service into the hands of commissioners. In fact, anyone who visits Customs headquarters can see the swords that have been blunted, once used—I do not know what for—as a testament to the long history of the department. Direct taxes, in the sense of a contribution from the local community to royal expenses, are also ancient, but the modern national administration is much the younger of the two departments, dating from the introduction of income tax in 1842 and the creation of the Board of Inland Revenue in 1849. In all that time, the staff in both departments have served the House and the taxpayers of the United Kingdom to their greatest ability, and their professionalism is beyond question.

The formation of HMRC will build on the proven track records of people across Customs and the Inland Revenue, to deliver a world-class organisation that is truly fit for the 21st century. The challenge is significant, but so too is the potential for delivering real improvements in the way in which the new department does business. The Bill is a crucial first step towards delivering those improvements, and I commend it to the House.

1.28 pm

Mr. Andrew Tyrie (Chichester) (Con): I shall carry on more or less from where the Paymaster General left off, although I shall not try to match her symphony of heavenly length. That was partly because she gave way so generously that she had to make such a long speech, but I shall try to make mine in about half that time. I should like to thank her for inviting me, my hon. Friend the Member for Rayleigh (Mr. Francois) and the Liberal spokesman, the hon. Member for Yeovil (Mr. Laws), to the Treasury to discuss the Bill. We found that briefing very helpful.

I really will carry on from where the right hon. Lady left off in one particular regard. She talked about the culture of the departments. The Revenue departments come in for a lot of criticism, both from individuals and businesses—and sometimes from me—particularly when they fail to use common sense and end up making my constituents' lives a misery. Customs, in particular, has come in for a rough ride in recent years.

At the outset, however, I want to say that we are lucky in this country with our Revenue departments. In many ways, they are the salt of the earth. They probably provide the least corrupt revenue service of any major country in the world, and are assiduous in protecting the Revenue. Above all, they have a sense of collective loyalty and duty that only the best organisations can hope to nurture.

Some might think that I say all that because I might be sitting on the other side of the House shortly, so it would be handy for the early part of my tenure to have said it. As it happens, I say it because I believe it, having worked closely with both departments in the 1980s. I would like any criticisms and reservations that I and my party might express about the departments in the weeks ahead, as we consider the Bill, to be put in the context of those remarks.

Mr. Hopkins: I agree strongly with the hon. Gentleman's remarks, but does he agree that sometimes when the Revenue and Customs and Excise come in for flak, it is because of the bad legislation that they have to implement, or the absence of clear rules, particularly on the importing of alcohol and tobacco from the continent of Europe, on which we never quite know where we stand?

Mr. Tyrie: I shall not get drawn on the alcohol and tobacco point, but I agree with the hon. Gentleman's comment that a high proportion of the problems of Government departments are caused by politicians getting in the way and trying to run things, rather than getting out of the way and reducing the size of departments to enable the rest of the country to get on with their jobs.

The Opposition will not force a Division on this issue tonight. Our primary concern is not that, in principle, there are no benefits to be had from merger, but that in practice, we are not yet convinced that the Government have thought through fully how to capture the benefits of merger, or even tried to measure them much.

Although we have had the O'Donnell report, a regulatory impact assessment, a Bill and its explanatory notes, rafts of evidence to the Treasury Committee and much else, we have not yet obtained clear thinking from the Government on why we are merging these departments. The nearest that I have found to a clear summary for the reasons for merger is in Gus O'Donnell's March report—a very long report, which I have here—particularly in paragraphs 1.18 and 3.41. It would be far too tedious to read it all out, but I shall try to provide a summary, which I think the Paymaster-General will agree is connected to what she said earlier.

Mr. O'Donnell says that there are four benefits of a merger: first,

"more complete information and analysis to improve risk management across the tax system";

secondly,

"better and more flexible use of resources";

thirdly,

"a more focused approach to compliance across the tax system";

and fourthly, "better deterrence" through increased

"compliance allowing greater targeting of the non-compliant."

I was not much the wiser having read that.

In a speech only a few weeks ago, Gus O'Donnell had a go at his predecessor, Lord Bridges: he read out a passage of Lord Bridges's prose, which he described as something of which Sir Humphrey Appleby would be proud. I think that I have worked out what Gus O'Donnell meant in his passage. Great man though he is, he seems to have fallen into a similar mandarin trap.

Much more worrying, however, is the lack of clarity in some of these documents about why the departments are being merged, which may conceal a lack of a sense of purpose in doing it. My concern is not just that it is not explained, but that those who are doing it may not be clear in their minds about why they are doing it.

[Mr. Tyrie]

I sat down and tried to work out what tests we should use to measure whether a merger would be a success. Those can be much more simply stated than anything that I have seen in these documents. If the Paymaster General disagrees with what I say, I shall give way to her, and if I miss out a major item I am sure that she will be able to leap in.

The primary task of a revenue department is to get the money in. Therefore, task No. 1 is to protect the yield. Will this merger get more money in with fewer mistakes? If so, how much? That is the first issue that needs to be measured.

The second objective must be to reduce the hassle for millions of individuals, and hundreds and thousands of businesses throughout the country—the so-called compliance burden. Will that go up or down with this merger? The Paymaster General implied that it would go down. If so, by how much? What is her estimate?

Two consequential questions flow from those two simple ones, and they also need answering. Are we confident enough about the possible gains in extra yield and better compliance to be able to justify what everybody agrees would be transitional costs? I refer not only to the £75 million in the explanatory notes but to the enormous disruption that will take place—the Paymaster General implied at the end of her remarks that the merger was a Herculean task, with which I agree, and that will also impose a substantial transitional cost. Are we confident that the extra gains in yield and compliance are greater than those transitional costs?

Finally—this relates to a point that I made at the beginning—we need to have in mind a long-run strategic objective. Even if the benefits outweigh the costs, are we confident that we can achieve that without a decline in the high standards that Revenue departments have set themselves, including their duty of confidentiality? Will the morale of the departments suffer in the long run? In particular, we must bear in mind that both departments, particularly Customs, face major criminal efforts at evasion.

I have set out my four tests for attempting to measure the success of a merger. I agree that other considerations may be relevant, but the Paymaster General has not leapt to her feet to suggest that anything that I have said is mistaken or that I have missed out something substantial.

Let us try to move forward. As we now have some intelligible yardsticks, how does the merger measure up to them? The first port of call should be the regulatory impact assessment, a relatively thin document for such an important issue. I can find in it no overall estimate of the effects on the yield. Virtually the whole of the economic costs and benefits are dealt with in five very short paragraphs. On efficiency savings, we are told that there will be 13,000 staff savings, but when we consider that carefully, and as the Paymaster General clarified earlier, more than 9,000 of those will come anyway under the Gershon review, even without the merger, and only 3,000—3,200 now, I think—as a result of integration. Incidentally, those figures have moved around a bit as they have been examined.

The Treasury Committee did a very good job generally on this subject. It is sensible, particularly with regard to subjects that are not absolutely urgent and immediate, that debate should take place on the basis of thorough scrutiny by Select Committees. The Treasury Committee also did a good job on this specific point, and I commend the hon. Member for Warwick and Leamington (Mr. Plaskitt), who is in his place, and the hon. Member for Bassetlaw (John Mann), who showed in questions in Committee just how much the numbers on potential savings had moved around.

We have arrived at the point of agreement that the Government are saying that staff savings directly from the merger will be about 3,200—just over 3 per cent. of the total work force. That is scarcely the sort of number that could justify what amounts to one of the biggest mergers in Whitehall, or indeed between any two organisations. No private sector institutions would go through all the administrative hell and business risk of a merger to secure 3 per cent. staff savings, but if we take the regulatory impact assessment at face value, that is what the Government appear to be saying as to why we should support the Bill.

At least, that was the position in all the documentation until today. Today, the Paymaster General came up with a variation: she told us that the total merger savings amount to £500 million. I should be grateful if she could tell us whether that £500 million is directly connected to the 3,000 staff saving, or whether it is also connected to the further savings that will result from the Gershon review.

Dawn Primarolo: I do not want to try the patience of the House. I was clear about the Department's efficiency savings, and my hon. Friend the Economic Secretary will deal with the hon. Gentleman's points in his winding-up speech.

Mr. Tyrie: I hope he does.

Mr. Laws: Is the hon. Gentleman concerned about the lack of clarity on a point as important as whether the savings relate to the total Gershon staff savings or the merger? In his answer to the Chairman of the Treasury Sub-Committee, David Varney said:

"We have a series of targets over the 2004 settlement, where we have got to produce efficiencies of 507 million cumulatively and save 12,500 jobs net".

Does that not suggest that the figures cited by the Paymaster General relate to the total staff savings, not the merger?

Mr. Tyrie: That is a good point. I think that that is what we shall find, but we shall have to wait until the winding-up speech for clarification.

If the savings are based on the combined value of the 3,000 from the merger directly and the 9,000-odd from the Gershon review, we are talking about confusion between two quite different things. The merger is not necessary for the Gershon savings, so the £500 million does not represent savings from the merger. Only a small fraction of that amount should be attributed to it. I hope that issue will be clarified later, but it illustrates a point that I was trying to make at the beginning. The true costs and benefits, and why we are going about the merger now, are not clear in the documentation before us.

The most important single question in the case of any Revenue department is "What will happen to the yield?" I can find no answer to that anywhere, but my best guess is "Not very much". That is why, although paragraph 3.43 of the O'Donnell report refers to the tax gap—which is another way of talking about the same thing: the difference between the amount that should be collected and the amount that is collected—there is no estimate of what will happen to it as a result of the merger. I think that that should have been addressed in some of the documentation.

While we are on the subject of staff, I want to refer to the slightly broader issue of relocation. I should be interested to know how many staff will be relocated out of London as a consequence of the Gershon review. I note that the Lyons review proposed the relocation of 500 from Customs and Excise and 1,450 from the Revenue—about 2,000 in all. How many extra jobs, if any, will be relocated as a specific consequence of the merger?

I hope that the Paymaster General and the Economic Secretary will forgive a hint of scepticism from the Conservatives about the relocation issue. After all, is it not the case that far the biggest relocation so far is that of 1,575 staff who have moved from the Inland Revenue office of Somerset house in the Strand to the Treasury building in Whitehall? I do not think that that is the kind of relocation initiative that the Chancellor wanted us to have in mind when he announced—I will not try to reproduce his blathering rant—

"I am publishing department by department plans to relocate civil service jobs out of the south east".

A move from the Strand to Whitehall does not quite match that.

Mr. Fallon: I hope my hon. Friend has observed from the Treasury's own efficiency technical note that the Chancellor proposes to relocate only 11.5 of the 1,000 people he employs in his own Department to Norwich.

Mr. Tyrie: I was not aware of the 11.5 full-time equivalent jobs going to Norwich, but that makes my point.

Let me return to the broader theme. The first of the two tests that I mentioned at the beginning was that of "getting the money in". We have virtually nothing from the Government to help us to assess the merger. What about the compliance-burden test? That is covered at length in the O'Donnell report, which points out that companies may obtain benefits from being able to engage with only one Department to fulfil their requirements for all their taxes. Here again, however, I have not been able to spot any figures, I suspect because most of the gains—although possibly there in the long run—are extremely difficult to capture. That is because the Inland Revenue and Customs have fundamentally different sets of skills as organisations, and are trying to collect two completely different types of tax—which is why the merger did not take place decades ago.

The Inland Revenue deals with organisations retrospectively. It is trying to capture income flows on which there is usually a great deal of ready documentation. Its approach is analytical. Customs, on the other hand, is dealing with transaction taxes. Its role is, of necessity, partly forensic—quasi-legal. It needs to capture the transaction as it happens. That is why it may not be easy for the new department to deliver the compliance gains that we should like for its customers. There is also a real danger that each organisation might find its skill sets diluted, to the benefit of neither. Of course there is the opportunity to get the best out of both skill sets, but that is easier said than done. It is a big undertaking. I think it will be particularly difficult to achieve in the next year or two, because both departments already have their hands full.

The Inland Revenue is grappling with the task of transforming itself from a revenue collection service into a very different institution: a tax and benefits agency. As we know, it has already been a bumpy ride. Customs has its own problems. It is about to install a massive information technology system, and we know the Government's history on those. I shall return to that subject later.

Explanation and justification of both those crucial issues—the effect on the yield and compliance—is pretty thin. To its great credit, the Treasury Select Committee has tried to elicit some by asking questions about long-term savings, but that has not helped us to obtain a better regulatory impact assessment. When David Varney was questioned by the Treasury Committee on the gains of merger, he said that it was impossible to answer without knowing the details of the sequencing—the timetable. The Government must have done the work required to establish that by now. Will the Paymaster General give us a quantitative analysis of the costs and benefits?

I have tried to describe how to assess whether the merger is really worth it by providing some basic yardsticks. We will of course have a couple of days in which to examine the Bill in detail in Committee, but a number of points should at least be alluded to now.

First and most important, the Minister has been at pains to stress—it is stressed in the documents—that this is a minimalist Bill. The Paymaster General has told us that, and the regulatory impact assessment assures us of it. The regulatory impact assessment tells us of two other possibilities that the Government rejected: a more comprehensive early Bill that would make substantive changes in relation to powers, and a fully comprehensive Bill in a later legislative Session. However, I am a little worried—we will explore this issue in Committee—that the Bill might have included provisions that fall into the category of a comprehensive Bill. I noted carefully that the Paymaster General sought to provide reassurance about powers of arrest, but an initial reading of clause 29 does not give me that reassurance. It appears to extend the power of arrest to new HMRC officers.

I was very grateful to the Paymaster General for making it clear that she will publish proposals on the powers in January; we will of course develop the proposals when we are in government. It is important that this issue—the one to which many pressure groups will pay the most assiduous attention—be given a full airing, and I am pleased that there will be a consultative document as early as January. The advice note on powers has only just been published, so I was unable to read it before today's debate, but I shall read it carefully as soon as I can.

[Mr. Tyrie]

Another significant issue, which the Paymaster General hardly touched on, is policy formulation. My best guess is that the lion's share of the 1,500 people who are moving from the Strand all the way to the Treasury will be doing policy work. In justifying the new policy arrangements, Mr. O'Donnell has sought to distinguish between strategic policy and policy maintenance. I have thought quite a bit about this distinction. Is it really helpful? Perhaps it is in theory, but I am not sure that it will be in practice. The current arrangements work reasonably well. I could not help feeling that the ghost of Sir Humphrey—or perhaps I should say Lord Bridges—was lurking in Mr. O'Donnell's lengthy description of the distinction between strategic policy and policy maintenance.

Mr. Laws: Does the hon. Gentleman believe that we have good reason to be confident about the origination of tax policy in the Treasury in recent years? Can he cite any evidence to suggest that it has been doing a good job in developing tax policy in that time by, for example, simplifying the tax system?

Mr. Tyrie: As I have said, it is the politicians, not the officials, who should be blamed. Tax policy can be dramatically improved and the tax system dramatically reformed if politicians have the will to do so. The system has become far more complicated and it has set the economy back some way in the medium and long term. Eventually, it will have a corrosive and sclerotic influence on the economy's performance. I do not want to blame Treasury officials; rather, I put the blame fairly and squarely at Ministers' door. In many cases, these often distributional reforms have been pushed through with the best of intentions, but in the long run they are likely to have the opposite effect to the intended one. If one presses the right buttons in respect of the officials, one gets the right results. I am sure that the new arrangements can be made to work—a way will be found to make them work—but I am simply trying to point out that I am not absolutely sure that this apparently major reshuffle will make much difference to the overall quality of policy work.

There are a few more issues that I want to touch on, and which we shall discuss in more detail in Committee. The first is information sharing and confidentiality, to which the Paymaster General referred. Clause 16 and schedule 2 enable the use of information acquired by the Revenue and Customs in connection with a function for any other function. Before integration, information could be passed between the Revenue and Customs only through statutory gateways. As I understand it, the Bill will enable the new department to pool all its information, irrespective of the purpose for which it was originally obtained. That issue could also be of concern, and we need to examine it carefully in Committee.

Mr. Hopkins: If this provision makes it easier to collect the revenue that the country so clearly needs, is it not a good thing?

Mr. Tyrie: The hon. Gentleman is right: that is why the gateways were created in the first place. The question is, are we confident that relaxing them is either necessary or desirable? As I said at the outset, if it can be shown that relaxing the gateways could increase yield, such a provision might be worth considering carefully, but it must be balanced against the consequential risk to confidentiality.

It is vital that nothing in the Bill threatens taxpayer confidentiality. If people do not have confidence in the Revenue department, they will not share information and the tax yield will suffer. According to clause 19, information can be disclosed "in the public interest", but the explanatory notes provide little clarification. I should be grateful for an explanation of the meaning behind this apparent widening of the disclosure provisions.

On reading the O'Donnell review, I was also somewhat apprehensive at discovering that the new Bill provides

"an opportunity to consider gateways with other departments, such as DWP."

I should be grateful if the Paymaster General would tell us to what extent the opening of gateways to other Departments has been considered and what decision has been arrived at.

I am surprised and disappointed by the Government's decision to abolish the oath that officers are expected to take and to read out in front of a witness—it is properly known as the statutory declaration—thereby impressing on them their duty of confidentiality. The Law Society told the Treasury Committee that there would be advantages in restating the Inland Revenue oath in legislation, so that it is made clear that officials keep taxpayers' information confidential. I agree, and I am really perplexed by the Government's decision to abolish it. It is used in courts for witnesses, and we swear the Oath of Allegiance before we can take our seats in the House. The oath has previously been the subject of much controversy, but many hon. Members feel that it should be used even for witnesses who appear before Select Committees, particularly during major investigations; in other words, they feel that the use of the oath should be extended. Keeping the oath of confidentiality would certainly do no harm, and might even do some good. I find it difficult to justify its removal.

Mr. Burnett: I thought that the Paymaster General said earlier that the oath would appear in contracts of employment.

Dawn Primarolo *indicated assent.*

Mr. Burnett: Does the hon. Gentleman think that sufficient, in addition to the Bill's provisions on confidentiality?

Mr. Tyrie: I shall listen very carefully to what the Government have to say on this issue, but I am inclined to say no, I do not think it sufficient. I want to stay on the road that we are currently on, which is keeping the oath. In fact, we should extend the Revenue oath to all members of the new department. However, let us discuss this issue in Committee.

Let me say a brief work on IT systems. Although not the most crucial questions, two important ones are: to what extent can these systems be merged, bearing in

mind the different needs of the two departments; and what savings are to be made from such a merger? As David Varney said in giving evidence to the Select Committee, the new department will have 250 major IT systems and 3,000 staff working them. It will

"put out 170 million forms a year and run 100,000 desktop computers."

I was not at all surprised to see that, in its report, the National Audit Office told Customs that contingency plans were needed to deal with the O'Donnell review. Are the Government prepared to put into the public domain the necessary information to reassure us that contingency planning has indeed been conducted? Do the Government have a contingency plan for weaknesses in IT that they could publish, and can we please have it before we consider the Bill in Committee? I hope that the Government do not think that I am wasting officials' time by asking Whitehall to produce a document or amend an existing document before January.

IT systems are never easy, but the truth is that the Government's record on them does not inspire confidence. My hon. Friend the Member for Rayleigh (Mr. Francois) will discuss it in greater detail later, but let me give a few brief examples. The Child Support Agency's computer system, which cost nearly £500 million, recently failed and staff at the Department for Work and Pensions were unable recently to process new benefits and pension claims for several days because the system went down. The computer systems of the Passport Service, the Criminal Records Bureau and National Air Traffic Services have also had problems. And so we go on.

Mr. Ivan Henderson (Harwich) (Lab): We inherited those problems.

Mr. Tyrie: Actually, what the hon. Gentleman says from a sedentary position is not true. I checked every one of those before I mentioned them and they have all been substantially altered or completely renewed under the present Government.

I would like to say a few words about the law enforcement provisions. I support in principle the creation of a new prosecuting authority, but we need to look carefully at the detail in Committee. That new authority is, in its way, the single most important direct, clear and visible change made as a consequence of the merger. Outsiders will see it and it is extremely important that we get it right. Rather than go into detail now—I notice that I have been going on for more than half an hour—let us leave that for examination in Committee.

I want to make a general point before concluding. Many business people say that when they deal with the Inland Revenue at its best, they are having a conversation with someone who is thinking carefully about the needs of the business as well as a narrow calculation of the yield. Both parties know that accounting practice can vary and that recourse to the law will probably not help very much. The idea that they should always pay exactly the correct amount of tax in any one year needs to be taken in the light of the fact that accounting practices vary and companies' decisions can alter liability in any particular year. The Revenue knows that most companies do not want to break the law and do not want to find themselves on the wrong side of the Revenue, so a modus vivendi delivers the yield.

We should compare that with Customs. As the Paymaster General said, anyone who walks into its headquarters—I have not done so for a few years, but my opportunity will come shortly—is confronted with a wall laden with cutlasses. That shows that its history and approach are closer to that of a police force than a revenue service. The Revenue has had many decades of dealing with reluctant but honest men and women. Customs has had rather more experience of chasing dishonest men and women. It is still chasing smugglers and other highly organised criminals who seek to evade the excise. I spoke earlier about the blending of cultures and it is crucial that we pick up the best of each. In many ways, that means the Revenue showing Customs what can be achieved on the basis of its culture, whereby dealing with basically honest but often busy business men brings about more co-operation and yields more tax.

This has been a long speech—probably longer than I thought it would take to deliver, but still a good deal shorter than that of the Paymaster General.

Dawn Primarolo: I gave way a lot.

Mr. Tyrie: I agree. I am sure that the right hon. Lady is pleased that I also gave way a good few times.

The merger of the two Departments was first described by a royal commission in 1887 as an "old question", and a Select Committee had looked into the matter 15 years before that. Gladstone was first against it and then, as with so many issues—home rule, the great Reform Act, extension of the franchise—eventually in favour of it. It took him about 20 years to change his mind about the merger of the Departments, but this Government have stood on their heads in a mere four years.

The Government's response to the Select Committee's first report on the matter in 2000 said that they believed that the synergies

"can be achieved without the risks, upfront and opportunity costs and structural upheaval which merger would inevitably entail . . . Thus, while the Government accepts that merger might bring some of the benefits outlined by the Committee, it believes that they can be achieved without the disbenefits of merger through a dynamic and focused programme of closer working."

That is official jargon for saying that it is not worth the candle. Four years later, we are told that it is worth the candle. Why the volte-face? I hope that it is because the Government have done a good deal of backroom work, which they have not yet published, and that they will shortly show us that the real benefits of the Bill relate to protection of the yield and reduced compliance. I hope that they will be able to add some numbers and some substance to their claims and be able to quantify the so-called synergies in order to produce a sensible estimate of the full benefits of the merger.

I hope so, but I fear not. I fear that the Government have not been feeding on the pure milk of administrative common sense, but have taken a dose of raw politics. They have sharply increased the size of the civil service. In the Revenue departments alone, the number of civil servants has increased by more than a third in seven

[Mr. Tyrie]

years, from 73,000 to almost 100,000. The public—the Labour party's focus groups will have told them this—made it clear that they did not believe that they were getting value for money, and they were probably right. So the Chancellor had his Gershon review, and subsequently put the whole recruitment drive for the civil service sharply into reverse. But he could hardly go around telling other Departments to put their recruitment into reverse without having a look at his own. I believe that that matter explains, at least partly, the timing of the Bill.

There may be some benefits from the merger, but they are not necessarily great. The two Departments have developed different styles and different cultures for very good reasons. As a result, capturing the benefits will take a long time and will not be easy. There are attendant costs and risks. Conservative Members will not oppose the Bill, but we would like to see much more evidence that the Government have carefully thought through what they are trying to achieve with the Bill and what their ultimate objectives are. We would also like to see more evidence that the Government know how to accomplish them, but we have not heard much evidence today.

2.8 pm

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): The merger of Customs and Excise with the Inland Revenue was proposed by the previous Treasury Committee and has been welcomed by the current one. On the face of it, as the hon. Member for Chichester (Mr. Tyrie) touched on, it is a peculiar coupling. Customs and Excise has an image of speed boats and James Bond activity in remote inlets of the coast, whereas the Inland Revenue has the Bob Cratchit quill-pen image of someone at home in a dusty office with ledgers. That is not how it seems to many business people, who deal with one set of people to pay VAT and another set to pay company and income tax.

Bringing those two cultures together with compatible IT systems will ostensibly lead to savings, as already mentioned, but realising the potential benefits that are pointed out in the O'Donnell report needs managing—indeed, a degree of management that has not always been apparent in the past. That said, we must not lose sight of the wood for the trees. The dominant and primary objective of this merger is not cost saving in organisation: the overriding aim must be to reduce the gap between the potential revenue to the Government from tax and what is realised. That tax gap is too large.

The touchstone of success of this merger is not some recondite measure of administrative efficiency—it is the reduction, virtually to elimination if possible, of tax evasion. The amount of tax currently not paid by those who should pay VAT or company tax or income tax would make a significant contribution to the national accounts. At the same time, we must foresee and minimize the impact of new tax policy on the competitiveness of businesses.

In that context, I welcome the proposal for retaining an ability to assess the business impact of tax proposals within the new organisation, while at the same time strengthening the Treasury's ability to assess the overall effect of tax policy. If there are to be adverse effects of new taxes, at least we should expect that they were known about and weighed against the benefits of the tax. Normally, we should expect that adverse effects are anticipated, and eliminated as much as possible.

Above all, we must avoid the costs that honest organisations face in complying with tax law. I know very well that the CBI goes on and on, boringly, on the subject, as though all tax were an unnecessary imposition, and Digby certainly does moan an awful lot—but he is not always wrong.

There is no real reason why the basis for calculating income tax, for example, should be slightly different from the basis for calculating national insurance contributions and so involve a different set of calculations. More generally, the accounting needed for tax purposes could be brought nearer to the principles involved in normal company accounts. I hope that the new tax policy unit will home in on such issues.

A great gain for many businesses will be that they will have to deal with one inspector only for VAT, company tax and income tax. However, the primary measure of success of this reform will be the reduction of tax evasion, and the record is not good in either detection or prosecution.

The case of the London bonded warehouse was a scandal that could be presented theatrically as a farce. Duty-free spirits were donated to the back doors of public houses throughout south-east England on a grand scale. They left the bonded warehouse heading for the continent, and so no duty was paid on them. However, they had a regular habit of turning round at the sight of the channel and returning to London. Once that was spotted, an exercise was established for acquiring the evidence needed for prosecution. The Exchequer lost the unbelievable sum of £670 million just in the process of gathering the evidence.

Then there was the case of Regina v. Doran, a large-scale drug dealer. He was caught redhanded in possession of a huge haul of class A drugs. Someone had to try really hard to allow him to avoid due punishment, but the case failed because of a legal mix-up in mounting the prosecution. After those two cases, the Roques report looked into the management and administration of Customs and Excise, and the Butterfield report analysed whether Customs and Excise should have its powers to mount independent prosecutions taken away.

The Treasury Sub-Committee was assured that the findings of those two inquiries had now been acted upon. That is no doubt true, but I should like an assurance from the new chairman, Mr. Varney, that he is personally satisfied that these events could not be repeated in the new organisation. The Sub-Committee was not reassured when the previous Customs and Excise chairman was asked for an assurance that staff vetting procedures were such that no one with a criminal record could be employed in Customs and Excise. The answer was no, he could not give us that assurance.

Likewise, action against cigarette smuggling is not reassuring. A few years ago, no duty was paid on one in four cigarettes sold in Britain. That 25 per cent. has been brought down to 18 per cent. but many cigarettes are still being smuggled, at a cost to the Exchequer of around £2.5 billion per annum.

The cigarettes in question were not made of mud and brick dust in a shanty town. They were made by three major UK companies—British American Tobacco, Gallahers and Imperial Tobacco Ltd, with the Government health warning printed on the side of packets. The total estimate of smuggled cigarettes in 2002–03 was about 12 billion, out of a total consumption of 75 billion. With duty avoided on that scale, I cannot believe that no one in those major companies knew what was going on.

At a recent meeting of the Treasury Sub-Committee, we were told that progress had been made and that the companies involved had signed a memorandum of understanding to co-operate in reducing cigarette smuggling. So three major companies have decided that they are willing to co-operate in enforcing the law of the land, but that leaves rather up in the air the question of what went on before the memorandum. No doubt all will be revealed in due course.

Mr. O'Donnell, the permanent under-secretary to the Treasury, said when he was commending this reorganisation that

"you need an organisation which is capable of managing different cultures within itself. For honest taxpayers you want a culture that is customer friendly. For dishonest taxpayers and, where there is fraud going on, you need a very tough, ruthless approach."

I agree entirely that that is a good principle of operation, but we seem to have seen too little of the tough and ruthless approach. If anything, the approach seems to have been lackadaisical and benignly indulgent. The great fallacy would be to assume that, because we are setting up a new organisation, all the observations in the Roques and Butterfield reports would be complied with immediately. They will not be, unless there is a clear determination, and a management ethos, to crack down on the cheats and frauds mercilessly.

The message that I should like to see go out from this debate to Mr. Varney, the chairman, and to his management team is that he should stick to the customer friendly approach for the honest taxpayer, but use every power available against the dishonest ones. If he does not have enough powers, he should come back and ask for more.

There is a heavy dependence on management to put right the inadequacies that I have outlined. Legislation is not enough. The management arrangements of the Inland Revenue, as evidence to the Treasury Sub-Committee has shown, do not lead to unqualified confidence. The sale of all the Inland Revenue's properties on lease-back to a company registered in a tax haven did not imply a management with a highly developed sense of the ridiculous. Nor was a sense of worldliness obvious when a so-called comfort letter was given to the buyer that breached Treasury directives that apply to every Government Department. The then head of the Inland Revenue was not told about it, and neither was the Minister.

The Treasury Sub-Committee has welcomed the steps taken to tighten management in the new organisation. We have supported the introduction of a framework document setting out who is accountable to whom, and for what. We also welcome the proposal for my right hon. Friend the Chancellor to issue an annual remit to the executive chairman outlining the organisation's new and continuing tasks. However, the proposal for the executive chairman to report to three different Ministers on different aspects of the organisation is a formula for confusion, delay and blurred accountability. It is important that the new organisation hits the ground running and puts the past behind it. A first year with management distracted by a flurry of memos around Treasury departments and fruitless co-ordination meetings will not achieve that. I hope that the Sub-Committee's recommendation that this arrangement should be looked at again will be acted on, not when the confusion has happened but without delay.

This Bill is a good basic framework that recognises the inadequacies that have arisen in the past in both Customs and Excise and the Inland Revenue. However, it must not be seen as a ritual incantation that in itself will provide a revenue and customs service relevant to the 21st century. It needs complementing by a highly motivated staff, who are managed to make full use of their abilities, directed to achieve clear objectives and provided with investment in technology. All that is vital to them ensuring that the taxation that this House votes for is fairly levied on everyone who has a lawful duty to pay. I am sure that the good wishes of this House go out to all who will be involved in an endeavour that is so fundamental to the life of this country. They will not be thanked by their customers: let us thank them in anticipation of their services.

2.20 pm

Mr. David Laws (Yeovil) (LD): I join the hon. Member for Chichester (Mr. Tyrie) in thanking the Paymaster General and the Economic Secretary for the briefing that they gave us a week or so ago. In particular, I thank the Paymaster General for returning to me an item of clothing that I left in her office at the end of our discussion. [HON. MEMBERS: "Oh!"] I should clarify that it was a coat. Her generosity in bringing it back to the House was welcome, especially as it was a cold day.

I also join the hon. Gentleman in broadly welcoming the Bill. We share the view of Martin Taylor who, in the evidence that he gave to Gus O'Donnell's report, which was produced in March, said that the separation of tax-gathering departments is anomalous in a modern economy. That is an accurate assessment of the position and I pay tribute to those bodies, such as the Treasury Committee, whose Chairman and other members have been in their places today, for their work in drawing attention to the potential benefits of merger. I am especially pleased that they have indicated that they will continue to track the progress of this merger over the next few years, because that will be important.

We share many of the detailed concerns that the hon. Gentleman outlined and I shall set out some of those in a minute. I am also pleased that the hon. Member for Bexleyheath and Crayford (Mr. Beard), who is also a member of the Treasury Committee, emphasised in his contribution the importance of addressing the tax gap through the merger of the two departments. The Paymaster General gave a long, detailed and helpful speech, but the one area on which she was a little light was an emphasis on how, over time, the merger will seek to address that important issue. I am glad that the hon. Gentleman put it at the centre of what the Government strategy should be.

[Mr. David Laws]

Although I started by saying that we broadly welcome the Bill, we also share the concerns expressed by the hon. Member for Chichester (Mr. Tyrie) and by many of the professional bodies about how the merger will work in practice, and we share Martin Taylor's view—set out in his submission to Gus O'Donnell—that the change will be risky, perhaps very risky. We also share the view of the Law Society that major gains could be made from the merger if it is conducted well. The devil will be in the detail and the delivery of the changes. If the Government and those people responsible for delivering and implementing the merger get the detail and the delivery wrong, what could be a triumph—in the Government's mind—could turn into a disaster. It is the risks on which I shall concentrate, bearing in mind that the Bill is essentially a modest mechanism to get the merger up and running, leaving some of the important decisions about powers for consultation and implementation to a later date.

I shall start by setting out the points of agreement with the Government. The first is that although there are many areas in the Inland Revenue and Customs and Excise with no obvious overlap in responsibilities, we can see the potential for cost savings within the new department and in compliance for businesses. We also believe that there is a potential for improving action against tax evasion and avoidance. In our view, and as the Treasury Committee concluded—and the Government appear to agree—those gains are more likely to be secured by a merged department than by keeping the two departments separate and trying to institute measures to ensure co-operation between the departments, including some of the measures that have been in place in recent years.

The second reason we support this change is that although it will lead to considerable overhauling of the two departments and, potentially, some disturbance to their activities in the next few years, I would be very surprised if it did not expose the scope for doing business considerably better and at less cost. When I was in the private sector, one particular company used to refer to Spanish practices that built up over time and institutionalised inefficiencies. I am not sure that it is politically correct to refer to such practices in that way now, but I am sure that the merger will reveal areas where things could be done considerably better.

Thirdly, we welcome the mechanism through which the Government will deliver the merger. The O'Donnell report clearly set out different options for the Government in proceeding with the merger, including legislating rapidly for the new department on issues such as its powers or taking a more leisurely approach and allowing plenty of time for consultation on the powers of the new department. The Government have taken a sensible approach in introducing this modest enabling Bill and leaving time and scope for consultation. We share the welcome voiced by the hon. Member for Chichester for a consultation paper in January that will allow people an early chance to feed their views into the Finance Bill for 2006, regardless of which party will then be in power.

The fourth area of agreement is on the establishment of a new Revenue and Customs Prosecution Office. As my hon. Friend the Member for Torridge and West Devon (Mr. Burnett) said earlier, he has argued for such a body for some time, and it was also proposed in the Butterfield report. It is a sensible change.

The fifth and final area is one in which I differ from the hon. Gentleman, although I acknowledge that he has more experience and skills in such matters, so I may be making a mistake. Nevertheless, I welcome the fact that the Government will take back some control over strategic leadership on tax policy from the two departments and put it in the Treasury. That is where it belongs.

Dawn Primarolo *indicated assent.*

Mr. Laws: The Paymaster General may not nod so enthusiastically at my next point. I believe that considerable weakness and lack of coherence has been evident in tax policy for a long period. There has been a lack of assessment of the costs and benefits of new tax proposals. Tax changes have appeared to follow short-term political imperatives and the initiatives brought forward by the Chancellor, or have followed attempts to plug tax loopholes as they emerge, no doubt on the sensible advice of the two Revenue departments, rather than being part of a coherent, long-term tax strategy.

I pray in aid the O'Donnell report, which said that

"the precise formal role of each department is"—

in other words, has been—

"ill defined."

That refers to the two Revenue departments and the Treasury. On page 99, the report also implies that at present Treasury officials—and the Treasury as a whole—may be more reactive than proactive in relation to tax policy. The report talks of ministerial policy initiatives and the co-ordination and presentation of overall tax policy—an important part of the Government's work on tax—but says little about setting a broad tax strategy. I hope that the new approach to management of such matters will leave much of the expertise in developing tax policy in the new merged department, especially in relation to anti-evasion and avoidance activity. I hope that it will also lead to a more strategic perspective in the Treasury. This is certainly an opportunity for a more strategic approach to tax policy, which many businesses would welcome. It would also bring about an obligation to be more strategic on tax policy and to simplify taxation.

As the Chartered Institute of Taxation said in its paper on the benefits of the merger for business:

"We consider that merger creates an additional need for simplicity";

not least if the staff in the new merged department are really able to interact with customers, particularly business customers, as part of a one-shop stop. In that regard, Martin Taylor, in his submission to the O'Donnell report, said that

"integration of tax administration would be more likely to succeed if backed by a Government commitment to simplification as part of the enterprise agenda".

Mr. Tyrie: I agree with much of what the hon. Gentleman has just said, but surely the lack of high-quality cost-benefit analysis for tax changes, the

increased complexity of the system, the need for more simplicity, the obsession with tax avoidance and many other things are the responsibility of Ministers not of administrators. It is to blame administrators for decisions taken by politicians to suggest that a reorganisation of the structure can solve the problems to which he has alluded.

Mr. Laws: The hon. Gentleman is right: ultimately, Ministers have accountability for determining tax strategy and pursuing it. I am sure he is also right to say that revenue Departments and Treasury officials, if given clear and helpful advice about how Ministers want the tax system to develop, would deliver the necessary policies. However, my sense of the way things have worked in practice over recent years is that that has not actually happened, partly perhaps because much of the tax policy expertise has been in the individual revenue Departments rather than centrally. I may be naïve in thinking that this reform will change that aspect of the system, but I live in hope.

As we debate the detail of the Bill, we must remember that many people outside in the real world, especially in the business world, will not be as interested in the small elements and small changes in the Bill as in what it will mean over time for the tax system as a whole. David Frost, the director general of the British Chambers of Commerce, summed up the general view of tax practitioners and business men about the British tax system when he wrote recently:

"Britain's tax system has come into being piece by piece over the years . . . often without regard to the complexity of the whole. Our tax system is already over-complicated, but each year brings new additions and alterations. Tax simplification is often identified by the government as a goal, but progress is rarely achieved."

I hope that setting up the merged department will be the opportunity for a more coherent tax strategy and that it will galvanise the Government into simplifying the tax system, because without simplification the benefits of merger will be much less than they might otherwise be.

Mr. Barnett: As usual, my hon. Friend is giving a powerful speech. I fully agree with what he says about the necessity for a more co-ordinated approach to tax strategy. With that, of course, will come responsibilities for Treasury operators to accept the level of confidentiality that will be imposed on members of the Inland Revenue.

Mr. Laws: I agree with my hon. Friend. He is absolutely right to suggest that change in the location of the policy-making bodies for tax should in no way compromise taxpayer confidentiality. The Government have already given certain guarantees about that and we shall obviously be able to probe them in more detail in Committee.

I have covered the points of agreement in our approach to the Bill, so now I want to consider some of the aspects that are of greater concern to us and to pick up some of the points raised by the hon. Member for Chichester. I shall start by focusing on the Government's objectives in introducing the Bill and the problems that are likely to arise in its implementation. I share the concerns of the hon. Gentleman about whether the Government have a clear sense of the ranking of the achievements and objectives they want to secure through the Bill. At least three have been mentioned frequently: increased efficiency, reduced compliance costs for business and more effective tax gathering. Do the Government have a clear sense of the ranking of those priorities?

Over recent months, we have heard much from all political parties about the need to make savings in Government expenditure. Indeed, we have heard a lot from both the Government and the Conservative party about the need to make administrative savings in Government expenditure. Much of the context for the announcement of the Bill focuses on efficiency savings and job cuts but not on the possibly bigger issue raised earlier by the hon. Member for Bexleyheath and Crayford—the tax gap. Is the Chancellor giving short-term cost reduction too high a priority, or giving it too high an emphasis over more important objectives? Concern about that seems widespread not only among employees and their representatives—we should expect them to be worried about reductions in staff numbers—but also among professionals who have commented on the Bill.

Those people are right to be concerned about whether the Government's focus is simply on securing efficiency savings. After all, when the Chancellor announced the merger of Customs and Excise and the Inland Revenue in his 2004 Budget statement, he did so in the context of securing value for money, as he put it, in a section of his speech where he announced—with, I understand, no previous consultation with employee groups—a gross reduction of about 54,000 staff in the Department for Work and Pensions, Customs and Excise and the Inland Revenue. As one of the witnesses to the Select Committee said,

"any private organisation which had announced job cuts in that way would be vilified".

Dawn Primarolo: The hon. Gentleman is absolutely wrong to say that there was no discussion with representative bodies of the two departments before the Budget announcement. My hon. Friend the Economic Secretary and I, as the Ministers with responsibility for those departments, had long discussions with the unions on how to modernise, and how to make savings and efficiencies to move forward in those departments. On the very day that the announcements were made, we briefed them on that matter, so what the hon. Gentleman says is not true; the discussions were of long standing.

Mr. Laws: I am grateful to the Paymaster General for clarifying that point and obviously I accept her comments, but will she accept that many Inland Revenue and Customs and Excise staff learned about the plans through hearing them announced on the radio or on television or by hearing the announcement made in the House of Commons? It appeared to many people that the plans were driven by the Government's political need to face down many of the criticisms made by the Conservatives about wasteful public expenditure rather than by a focus on the best way to manage the important resource of staffing in those departments.

Dawn Primarolo: The hon. Gentleman is wrong again. Both departments have a good history of partnership working with the representative trade

[Dawn Primarolo]

unions. As the Gershon review was being worked on—not just on the day of the Chancellor's speech—my hon. Friend the Economic Secretary and I ensured that at each point the representative bodies knew the nature of the discussions and the likely progress that would be made.

Mr. Laws: I do not want to get bogged down on that particular point. Having discussed the issue with local representatives of the Inland Revenue offices in my area, I can tell the Paymaster General that they seem to feel strongly about the way in which the announcement was made, and the Government should be acutely aware of that in terms of taking staff on board for a strategy that will mean considerable change.

To return to the Government's presentation of the matter, on 23 November, the Gracious Speech announced the merger in the context of

"reducing bureaucracy and the costs of Government".

In other words, the focus was very much on efficiency, costs and the staffing savings that could be made rather than on the tax gap—the point raised by the hon. Member for Bexleyheath and Crayford earlier.

As earlier exchanges in the debate showed, and the hon. Member for Chichester highlighted, there is considerable uncertainty about what the economics of the merger are. I hope that the Economic Secretary will be able to clarify an important point about the £507 million savings when he sums up the debate. My understanding is that the savings of £507 million over the spending review period relate to the total reduction in staff numbers, now set at 12,500 jobs net—16,000 jobs gross—rather than the 3,200 job cuts that relate specifically to the merger of the departments. I should think that 3,200 job cuts equate roughly to savings of £75 million or £100 million a year, cumulating upwards over a period of time as the cuts take place. I do not see how the Government can get to a figure of £507 million over the spending review period, unless they are doing what the Paymaster General earlier criticised the hon. Member for Isle of Wight (Mr. Turner) for doing—conflating the general Gershon savings with the impact of the merger savings.

We also know from the Government's regulatory impact assessment—thin though that is on the monetary costs and benefits of the merger—that certain costs will arise as a consequence of the merger. The Government put those costs at £75 million for the two years 2004–05 and 2005–06. Presumably, that is just a small portion of the costs that will arise as a consequence of the merger, particularly given that the figure relates to two years and that not much expenditure will be incurred in the first year, 2004–05.

Standing back, as the hon. Member for Chichester sought to do, and assessing whether the Government will make any such efficiency saving at all over the period of the spending review and, indeed, over the rest of the decade, I have considerable scepticism about whether any net saving will be made from the merger. When the Economic Secretary replies to the debate, I would welcome any clarification on whether he expects any net saving during either the period of the spending review or the rest of the decade from the merger.

My confidence in the Government's lack of clarity about such things is reinforced by the O'Donnell report, which says on page 63, in section 3.99:

"when Jobcentre Plus was created the benefit of providing a unified contact point . . . in terms of efficiencies, job outcomes, and reductions in fraud and error, were projected to equal the investment cost within seven to eight years."

In other words, it may be well into the next decade before any net annual saving is made from the merger of the Departments.

Does it really matter whether the Chancellor of the Exchequer and the Gracious Speech are rather over-hyping the potential to make efficiency savings, while the Government quietly, sensibly and rather elusively indicate in their own assessments that there may not be any net saving? I am not sure whether that is simply an issue of presentation, about which we should not concern ourselves. If the Government in presenting the merger and its justification put a great premium on the possible staff and efficiency savings and the Government are competing with other parties in the run-up to the general election to promise reductions in civil service numbers, a great deal of pressure could be put on the new department to make savings in staff numbers that might not be borne out by the sensible economies that the department would implement if left to its own devices.

That point marries with the point made by the hon. Member for Bexleyheath and Crayford, and it was made very effectively in an article in *The Tax Journal* by John Davidson of Baker Tilly on 19 April 2004, where he says:

"If the motivation for the merger is to save money and to cut jobs, it could be to the long-term detriment of the Revenue and the taxpayer. It will save a large sum of money. At the average salary cost, the loss of 10,500 will give a saving of £267 million. This, however, is just 0.08 per cent. of the revenue raised by the two departments".

In the year that he cited, that revenue was £338 billion, and I think that I heard the Paymaster General say earlier that it was rising to £400 billion over the period that we are considering. The article continues:

"If job cuts cause a 0.1 per cent. loss of revenue, the savings"—

even those excluding the cost of the merger—

"will not have been worthwhile."

The importance of the contribution made by the hon. Member for Bexleyheath and Crayford is underlined by the similar point that Martin Taylor makes in his contribution to Gus O'Donnell's report. He says:

"the reduction of the tax gap is far the bigger prize, and should be the priority rather than costs . . . this should be made clear to the new management, who should not be judged primarily on the attainment of secondary objectives."

That is exactly right, and the Paymaster General very helpfully and honestly acknowledged—she need not look worried when I say that—in her earlier comments that the 3,200 staff reduction figure from the merger is itself a guess.

The Inland Revenue officials who gave evidence to the Treasury Sub-Committee, which is chaired by the hon. Member for Sevenoaks (Mr. Fallon), were clear that the 3,200 figure was taken from guestimates of previous changes, including those in the Department for Work and Pensions. So it could be that the 3,200 figure is unlikely to be delivered and that Mr. Varney could find

himself working to promises that he has given to the Government to deliver staff reductions that he would not want to bear out in practice. I hope that when the Economy Secretary replies to the debate, he will give us a clear undertaking that he and the Paymaster General will advise the chairman to focus on reducing the tax gap and compliance costs and only to reduce staff numbers when the Government can be sure that doing so will not damage those two other objectives.

I take some hope from David Varney's contribution to Gus O'Donnell's report, where he wrote:

"It will be a challenge to keep a long-term focus on the effectiveness prizes and not fall prey to the temptation to substitute short-term cost reduction objectives."

David Varney knows very well what the priorities are, and I hope that the Economic Secretary and the Paymaster General will strongly support him in ensuring that those are the priorities. I wonder therefore whether the Economic Secretary could give us more information about those very important issues that relate to the merger's economic costs and benefits. Will he give us a time scale for the reduction of 3,200 jobs in the merger; or is that figure so uncertain that no time scale can be offered?

Will the Economic Secretary be absolutely clear with us about whether the £500 million savings relate to the merger or to the Gershon savings? Can the Government give us any guestimates of what the net savings will be from the merger over this spending review period, let alone any further round? Can the Economic Secretary give us any indication of whether there will be any net saving over the spending review period?

Will any of the 3,200 job losses result from outsourcing in the two departments? I understand that Customs and Excise and the Inland Revenue have different arrangements governing the extent to which they outsource work. I am sure that the Economic Secretary would not want any pressure to be put on the new department artificially to reduce job numbers by outsourcing, rather than doing what is in its best economic interests. In particular, is there any plan to outsource the debt collection facility of the combined department?

On the number of total employees, is the Economic Secretary confident that both departments are able to carry out their current work, particularly with tax credits, which have caused a lot of problems recently, not least because of the huge backlogs at the call centre. Is the Economic Secretary confident that, despite the job losses, the combined department will be able to introduce the new proposals on child trust funds?

The hon. Member for Chichester is right to draw attention to the fact that the job numbers at the Inland Revenue and in the combined department appear to have increased quite a lot since 1997–98, but the O'Donnell report makes it clear that all the increase in job numbers at the combined department is a consequence of additional burdens imposed on the department in relation to issues such as tax credit, while the underlying number of staff who carry out the work that was done before 1997 has fallen slightly. We want to ensure that the staff are there to do those important jobs, particularly in relation to tax credits on which the lowest income people in the country depend.

I want to probe the Government's thinking on a couple of other issues. Following the concern about the lack of clarity about costs and staffing, the second issue is the Government's expected improvement in compliance-related activity. It was clear from Gus O'Donnell's evidence to the Treasury Committee that even the Government accept that there is currently a huge tax gap in the United Kingdom. Mr. O'Donnell's evidence indicated that that gap was likely to be around 8 to 10 per cent. of revenues, which is in the order of magnitude of £30 billion or £40 billion.

It is unusual for such an estimate to be volunteered by a senior Government official because the Government tend to be sensitive about acknowledging the extent of the problem of tax evasion and tax avoidance. Given that that figure has been put into the public domain and that Mr. O'Donnell was willing to acknowledge that the figure for uncollected VAT alone is estimated by the Government at 12 per cent.—£12 billion a year that would be collected if people adhered to the letter of the tax law—I am interested to know whether they anticipate that the tax gap will be closed in any way by the merger of the two departments.

I should have liked the Paymaster General to say more about the detail of how the Government plan to close that enormous tax gap, which after all is the central purpose of the two departments. We can talk as long as we want about improving service to customers, but, as the right hon. Member for Wells (Mr. Heathcoat-Amory) pointed out robustly in the evidence taken by the Select Committee, ultimately the purpose of the departments is to collect revenue for the Government's public services and other priorities. If £30 billion or £40 billion is going missing, it needs to be a high priority for the new department to tackle.

On compliance, the new department must focus on those entities who are in the black economy, and who are probably avoiding contact with both Customs and Excise and the Inland Revenue, rather than simply focusing all efforts on the largely compliant group of businesses and taxpayers, which could be easier targets for it. Have the Government recently estimated the compliance cost to business, one of the recommendations by the Treasury Committee in its report in 2000? Will there be an opportunity, either now or in the year ahead, to estimate the savings to business from the reduction in compliance activity? Has the Economic Secretary considered whether the tax system, in particular the business tax system, can be simplified to reduce the compliance burdens on business?

Sir Michael Spicer (West Worcestershire) (Con): The hon. Gentleman mentions the 2000 report. I chaired the Sub-Committee that produced it. Does he accept, both in the context of efficiency and the tax take, that part of the answer to his question depends on whether the Inland Revenue or Customs takes the lead in the merger? One of the things that we encountered was that Customs was a much less effective and efficient organisation than the Inland Revenue.

Mr. Laws: I am grateful to the hon. Gentleman for that. He speaks with great expertise, having chaired that particular inquiry. One thing that came out of the inquiry as it related to simplification was that merging the two departments, with their different histories, traditions and knowledge base, would work only if the individuals in the combined department can handle the complexity of the tax system. That requires the Government to ensure that the tax system is simplified.

[Mr. Laws]

We could no doubt speak for some time about the problems with IT systems throughout government. The hon. Member for Chichester referred to those. That will also be an enormous challenge for the new department, potentially at a huge cost, which was mentioned a number of times in evidence taken by the Treasury Committee.

To sum up, there is an enormous job to be done if the planned merger is to realise the promised benefits. This small Bill is a first and rather simple step down the route towards a merged department. We shall scrutinise the detail in Committee, but its delivery and implementation will determine whether, in the years to come, it is a great triumph or a terrible disaster. The way in which it is implemented, and the way in which Treasury Ministers and those in the new department lead the merger, will have a massive impact on whether it is a success or failure.

We are glad that the Treasury Committee has undertaken to continue to monitor the merger. We will also watch it closely. The Government have our support for the Bill as a whole, but only if they allow managers to focus on the big potential prizes, and not if the process is driven simply by their short-term political imperatives or the need to outbid the Conservative party in cutting back on the jobs of those people who work in the public services.

2.55 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): I am sorry that I missed the first part of the speech of my right hon. Friend the Paymaster General, but I heard the other speeches, and very good they were too. I compliment in particular my hon. Friend the Member for Bexleyheath and Crayford (Mr. Beard), whose speech was excellent.

My concern is whether the Bill will close the tax gap or have the opposite effect. Given Labour's commitment to public services, anything that brings in more revenue to the Government is important. Some commentators have suggested that the Chancellor has a bit of a revenue gap. I would not necessarily argue that, but if he has, the extra revenue will help in the coming years.

There is also talk of staff cuts. I have close relations with the civil service union, the Public and Commercial Services Union, which is worried about employment. Its members are dedicated public servants who are committed to the broad common good. The union wants the new department to do its job properly and wants it to be properly resourced.

I hope that the new arrangements for prosecutions will also help to close the tax gap. If prosecutions are more effective, that will encourage those who are evading or avoiding tax to pay their taxes, as all good citizens should, so that we have more to spend on essential public services. However, the staff cuts worry me.

I have some anecdotes of my experiences. Three or four years ago, I took it on myself to visit our local VAT inspectorate. I was impressed with what I saw. It was explained that had it got more staff, it could collect more revenue. The rough estimate was that every additional VAT inspector collected five or six times his salary in VAT every year. I wrote to Treasury Ministers, suggesting that we should have more inspectors because we could clearly bring in far more to the Exchequer than the cost of their salaries, which would be a good thing in every way. I got a bland reply, mentioning staff costs. I am afraid that I did not get a positive response.

I also took it on myself a little while ago to visit customs officers at Luton airport. Again, the same story. They were doing a good job of catching people who were involved in smuggling drugs in particular. They wanted more staff so that they could do an effective job because they were stretched. Again, I wrote off, saying the same thing.

PCS members and officers tell me that the same is true of personal and business taxation. With more tax officers specialising in those fields, they could collect more revenue, at a multiple of their salaries, so more staff rather than less would be good. It may be that other staff who are not inspectors and who are not directly concerned with tax collection could have their jobs modernised with IT systems or whatever, but inspectors can collect many times their own salaries. I ask my hon. Friend the Economic Secretary to give that serious thought.

I also had the experience—again, this is an anecdote, although I am sure the experience is not uncommon—of returning from the continent 15 years ago. As one does when returning from holiday in France, I had a certain amount of wine in my car.

Andrew Mackinlay (Thurrock) (Lab): For your own use.

Mr. Hopkins: Very much so.

The limits at the time were less than they are now, and I had rather more than the limit. Trying to be a good citizen, that night I drove through the red line, which said "Something to Declare". Everyone else was going through the green line, which said "Nothing to Declare". There was no one present at the red line, so I got out of my car and had to walk a considerable distance. I looked about 20 ft upwards to find the only customs officer on duty, who was waving people through the green line. I said, "Excuse me." He said, "What do you want?" I said, "I would like to pay my duty, please. I have a certain amount of wine above the limit." The officer was astonished. I had written out what I had bought and where I had bought it. I even had those documents that are called factures, which people are supposed to have when they transfer wine across France.

I wanted to do the right thing. I did not wish to be prosecuted. As I have said, there was only one customs officer on duty. That suggested to me that Customs was under-resourced. It may have been that all the other officers were off sick or that Customs was not efficiently organised, but that was not my impression. My impression was that one man had been left at the port all night to wave the people through the green route. I am sure that things are better now than they were then. I am talking of 14 years ago when a public expenditure-cutting Conservative Government were in office, not a proper Labour Government who would know that we have to fund public services properly.

Rob Marris (Wolverhampton, South-West) (Lab): I assure my hon. Friend that I, as a solicitor, always tried to be scrupulously honest in the same regard. I had the same experience as my hon. Friend, but there were three customs officers on duty.

Mr. Hopkins: It was obviously a larger port or a good day. I do not know.

Rob Marris: It was Dover.

Mr. Hopkins: It was a larger port. I was at a small port.

I have the greatest admiration for Customs and Excise officers and for income tax officers. I have never found any fault with the Inland Revenue. I only wish that my ability to complete my tax form was half as good as the Inland Revenue's in checking it. Customs and Excise does a splendid job. It is vital to ensure that the Government get their revenue, which they can spend on public services and salaries for all our public servants. We must ensure that that revenue is collected.

I am concerned about the failure to collect taxes. The failure to bridge the gap means that there is effectively a culture of petty criminality among people who are finding ways of avoiding or evading paying tax. That is particularly the case when importing cigarettes, other forms of tobacco and alcohol from the continent of Europe. That is not a good thing. We are a law-abiding society and I think that people like to obey the law. If we fail to police the taxation system and Customs and Excise properly, over time, we will allow that culture of petty criminality to develop.

Allowing vast amounts of tobacco and alcohol to enter the country, illegally or legally at cheaper prices than would be charged in the UK, runs counter to the Government's public health agenda. We should maintain the price of cigarettes and, I suggest, alcohol at the levels that we think are appropriate in Britain. That is a way of constraining people from excessive consumption. We think that the continent has got it wrong—I do, anyway. If it is serious about dealing with alcohol and smoking, it should introduce higher prices. Alcohol prices, as a proportion of disposable income, are now half what they were in the 1970s. Floods of alcohol are coming in from the continent that are not effectively policed or constrained.

The money that is lost by failing to collect duties and taxes on those items is of fundamental importance to the Government. I want the Government to spend money on many other things. For example, free long-term care for the elderly could easily be financed just by collecting the tax on tobacco that is coming in from the continent illegally.

That is an equation that I make frequently. I hope that the Government will take the point seriously. I hope also that the Bill will make a big difference in closing this tax gap. I hope that the Government will not use the measure only as a means of cutting the numbers of civil servants in the Departments, especially as the civil servants that we are talking about, above all, are the ones who collect money. They do not spend money. Their salaries are as nothing compared with the amount of money that they bring in. If we need more of them to collect more money to narrow the tax gap, we should appoint more of them. I hope that the Government will take a positive view of these fine and honourable public servants and not look to every opportunity to cut their numbers.

There have been numerous problems with IT systems in the public sector. Is it not time that we looked to have more in-house IT systems rather than relying on what are clearly unreliable private companies? The contracts have gone wrong on so many occasions. Surely it is time that we looked seriously at an in-house public sector IT facility or brought in-house as much as we can of IT systems and services.

I hope that the Government do not seek to outsource any of the services that are undertaken by the Inland Revenue and Customs and Excise. Above all, we need people in these services who have a sense of dedication to the public sector and who believe in and feel that public service ethic. They are people on whom we depend for the civilised society in which we live. It would be a mistake to push them into the profit-making sector. I hope that they will be kept as directly employed public servants and that they will continue to collect the £30 billion or £40 billion that we have heard about so that we can have more to spend on the health service, education and all the other fine public services.

3.6 pm

Mr. Michael Fallon (Sevenoaks) (Con): The House will be impressed by the integrity of the hon. Member for Luton, North (Mr. Hopkins), given his vignette about his return from France. He spoilt it only slightly by suggesting that under a Conservative Government there were fewer customs officers on duty. It is true that, under the Conservative Government, duty was much lower than it is now.

The hon. Gentleman made some important points about jobs, to which I shall return. It is important that Ministers address seriously the argument that the PCS has advanced. It has been put to the Treasury Sub-Committee. I am grateful for the kind words that have been said about the report of the Sub-Committee, which I have the honour to chair. The Committee, as my hon. Friend the Member for West Worcestershire (Sir Michael Spicer) reminded us, has been on this track for some time. It was in 1999, when he chaired the Committee, that it first recommended that a feasibility study should begin of the prospects of merging these two great and historic Departments. It was a year later, after taking evidence about other countries that had merged the two services successfully, and notably Canada, that the Sub-Committee made its final report in April 2000, recommending a full merger between the two Departments.

That recommendation was rejected by the Government, as has been said. One of the things that puzzled the Sub-Committee when we came to consider the merger again was why the Government had changed their mind. It is important for the Government to declare why they have now accepted the recommendation.

I was alarmed by the permanent secretary's reply when he was asked why he had changed his mind. He pointed to the record of other bits of Whitehall being merged. He pointed to the emergence of the Department for Work and Pensions. I do not think that it is

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necessarily the case that the functions carried out by that Department are demonstrably better carried out now than they were when they were distributed among other Departments.

Secondly, the permanent secretary suggested that the creation of the Financial Services Authority, which had taken on the functions of a number of different regulators, had also encouraged the Government to think again. I am not sure about that parallel either. Regulators are much smaller than the bodies that we are now considering.

Sir Michael Spicer: My hon. Friend is making a strong point about the Government changing their mind. Perhaps an even stronger point is that we have had a change of Ministers between the two decisions. I think that the Paymaster General was in office at the time.

Mr. Fallon: My hon. Friend makes the point. We were surprised when we heard the announcement a year ago and it is worth trying to probe the Government on the reasons that they put forward. The evidence that we took from the Institute of Chartered Accountants of Scotland pointed to a very different parallel. It said:

"From past experience of the merger of the Inland Revenue and the Contributions Agency, the proposal to merge the Revenue and Customs does not inspire confidence."

It pointed out that, five years on, those two bits of the Inland Revenue still cannot properly exchange information on their computer systems. That is why it is important that this merger, which I welcome, is justified on genuine grounds. It is not enough to say that it is simply strategic or that such mergers have worked elsewhere in Whitehall.

Mr. David Ruffley (Bury St. Edmunds) (Con): In the course of my hon. Friend's Sub-Committee's inquiry, was he furnished with any statistics showing the greater cost and efficiency savings that should be delivered by the merger?

Mr. Fallon: We probed hard on that point and I will come to the costs and benefits, but first I want to deal with the reasoning behind the merger. As I said, it is not enough to say that merging two departments like the ones covered by this Bill has worked with other departments or that the decision is simply strategic. In the business world, that would not justify a merger. I should remind the House of my business interests. One usually becomes involved in a merger in business because one can convince the board or shareholders that a merger will add value, reduce costs and make organisational sense. I had hoped that the Ministers behind the Bill and the Chancellor would have set the case out more clearly.

To be fair to Ministers, they have set out some reasons. First, they have said that they hope that the merger will improve taxpayer compliance to close the tax gap. Several colleagues have already mentioned that important point. Secondly, Ministers have said that the merger will reduce the cost of compliance and, thirdly, that it will reduce the costs of collection. If those are the three stated objectives behind the merger, we should, as my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley) implied, perhaps have had a stronger indication of the exact savings that can be quantified.

Any merger in the private sector—David Varney has been involved in a number of mergers in the private sector—would have been preceded by a proper cost-benefit analysis. We pressed the permanent secretary and Mr. Varney hard on that point and, although it is hard to be sure, there appears to have been some attempt at quantifying the actual costs and benefits. However, that attempt seems to have been abandoned. We recommend in our report that such analysis should take place as soon as practicable. Even if we believe that the Government's explanation that we cannot properly cost the savings until some of the second-order issues are resolved, we are still entitled to ask for the cost-benefit analysis to be carried out as soon as possible.

Mr. Ruffley: Is that explanation not puzzling given that, under the Gershon review, very detailed numbers have been given for efficiency and cost savings? Is there not a contradiction there?

Mr. Fallon: There is a contradiction and I would have expected the Sub-Committee to have been presented with more detailed analysis than we received.

The explanatory notes on the Bill contain a particular figure. It is tucked away in paragraph 284, which tells us that integration

"will lead to initial costs of around £75 million over the two financial years 2004/2005 and 2005/2006."

At least we have some indication of the initial costs.

The Paymaster General has also told us today—I think for the first time—that there will be savings of £500 million by 2007. It is still not clear where those savings will come from: whether they result from the 3,200 posts that will be scrapped directly, from the Gershon exercise or from a combination of the two. When the Economic Secretary winds up, I hope that he will be clearer with the House about the figure of £500 million. As the hon. Member for Yeovil (Mr. Laws) said, it seems a large figure if we are simply talking about the 3,200 posts. I am not clear whether it is a cumulative figure—the Government have previously counted things several times—or whether it is the actual figure that directly relates to the cost savings.

Mr. Laws: Is the hon. Gentleman suspicious, as I am, that the Paymaster General may have muddled up the savings from Gershon with the savings from the merger? Is he particularly suspicious given the answer that David Varney gave to his question in the Select Committee hearings? David Varney said that there would savings of £507 million over the spending review period and a saving of 12,500 jobs net, a figure that clearly relates to total job savings and not just to the merger itself.

Mr. Fallon: I am not clear on that point and it falls to the Economic Secretary to clarify the figure of £500 million when he winds up. He must tell us how it has been arrived at, whether it is cumulative, whether it includes the 3,000 posts, whether it excludes Gershon and whether it relates to annual savings.

The only other hint of further costs, rather than savings, is the reference on page 10 of the regulatory impact assessment. It suggests that there may be further costs to integration resulting from changes to join up some of the services that the two departments currently provide. It states:

"These cannot be quantified until the associated policies have been agreed."

We are not quite clear what those costs are, but it is clear that they are costs and not savings. The Economic Secretary owes us a further explanation of the costs and benefits and I hope that he will reply to our specific recommendation—I do not think that the Paymaster General quite did—that the costs and benefits should be quantified as soon as practicable when the integration policies are agreed and brought back before the House.

The hon. Member for Luton, North raised the important issue of jobs, which is well documented in the PCS's submission to the Sub-Committee. We are told that, as part of the Gershon review, 12,800 full-time posts will be scrapped and that, as a result of the merger, 3,200 specific posts will be lost. That is a rather one-dimensional view of efficiency savings. When one asks Ministers and David Varney about the savings that will result from merging these two great departments, they respond only in terms of the number of posts to be scrapped.

As someone more distinguished in the Treasury keeps saying, it is not the job title that one holds but what one actually does that matters in government. It is not right simply to consider efficiency savings in terms of the number of jobs that will be scrapped. Instead, I would have expected to hear from the Government how the work load of the two departments, once merged, would be handled more efficiently.

I would have liked the Government to have responded much more vigorously on the whole issue of reducing the costs of compliance for business. If it is true that a merged customs and revenue service is going to result in reduced compliance costs for individual taxpayers or for business, I would have expected the Government to have set themselves more vigorous targets.

In an earlier Sub-Committee report, we said how impressed we were by the Finance Ministry in Holland in which officials have been set a specific target of reducing by 25 per cent. over four years the costs to business of complying with taxation. It has introduced modelling for the smallest businesses that enables it to measure the actual costs to small businesses, shopkeepers and medium-sized firms of filling in tax forms and of complying with the tax burden. Some 17 people in a unit in the Finance Ministry are dedicated to reducing the costs of compliance. I hope that Ministers will set the new service a much more specific target for reducing the costs of compliance for business.

I turn to the Bill itself, which is only the first of two Bills. I have two problems with that. Because the Bill is so minimalist, there is a risk, as the regulatory impact assessment pointed out, that its scope is inadequate. Because it is so minimal and has been introduced so quickly, it may not fully cover the arrangements that need to be put in place. I was alarmed to hear that we are to be faced with Government amendments to the Bill as soon as it starts in Committee. I very much hope that when choosing the two-stage minimalist approach, the Government have drafted the Bill correctly.

There does not appear to be a firm commitment to the second stage. The Department said:

"More substantive change, and change requiring further legislation, will be considered as part of a longer term programme of work."

That does not sound like an explicit commitment to a second-stage Bill, although I understood the Paymaster General to say earlier that there was a commitment to produce the second stage in 2006 or 2007. Perhaps the Economic Secretary could clarify that. It is worth some clarification, because we have some experience of two-stage reform. We are still waiting for the second stage of House of Lords reform, which still has not emerged some years after the first stage was introduced.

Secondly, there is the issue of powers. I welcome the non-transferability of powers to prevent any inadvertent widening of powers in the new department. That will need to be scrutinised in Committee. It reinforces the need for further legislation and for that to be forthcoming reasonably early, to ensure that the powers are appropriate, proportionate and fit for purpose. If the Government are committed to those tests—that the powers they are taking are to be appropriate, proportionate and fit for purpose—they need to get on with the consultation and get the new powers into statute as soon as possible.

One specific power that will concern anyone who scrutinises the Bill in detail is the power in clause 10 requiring officials to comply with

"any directions of a general nature given to them by the Treasury."

The explanatory notes are helpful. They state that that excludes directions on the day-to-day management of the service or on operational matters. The intention is fine, but the clause is not sufficiently tightly drafted. It might be helpful if the Government specified exactly what those

"directions of a general nature"

might cover. It might seem odd to ask for a general direction to be specified, but it would be helpful if we knew what kind of directions Ministers had in mind, given that the drafting of the clause is so wide.

I turn to confidentiality, on which I intervened on the Minister. That is a matter of concern to me and the rest of the Sub-Committee. We should always be concerned about confidentiality. I welcome the strength of the Paymaster General's view this afternoon. A further reason for concern is that the departments are being merged into the Treasury building. That puts into sharp relief the question whether we can ensure that officials who are using the same building, sharing the same cafeteria and meeting in the same corridors are properly separated from the Ministers and special advisers who have the more political function.

Given that point, I hope that the Economic Secretary will clarify the downgrading of the oath and statutory declaration. We were told in evidence that it is no longer an oath but a statutory declaration. But, as my hon. Friend the Member for Chichester (Mr. Tyrie) said, a statutory declaration made and witnessed at the beginning of each official's employment has some solemnity about it and brings home to the person

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making the declaration just how serious the matter is. It is therefore not sufficient to write the terms of the declaration into the statute. How many officials taking up office will read the Act? Ministers ought to look again at that and reassure the House. If it is part of the employment contract of staff of the new department, there could still be a case for making that a statutory declaration in front of witnesses, as part of the employment contract. That may be Ministers' intention, but it was not clear from the remarks of the Paymaster General. I think that she appreciates the concern and I hope that the Economic Secretary will clarify the matter.

Finally, on the Bill, I turn to accountability. When we first heard about the merger a year or so ago, I expected that a single department would report to a single Minister. It now appears that the new merged department will report mainly to the Paymaster General, but also to the Economic Secretary on excise duties and green taxes, and to the Financial Secretary on stamp duty, taxes on savings and taxes on pensions. This is not a political point. The hon. Member for Bexleyheath and Crayford (Mr. Beard) made the same point. It is cumbersome for a new single merged department to report to at least three Ministers. The Treasury Sub-Committee will want reassurance that the lines of accountability are not blurred and that everything possible is being done to narrow accountability to one particular Minister, who I expect to be the Paymaster General.

I shall touch on two other issues that are not directly referred to in the Bill, but that flow from the merger proposal. The first is the department's estate—the buildings that it will occupy. I make no apology for returning to the issue of Mapeley, which has preoccupied my Committee and the Public Accounts Committee over the past two or three years. Because the departments are being merged, the case for rationalising the estate and being clear about the costings of that estate is all the more obvious and important. That brings us back to the Mapeley costings. As the House may recall, the National Audit Office estimated that the facility price—in other words, the cost that the departments will pay Mapeley, the private sector consortium looking after the offices—should have averaged out at about £170 million a year over the 20 years from 2001. In a letter on 24 November, the Paymaster General told me that the payments to Mapeley in the first three years were £235 million in 2001–02, £306 million in 2002–03 and £311 million in 2003–04. Those payments were significantly higher than the NAO expected, and we must ask why. One would expect more rationalisation from a merger, and even after the Mapeley contract was signed—we will not go into the sad history of its offshore sourcing—one would have expected some variation to the contract to have been sought to reduce the number of offices occupied by the merged department.

In her letter, the Paymaster General explained why the NAO price of £170 million a year is nowhere near the £300 million a year that she now pays:

> "NAO modelling is based upon initial pre-contract modelling assumptions and as such would not be expected to capture changes in the profile of the estate due to new legislation or changes in the departments' business model."

Why not? The merger will provide the department's new business model and changes in the legislation.

One would have expected some rationalisation, but instead we have costs. I accept that the costs are for the first three years of a long contract, but they are now running at nearly twice the NAO assessment of the facility's price. The point of putting offices under private sector management is to get away from the department's business modelling and forecasting and into the real world, where people experienced in estate management and commercial property can weigh up matters and make the required savings. In the private sector, such a merger would yield immediate savings by sharing offices, rationalising space and utilising fewer, not more, square feet. In other words, the price paid to Mapeley should be falling, not rising.

In the end, the Bill is about improving the service that the customer gets. In rather a chilling phrase, the Paymaster General said that she wants "to improve the taxpayer experience". Over the past few years, taxpayers have had much experience of paying more and more taxes. Taking her comment at face value, it is important to focus on the aim of the exercise, which is to improve the service to individual taxpayers and, indeed, business taxpayers. The record over the past few years is not particularly good.

The tax credit fiasco, on which my Sub-Committee reported, is not an encouraging precedent. The scandal of deficiency notices that are issued late or not at all again shows that the follow through is not particularly good when changes are made in Whitehall. Evidence is also emerging that the Revenue is not as good at running the benefits system as it was at running the tax system. We must focus on the service that the customer gets. From my experience of constituency casework, the Revenue and Customs must re-examine their interface with customers. For example, the helpline service is not nearly good enough and needs improving.

I am not sure whether people—perhaps even hon. Members—are sufficiently aware of the function of the adjudicator, who rules on complaints against the Revenue and its various sub-departments such as the valuation office. Last year, the adjudicator investigated 374 cases in the Inland Revenue and 98 cases in Customs and Excise, which is not an awful lot. We should use the opportunity presented by the merger to revamp the way in which the Revenue and Customs treat those who pay for them and rely on their services—the situation could and should be better.

Let me sum up. The merger was recommended by the Sub-Committee and is probably a good idea, but it needs to be driven by set objectives and against measurable benchmarks. I welcome this initial legislation and wish Mr. Varney and his team well in implementing it, but I put him, and Ministers, on notice that this is not the end of the story as far as the Treasury Sub-Committee is concerned. We will return to the merger at six-monthly intervals to see how it is getting on, because the stakes are very high indeed.

3.35 pm

Mr. Peter Atkinson (Hexham) (Con): It is a great pleasure to follow my hon. Friend the Member for Sevenoaks (Mr. Fallon), who, in his position as Chair of

the Treasury Sub-Committee, has done a very thorough job in picking over the bones of this dry but important Bill.

There was not much levity in the debate apart from that provided by the hon. Member for Luton, North (Mr. Hopkins), who described his experiences in trying unsuccessfully to pay duty on wine. Sadly, he has left the Chamber; I was going to advise him that if he really wants to be done over by Customs on arriving back in this country, he should not look so honest and should drive a white van laden to the springs with wine.

Another moment of levity came from the Paymaster General during her rather long and sombre speech, when, as my hon. Friend the Member for Sevenoaks said, she told us that she wanted to improve the taxpayer experience.

Dawn Primarolo: I am not bothered what the hon. Gentleman thinks about my speech or its tone, but I gave way endlessly to hon. Members, mainly to his hon. Friends, out of courtesy, and to rebuke me for that seems a bit foolish, as it will not encourage me to do it again.

Mr. Atkinson: I am sorry that the Paymaster General is upset, but she leaped to her feet a little too soon. I understand why she spoke so fully—it is a detailed matter and she had to deal with many interventions—but I merely wanted to ponder on her use of the term, "taxpayer experience". That almost sounds as if dealing with one's tax is a form of entertainment—there is a tourist attraction in Ayrshire called the Tam O'Shanter Experience—and I had a vision of the Paymaster General trying to make taxation more exciting.

Dawn Primarolo *indicated dissent.*

Mr. Atkinson: She obviously does not agree.

The main unanswered question about the Bill is what lies behind the renewed enthusiasm for the merger. Until now, it has been a classic example of something that lots of officials think a good idea, so it gets taken off the shelf, dusted down, put back, forgotten about and eventually taken back down again. I would be rather worried about an idea that Mr. Gladstone considered and rejected. We missed out some of the history, because Prime Minister H. H. Asquith had a nibble at it when he merged Customs and Excise.

As my hon. Friend the Member for Chichester (Mr. Tyrie) said, another unanswered question is whether the exercise is worth the candle. We will find out as the Bill progresses. I suspect that my hon. Friend was on to something when he suggested that the Chancellor wants to do this to set an example before he starts to lay about Government Departments. He could have triggered it through a series of timed statutory instruments; indeed, he could have postponed secondary legislation almost indefinitely. The merger is to proceed so incredibly slowly that it does not need to have a great deal of effect, but it enables him to say to other Ministers, "We've put our house in order—now put yours in order."

Another unresolved matter, which I hope will be resolved shortly in the winding-up speeches, concerns how many staff will be involved. The figure seemed to change almost daily between the Chancellor's first announcement in March and the evidence given to the Treasury Sub-Committee in October.

Some years ago, the Conservative Government considered what to do about the Inland Revenue and Customs and Excise. It was the subject of much discussion. One suggestion was that the Inland Revenue should merge not with Customs and Excise but with the then Department of Social Security. That option has not been considered. As the Inland Revenue increasingly becomes a tax and benefit-paying operation, it almost makes sense for it to be part of the Department for Work and Pensions rather than merging with Customs and Excise, which, as we have heard, has a different philosophy from the Revenue.

The original Excise men were military figures, with their cutlasses and armed ships. Indeed, they chased the forebears of my constituents who had a readily available supply of illegal whisky stills in the Northumberland hills. The Excise men would wreck the stills. It was said that they were given a reward if they found a still, so when a still burned out, its owner would tell the Excise man who then "discovered" it and collected a reward. The distiller would receive half, which helped him to build a new still further up the hills. That was Northumbria a long time ago—but it is rightly said that the philosophy of the two departments differs greatly.

Customs and Excise clearly has much more of a policing role. That is well set out in the various submissions to the Treasury Committee by the Association of Chartered Certified Accountants, which is worried, probably rightly, about the gung-ho mentality that exists in the Customs service, as opposed to the gentler, more considered approach of the Inland Revenue. I know from experience of running a disorderly business—in its early days—that the VAT man was a sight tougher than the tax man. Anyone who fell behind with VAT payments had little leeway, whereas it was always possible to negotiate some settlement with the Inland Revenue. There are genuine concerns about the different attitudes.

Let me comment on the problems that the Revenue experiences in paying the tax benefits. I am sure that all hon. Members have had constituency cases of overpayment of tax credits that are now being reclaimed, in some instances with a great lack of care for the victim. Obviously, some people must have realised that they had been overpaid, but others did not. They read the forms and thought that they were getting it approximately right. I have a constituent who received £150 in tax credits and has had the sum reduced to £30 a month. That has made a serious difference to her life. To echo my hon. Friend the Member for Sevenoaks, it is almost impossible to get through to the helpline. My constituent came to me to circumvent the difficulty of contacting the helpline.

Mr. James Gray (North Wiltshire) (Con): My hon. Friend is right. I have a constituent who is being asked for £7,500 that was wrongly paid to him, despite the fact that he phoned the Revenue on every occasion to check that the calculation had been done correctly. He was assured that it was correct until the final occasion, when he was told that a glitch in the computer system had

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resulted in an overpayment of £7,500. His wife is pregnant—they had planned to expand their family based on the department's errors.

Mr. Atkinson: That is a graphic illustration of the trouble that overpayment causes. It has affected many vulnerable people, who now need help because of the mistakes in the payment of benefit. There have also been computer problems and difficulties with the private finance initiative deal, which has also been mentioned.

I remain in favour of considering the merger, but hon. Members need more information about its objective. What are the costs and benefits? Will it improve the service and make the promised substantial savings? Or will it usher in a long period of confusion and muddle, which will cause considerable difficulties to the customers of Customs and Excise and the Inland Revenue?

Finally, there is an issue of accountability that still needs properly to be resolved. The commissioners of the Revenue and of Customs and Excise are appointed by the Crown and are responsible to the Chancellor. Lord Bridges, the archetypal Sir Humphrey, when trying to examine the relationship between the Revenue, Customs and the Government, said:

"The Inland Revenue and HM Customs and Excise are responsible to the Chancellor, and are subject to a measure of Treasury direction. This however means Ministerial direction. The officials of Revenue and Customs do not take orders from Treasury officials."

That was an interesting, if slightly Sir Humphreyish, statement for Lord Bridges to make at that time, and I wonder whether that will continue to be the case under the new regime, or whether Treasury officials will give instructions to the commissioners of the new joint organisation.

3.45 pm

Mr. John Burnett (Torridge and West Devon) (LD): As my hon. Friend the Member for Yeovil (Mr. Laws) said, we welcome the thrust of the Bill and the principle of merging the Inland Revenue and Customs. However, we temper our welcome with the important caveat that there will be much more detail in the draft regulations, which we look forward to receiving in plenty of time before we debate the Bill in Committee.

I have for some time advocated the subsuming of the prosecution functions of the Inland Revenue into the Department under the aegis of the Attorney-General, and I strongly support what is now happening in that regard. I also strongly support the establishment of a separate, independent prosecution service and the fact that it is to be inspected regularly by the Crown Prosecution Service inspectorate. I presume that there will be some financial consequences, but it is difficult to judge what they will be. Since January 2003, the Customs prosecutors have come under the Attorney-General, and I wonder what additional staff—or perhaps whether fewer staff—have been employed since that time, and whether that has involved savings or additional costs.

I welcome clauses 23 and 24. The recent establishment of the Independent Police Complaints Commission goes a long way towards answering the impossible question: who will guard the guardians themselves? It appears to be settling down well, but there are bound to be resource implications for the IPCC taking on this additional work. Do the Ministers have any idea what those implications will be? Some indication would be welcome. My second question relates to a difficult point. The IPCC is, and should be, independent, and it is up to the commission to run itself. However, it would be interesting to know whether the Ministers have a view on whether the police function within the IPCC should be separate from the Revenue and Customs functions.

I want to refer to the matter of tone and culture, but before I do so, I want to say to the House that we shall debate information sharing and confidentiality in Committee, and that we shall also return to the necessary matter of powers. I am grateful to the Paymaster General for setting out just a few of the important points of principle. This impinges on what my hon. Friend the Member for Yeovil said about the Treasury having a function on the macro side of setting tax policy. I hope that clear guidelines—there are already some—in relation to absolutely solid and enforceable duties of confidentiality will be provided for anyone who, under this Bill, has access to Revenue information As has been said, the Revenue has an enviable culture, and the vast majority of people do not want to break the law. Tax law, however, is extremely complex, taxpayers often do not have a clue what the law is, and it is difficult for small professional firms of advisers to keep up with the complexity of the law and its changes.

In my experience, the Revenue is helpful, in so far as it is accessible locally and reasonably willing to give sensible advice—obviously, its view is not necessarily the correct one, but it is helpful. I hope that such local delivery will be a model of the new department, so that Customs specialists will also be at hand in local offices and will accept Inland Revenue practice.

On training, I refer the Economic Secretary and the Paymaster General to Mr. Justice Butterfield's conclusions. Two particular points should be noted from that Customs inquiry, as hundreds of millions of pounds in duty were lost and an unfortunate series of bungled prosecutions occurred. First, Mr. Justice Butterfield recommended that there should be regular refresher training for investigators, and secondly, that investigators should be subject to systematic external scrutiny. In Committee, we will examine these matters in some detail, and we will want to hear exactly what has happened since the Butterfield report, and on what standards of training the new department will insist. I know from experience that the inspector of taxes course is of high quality and is also recognised in the private sector.

To conclude on the question of culture and tone, I practised as a tax practitioner for 25 years, and I do not believe that in the course of that period I ever had cause to complain about the conduct of members of the Inland Revenue. I hope that, in 25 years' time, practitioners will be able to say exactly the same of the new merged organisation.

3.53 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): This Bill on the merger of Inland Revenue and Customs and Excise carries the general support of the Opposition.

although we remain concerned, as the House will have noted, about its practical implementation. We are dealing with two organisations that have between them 250 legacy computer systems and some 13 million customers. It is no mean feat to put those two together, and we will want to examine the details extremely carefully, not just during consideration of the Bill but in the first few months and years of the merger.

I had the privilege of sitting on the Treasury Sub-Committee in 2000, which was then chaired by my hon. Friend the Member for West Worcestershire (Sir Michael Spicer). In the course of our inquiry, we came to some conclusions: that the possibility of a merger had not, by 2000, been examined properly by Ministers; that differences in the functions of the two bodies were not insurmountable obstacles to a merger; and that a merger was in fact desirable.

Our 2000 report noted several concerns relating to the closer working programme, which—I should say in all fairness—had been developed not since 1997 but since 1994. We concluded that the programme had not been a great success. There seemed to be no general philosophy or rationale underpinning the various areas chosen for closer working between the two departments. The witnesses whom we consulted could cite few specific benefits to businesses as a result of the programme, and Customs and Excise gave us no clear idea of how it intended the programme to develop in the future. We agreed with the programme's aims, but did not feel that it was achieving its objectives. When we examine the way in which the two departments have tried to co-operate so far, we do not see a happy set of antecedents.

We were rather disappointed by the Government's response to the report. The possibility of a merger was rejected, and the explanation given was this:

"while the Government accepts that merger might bring some of the benefits outlined by the Committee, it believes that they can be achieved without the disbenefits of merger through a dynamic and focused programme of closer working."

The Government have clearly done some more thinking during the three or four years since that statement was made. Like other Conservative Members, I am prompted to ask the reason for the turnaround—the sudden Damascene conversion—especially in the light of the paucity of statistical information and data about cost and efficiency savings in the medium term.

We know that there will be transitional costs upfront, but although the Government seem to have moved to the right side of the argument, we have not seen enough of their working. Some indications of why their views had changed were given in the O'Donnell review, which concluded that a merger would be a good idea—although it noted at the same time that risks were involved in the "business as usual" tax collection model, and that the disruption of projects already planned could attend any merger.

I wonder whether the rather sad events of spring and summer 2003 might have prompted the O'Donnell review. As we all recall and as was mentioned earlier, a computer system that was installed did not deliver, and the fiasco of the working tax credit and child tax credit payments ensued. The Treasury Committee, of which I was a member, took evidence that revealed an unfortunate set of management relations at the Inland Revenue. We also discovered that when the national insurance contributions office was taken away from social security officials in Whitehall and merged with the Inland Revenue, the left hand did not know what the right hand was doing. That led to the shambles of the deficiency notices: Ministers were not aware that they had not been issued, and large parts of the civil service did not know either.

That brings me to two of my concerns, which have not been dealt with by my hon. Friends' trenchant criticisms of other aspects. They relate to information technology. The Treasury Sub-Committee noted the views of the Institute of Chartered Accountants of Scotland:

"From past experience of the merger of the Inland Revenue and Contributions Agency, the proposal to merge the Revenue and Customs does not inspire confidence. As organisations, the Contributions Agency and the Inland Revenue had different computer systems and five years after the merger had been completed they still have computer systems which cannot exchange information and accordingly duplicate enquiries and impose unnecessary additional costs on taxpayers in general."

In speaking to the Treasury Sub-Committee, David Varney made clear the scale of the IT problem for him and the associated risks. Indeed, he was very up front, and it might assist the House if I give a flavour of what he said:

"We have 250 major IT systems, and we have 3,000 staff"

working in IT.

"It is a huge expenditure ... We, per year, put out 170 million forms and we run 100,000 desktops. So this is a big issue for us. I think what we are bringing in"—

in the recent recruitment of a chief information officer—

"is expertise of somebody who has a track record of managing change in IT and delivering business benefits. We also have to get smarter at our pre-risking and big risk minimisation projects, talking through both the IT risk and the operation."

Amen to that. The Paymaster General will doubtless work closely with Mr. Varney on the implementation of change in the IT systems.

However, I offer a strong word of warning. When the computer failures occurred that were responsible for the working tax credit and child tax credit shambles, and for the deficiency notice problem—without even considering the Mapeley problem, which is different in qualitative terms—the chairman of the Revenue came before my hon. Friend the Member for Sevenoaks (Mr. Fallon) and I, and said that the Revenue take this issue terribly seriously. He said that a lot of time had been spent stress-testing the system before putting it in place. He acknowledged that it was very complicated, and said that they would spend a lot time ensuring that they got it right.

The problem is that warm words are no use when the system crashes or fails to work in an optimal fashion. Who suffers? The taxpayer suffers, and bad governance is the result. That does no good for the Government of the day, or for democracy and our constituents.

I pray in aid the National Audit Office, which noted in its recent report:

"Contingency plans are needed to handle any changes resulting from the O'Donnell review."

I have great regard for the Paymaster General, who gets into the interstices of her brief. I hope that she will put contingency plans in place, and she will doubtless ask

[Mr. David Ruffley]

her officials to speak to the NAO and other stakeholders. We need to bear in mind the huge risk involved. We do not want a repeat of the IT shambles.

My final point, to which reference has already been made, concerns enforcement and the culture of the departments that will be merged. I welcome the placing on a statutory footing of the new Revenue and Customs Prosecution Office, which will undertake all the new department's prosecutions. However, I am not entirely clear as to how it will be staffed, or how the varying expertise of the current Inland Revenue and Customs and Excise prosecutors will be melded.

In 1999 and 2000, my hon. Friend the Member for West Worcestershire and I examined how the experience of the Canada Revenue Agency compared with ours, and we discovered that it was similar. To put it bluntly, the expertise of those in the revenue departments here and in Canada is of a higher quality than of those in the customs and excise departments. That is simply a cultural difference. Melding the two to achieve an optimal solution is what this is all about. However, the most recent Select Committee report—the proceedings were chaired by my hon. Friend the Member for Sevenoaks—stated that

"witnesses were concerned about the different approaches of the revenue departments and how this might impact on the new department."

Those concerns were summarised by the Association of Chartered Certified Accountants, which said:

"The Inland Revenue is more prepared to negotiate and has a more human face. By contrast, mention Customs investigators to accountants and businesspeople and exasperation sets in. Once the Revenue has made a ruling, it generally sticks to it. VAT offices change their minds more often—partly because they tend not to commit themselves in writing."

There is clearly a culture problem and I hope that, when the matter is put to bed, we adopt a pretty robust approach to change management. Ministers should adopt a hands-on approach to ensure that the execution of the merger takes the different cultures into account, but not use that as an excuse for things not going right. We need people to get thinking the right way and to do so quickly.

Mr. Burnett: Does the hon. Gentleman agree that one aspect of the co-operation between taxpayers and the Inland Revenue is the fairly widespread system of clearance procedures? It would be interesting to incorporate that approach rather more frequently in customs matters.

Mr. Ruffley: I am sure that those implementing this huge change will reflect on the good point that the hon. Gentleman has just made.

Mr. David Varney said that there is a need to look further into the different powers and cultures of the current Revenue and the current Customs and Excise. He said:

"I think the proposition we will be putting, if the Bill is introduced, will be to keep the powers that each individual tax activity has in place and to accept that when"

the new department

"is up and running we will look again at the question of proportionality of powers in the context of broader institutions that exercise powers of enforcement."

It will be incumbent on the House and associated Select Committees carefully to scrutinise how well the powers vested in the merged department are meshing together. Clearly, there are different kinds of powers and a different enforcement culture in the two departments pre-merger.

For all those reasons, it is fair to say that this side of the House welcomes the merger in principle. Some of us have argued in favour of it for four or five years. We wait to see whether Ministers will clarify whether some of the savings that they talk about are Gershon savings or other savings. What are the medium-term savings and what are the short-term transitional costs? We look forward to greater clarification of those matters.

Finally, we expect the Paymaster General to make two specific undertakings. First, she or her successors should not come back to the House with rather poor or lame explanations for why the IT has not worked. That will simply not be good enough. She and her officials must redouble their efforts, and not lapse into some alibi society as they did with the working tax credit computer model, when they said that they stress tested it, that everything was ready to go and that they simply could not understand why it was a dog's breakfast on the day it went live. No more excuses of that sort will be acceptable to the House.

Secondly, in view of the different cultural mores of these organisations, new uniform management and working together will have to be forced through. We cannot allow excuses such as saying that organic change takes a long time. We want the merger to work and to work as soon as possible. I therefore give a qualified welcome to the Bill on Second Reading.

4.9 pm

John McDonnell (Hayes and Harlington) (Lab): First, I apologise for attending the debate so late. I had a constituency engagement, the Ealing Family Housing Association annual pensioners' Christmas dinner. When they reached the Christmas carols, particularly "Oh Come, All Ye Faithful", I thought that it was time to come to the Chamber.

Normally, out of politeness to the House, I would not intervene in a debate that I joined so late. However, I do not appear at risk of being trampled to death by other Labour Members wishing to speak so, in my capacity as chair of the Public and Commercial Services Union all-party parliamentary group, I shall make some comments about staffing matters.

I want to begin with a general point about how legislation is considered these days, and what information is provided to the House in connection with staffing and manpower issues. Over recent years, the consideration of Bills has been refined. The explanatory notes accompanying a Bill now contain detailed assurances in respect of costs and compliance with human rights legislation. They also refer to staffing implications—that is, the impact on public service manpower.

That information enables the House to try and identify individual costs and, in some cases, potential savings, but the system gives us a minimum amount of information about manpower issues. The one sentence

on the topic in the explanatory notes for this Bill states:

"There will be a net reduction of approximately 3,200 posts as a direct result of the integration."

Admittedly, the Treasury Committee looked in more detail at the staffing reductions consequent to the Bill, but even then the information provided was fairly peremptory. It identified that about 3,000 jobs would be cut as a result of this Bill, in the context of the other staffing reductions that were taking place. About 8,000 jobs will go as a result of the Gershon review and other studies, but the losses implied by the Bill will bring the total of jobs lost in the relevant departments to something like 12,500.

Elsewhere in the public and private sectors when departments are rationalised and merged on such a scale, or when an organisation is reviewed or restructured, it would be expected that some significant detail about the new staffing levels would be made available. In addition, matters to do with staff structures would be covered in a report from the human relations department involved—what used to be called the personnel department—setting out the range of posts that would be lost, and the responsibilities that rested with those posts. Such a report would also outline the new structures being established, and possibly offer some detail about new posts and their functions. As a result, people could use that report to determine whether the new structures would be workable, in comparison with what had gone before.

Interestingly, only a minimum amount of information on staffing implications has been provided with this proposal. More importantly, however, we know in some detail what went on before. The Treasury Committee has conducted many reviews and produced many reports over the years. Those studies have made it clear that both Customs and the Inland Revenue are world-class services. There is no doubt about their probity and the efficiency of their tax collection in many respects, but it is also clear that both services are open to innovation.

I compliment the Government on their spend-to-save and spend-to-raise initiatives, which are proving exceptionally successful, and have enjoyed cross-party support. That success has been highlighted by the Treasury Committee.

I pay tribute to the hon. Member for Sevenoaks (Mr. Fallon), as the Treasury Sub-Committee has also been very frank about mistakes that have been made. That may have embarrassed the Government, but the Select Committee has a job to do and it has done it effectively. To be candid, it is clear that most failures in the past have not been blamed on staff at Customs and Excise or the Inland Revenue. To a certain extent, we as politicians have to take the blame for some of the failures, because some of the policies were wrong and certainly some of the initiatives that we thrust on the staff were ill thought through. At no time has the Treasury Committee made extensive criticisms of the staff and their professionalism. Indeed, the reverse is true: the Committee has been complimentary.

If we know that the existing staffing structures and levels work effectively—indeed, provide a world-class service—we need to be careful when we seek to adjust, review, revise or change those structures. Anyone who has gone through a merger, in the public or private sector, will know what turbulence it can cause in an organisation. Mergers can lead to breakdowns in efficient delivery of services. My anxiety about the proposals is that it is almost impossible to judge from the information that we have been given about staffing whether the proposals will be effective.

Mr. Laws: I am not sure whether the hon. Gentleman was in his place earlier when the Paymaster General acknowledged that the reduction of 3,200 in staff numbers as a consequence of the merger was a guess—it does not come from a precise analysis but from examining how such mergers have been managed in the past. Does he think that it is sensible to produce such numbers, which are very sensitive for those people affected, in such a manner?

John McDonnell: We can always rely on my right hon. Friend the Paymaster for her integrity and honesty. She gives straightforward answers to questions and, although I missed that part of the debate, her response does not surprise me. Indeed, that was the flavour of the discussion in the Treasury Committee and it is contained in the report. At different times, we have had different figures. The overall number of staff savings has been a moveable feast, and that is an issue not only for this merger, but for Gershon.

I have some anxiety about this proposal—not in principle, because the merger may prove to be successful. My concern is that if the merger takes place with a predicted number of more than 3,000 job cuts, without detailed information on how the organisation will work, posts may be cut that will be needed later. It might be that we rely on some of the Gershon proposals for savings, especially in relation to the introduction of information technology, but Members on both sides of the House will have their own views on our past performance on IT contracts.

I am concerned that we may lose a large number of professional staff on whom we have relied in the past. We are about to create turbulence within departments that will reduce efficiency of service delivery. We may lose some professionalism in the process, at some cost to us all. That may all happen just at the time we need to collect more revenue because of the taxation gap that has been identified. Is that the time to introduce instability into the system? I would have thought that rather than pluck a figure for job reductions out of the air, which then becomes a target, it would be better to plan the merger, develop the staffing structures, and bring the information back to the House. We should plan for investment in staff rather than reductions in staff.

The evidence that the PCS provided to the Treasury Committee set out the objectives of the service effectively and showed a real commitment on the part of staff to make the process work. However, I would not like to see the merger driven through on the back of staff cuts in a way that alienates a dedicated staff. Should we alienate our employees at the same time as launching what some have described as an attack—the Government call it a review—on other rights that they have had for a long time, especially their pensions?

In the public sector, and in that particular part of it, we shall see the build up of a disgruntled staff who face job cuts and a review on reducing their pension

[John McDonnell]

entitlements, yet on whom we are putting an increased burden of tax collection due to the Government's overall fiscal problem with the taxation gap. Instead of a successful merger, we shall have produced something that will be counter-productive to everything that we all want to achieve on the efficient delivery of service.

I am especially concerned about the loss of expertise. A managed merger of this sort must be handled extremely carefully. When we have undertaken such exercises in the past—not just mergers but privatisations, too—we have found that it has taken, literally, a decade to overcome the loss of expertise. We debated the railway industry earlier this week. That is a classic example: the system was privatised, staff numbers were reduced and we lost the very experts on whom we should have relied to develop the new service we wanted to deliver.

Staffing and personnel issues must be handled with incredible care. I cannot accept that blanket job cuts of 3,200 are rational at this stage, before we have even examined the merger and staffing structures in detail. At the end of the day, the cuts will prove counter-productive to the Government's overall policy of increasing tax collection and tackling tax avoidance.

Many Members have mentioned the tax credits experience. As constituency MPs, we all highlight the need for a human being at the end of a telephone to explain benefits and the taxation system, rather than some impersonal computerised system. If the Bill goes through, we are about to lose 3,200 human beings who are desperately needed to explain the system and support our constituents; we should not be putting them on the dole queue where they, too, will have to claim some form of tax credit.

There is support for the Bill, but not for the proposed post reductions. In future, when we consider Bills of this sort, we need much more detail, as a matter of course, about the staffing implications, rather than merely a sentence in the explanatory notes.

4.22 pm

Sir Teddy Taylor (Rochford and Southend, East) (Con): I want to make some brief comments along the same lines as those of the hon. Member for Hayes and Harlington (John McDonnell).

I interrupted the Paymaster General twice during her opening speech to ask about the employment implications of the changes. She courteously indicated that the figure was 3,200, and that was that.

When I entered the House more than 40 years ago, I had great problems, like many MPs, about which party it was right to go along with. I had the impression then, which was right, that the Conservative party was the party of efficiency, which went for change and would look after public money carefully. From the financial point of view, it was probably the party that best served the interests of the community. On the other hand, there was no doubt that the Labour party was the party that cared for people and had more concern for them, and that influenced me. However, having listened to MPs over the years, there is no point in hiding the fact that what worries me now is the impression I have received from recent statements by Ministers, including the one we heard today, that the Labour party is forgetting its care for people.

I live in Southend-on-Sea and meet many people who work there in one of the biggest Customs and Excise operations—our VAT office, which has a fine tradition—so, in all sincerity, I can tell the Paymaster General that I know many of those people. I go to church with them, I go to meetings and dinners with them and they are very worried indeed about their future. Will they have jobs? Is the organisation to be changed dramatically? Will there be transfers to other places? That is a particular concern in a place such as Southend-on-Sea, which has traditionally had more unemployment than elsewhere in Essex and the south. The Paymaster General is a courteous and decent person, so I ask her, please, to realise the extent of the worry and concern that those major changes are causing.

My second basic point is that all the efficiency changes made by the Government are not working terribly well for people. The one big change that we had in Southend-on-Sea was the closure of our social security office and the transfer of the work to Jobcentre Plus or to the new pensions office in Norwich. I can assure the Paymaster General that, whereas pensioners used to like visiting the office in Victoria avenue to talk someone about their problems and to ask for help to fill in their forms, they now face the nonsensical situation of making contact with Norwich.

If the Paymaster General would like to phone that number herself, she would find out about all the nonsense involved in being switched from one place to another and hearing a voice that tells people what to do. In addition, the system is subject to long delays. Bearing in mind the number of people who have come to my surgery—I hold a weekly surgery—that is a horrible state of affairs for the pensioners, because they are not getting the same service and they are very distressed about that.

I hope that the Paymaster General appreciates that the VAT office is one of the major sources of employment in Southend-on-Sea. We have only two major employers: one is called KeyMed and the other, of course, is the department. When an earlier proposal was made to transfer the office to another place, it was accepted that Southend had such a long-standing unemployment problem that some special measures should be taken for us.

What are we trying to do? Of course, it would be easy to say, "Let's scrap all these new plans and leave things as they are." That is difficult for the Conservative party, which works in the interests of efficiency. The Paymaster General should appreciate three things. First, it is desperately important that the local staff should be fully informed of what is happening, when it will happen and whether it will have a major impact on their employment. Secondly, facilities should be provided for meetings and discussions involving employees and trade unions. Frankly, unless that happens, people are simply being treated with contempt. Thirdly, the planned changes should take account of the fact that some areas have a tradition of high unemployment and special provision should be made for them.

Although I would in no way suggest that the Paymaster General is a difficult person or is being unkind, I hope that she appreciate that there is sometimes a danger of forgetting people in the rush for efficiency and change. I also hope that she will appreciate that the people who work in that office are very worried indeed and that they are simply looking for some assurances.

This issue was raised by the Treasury Committee, as the Paymaster General will probably know, and page 7 of the report that was made available today refers to a man called Mr. Varney, who is a Mr. Big in the organisation. He was asked what will happen if the redundancies take place. He was also asked whether the 9,000, 10,000 or 12,500 proposed staff cuts—the figures vary—that result from spending review settlement will involve job losses. He replied that he could not rule out redundancies, but he would try to avoid them. Frankly, a married person buying a house with a mortgage, with two or three children at school, who is suddenly faced with the possibility of being made redundant does not have much to look forward to. If people are made redundant, I hope that the Government will go out of their way to try to ensure that they are offered advice about the alternatives or another form of employment.

I can appreciate the Government's desire to move towards greater efficiency, but as a local MP, I do not particularly like it because I found from the other changes that people previously benefited from personal contact with individuals and that they do not like the fact that they have to contact a remote office in Norwich and must do so by phone and by pressing buttons. That is not an improvement in the service for local people, so I hope that the Government will accept that such changes do not necessarily provide better services. In fact, because of all the problems with computers, people may get a worse service. The main thing is, however, that the people themselves do not think that it is better. They think that it is much worse. I hope the Government also realise that for those who face the possibility of redundancy is it frightening, horrible and cruel. I hope that they will go out of their way to reassure people, in particular those in areas of Southend, where this civil service work is a desperately important part of our local economy.

4.30 pm

Mr. Mark Francois (Rayleigh) (Con): It is a pleasure to sum up for the Opposition after what has been a high-quality debate. I pay tribute to the Paymaster General. It is true that she spoke for nearly an hour, but the principal reason for that was that she was generous in giving way to hon. Members on both sides of the House. We should acknowledge her courtesy.

I join my hon. Friend the Member for Chichester (Mr. Tyrie) in thanking the Paymaster General for kindly giving us a briefing on some of the detail of the Bill at the Treasury recently. We were grateful for that. We were also grateful for the whistle-stop tour, following the briefing, of the refurbished Treasury, but we resisted the temptation to pause and measure up the curtains. We felt that that might have appeared gauche. Nevertheless, it was kind of her to take us on the tour, which we enjoyed.

In a thoughtful speech, my hon. Friend explained that we do not oppose the Bill in principle, because it is designed to facilitate the eventual merger of two large Government organisations. However, we are concerned about how the proposed merger is likely to take place in practice, and I shall concentrate on that in summing up our position.

Before I do that, I want to refer to some of the contributions that we enjoyed. The hon. Member for Bexleyheath and Crayford (Mr. Beard), who served as a member of the Treasury Sub-Committee, spoke knowledgably on the subject. He provided us with some of the background to the proposed merger, including the genesis of the Butterfield report. We are grateful to him for adding that element to our deliberations.

The hon. Member for Yeovil (Mr. Laws) spoke from the Liberal Democrat Front Bench. He, too, broadly welcomed the Bill, but like us expressed scepticism about the ability to generate material savings over the spending review period. There has been quite a lot of to and fro about that, so we would all welcome clarification of two things. First, what are the specific savings that the Department estimates will result from the merger itself? I am not talking about Gershon in the broader context, but how much public money will be saved as a result of the merger. Secondly, over what precise timetable do the Government expect those savings to be realised? In which year can we expect the full-year effect of those savings to have kicked in? If, for any reason, the Government cannot answer those two pertinent questions on Second Reading, they are in trouble from the word go. We look forward to the Economic Secretary clarifying those two points.

The hon. Member for Luton, North (Mr. Hopkins) told us about discussions with his local trade unions relating to the merger, including during a recent visit to Luton airport. He amused the House with his valiant attempts to pay duty some years ago on his return from an enjoyable trip to France. As he mentioned consulting the unions, and as that sparked off a spat between the Paymaster General and the Liberal Democrats, perhaps the Economic Secretary will summarise what consultation has taken place with the unions to date, so that there is no confusion. Perhaps he could also say a few words about how the consultation process is likely to be taken forward with the trade unions as the merger rolls out. Given the comments that we have heard this evening, it seems that Members on both sides of the Chamber will be grateful for that clarification.

Mr. Laws: I agree that we need answers on these points. I suggest that the hon. Gentleman might add a further question to the Economic Secretary. Given the vagueness about the figure of 3,200 job losses, perhaps the Economic Secretary can let us know whether, in his discussions with the unions, he will be clarifying with them whether the Government will seek 3,200 staff cuts or a figure close to that, or whether that is, as the Paymaster General indicated earlier, just a broad assessment or guesstimate of what the savings might turn out to be.

Mr. Francois: That seems a pertinent point. Rather than repeat it for form's sake, I am sure that the Economic Secretary has heard it and will do his best to respond to it.

[Mr. Francois]

My hon. Friend the Member for Sevenoaks (Mr. Fallon) chairs the Treasury Sub-Committee. We should pay tribute to the thorough and detailed job that that Committee did. On the basis of that work, he spoke knowledgeably about the proposed merger. He, too, argued for more specific information on the likely savings and how they are expected to be realised in practice. I hope that the Minister, having heard the Chairman of the Sub-Committee, has now well and truly got the message and that we will hear clear answers from him.

My hon. Friend the Member for Hexham (Mr. Atkinson) has had something of a grin on his face ever since the result of the north-east referendum. I think that he still has that grin today, particularly when he was contemplating the taxpayer experience as some permanent exhibition. I do not know whether that will ever be established in practice, but if it were, I fear that it is the sort of thing that would have to be propped up with lottery money. The ticket sales might not meet the original estimates.

My hon. Friend also talked about problems arising from the maladministration of tax credits. He made some pertinent points on the basis of the real experiences of real individuals. I shall return to that subject in more detail.

We also heard from the hon. Member for Torridge and West Devon (Mr. Burnett). He brings to the House his experience as a tax practitioner over 25 years, I think. If I heard him correctly, he also said that, over those 25 years, he never had cause to lodge a material complaint about the Inland Revenue. I am not certain whether all our constituents could provide such a blanket guarantee but I echo what my hon. Friend the Member for Chichester said from the Opposition Front Bench, which is that we pay tribute to the sometimes difficult work that members of the Inland Revenue and Customs and Excise undertake. I emphasise that some of the criticisms that I shall come on to relate to their senior managers and to Ministers rather than to staff at the coal face who are doing the job from day to day.

Mr. Burnett: I thank the hon. Gentleman for what he said. I think that I said that I had not had cause over 25 years to complain about the conduct of the Inland Revenue. I specifically said "Inland Revenue". I had many disagreements with it, but its conduct was, in my view, beyond reproach.

Mr. Francois: I am sure that the hon. Gentleman spent a lively 25 years in dealing with the gentlemen of the Inland Revenue. I am sure also that the House knew what he was driving at, and I wanted to acknowledge the point that he made.

We then heard briefly from the hon. Member for Hayes and Harlington (John McDonnell), who raised the staffing implications of the merger. He made an important point on what is now becoming, in some respects, the impersonal nature of the system and the remoteness that many of our constituents feel when they have to deal with a call centre, especially when they cannot get through to the same person more than once. He introduced an important point and it is one to which I will return.

We also heard from my hon. Friend the Member for Rochford and Southend, East (Sir Teddy Taylor), who is my parliamentary neighbour. He raised particular concern about the staffing implications of the merger. I can well understand that because Customs and Excise has a major facility in Southend. I already know from our informal discussions that he has made representations on this matter on several occasions, as I believe has my hon. Friend the Member for Southend, West (Mr. Amess). The issue affects Southend as a whole. The House will have heard what my hon. Friend the Member for Rochford and Southend, East said this evening on behalf of people in Southend. I hope that his points will be taken carefully into consideration as the merger proceeds.

I also wish to refer to the remarks made by my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley). He served with distinction on the Treasury Committee and was often a thorn in the side of Ministers. To a degree, he has achieved that in this debate. He spoke with particular force about the problems of information technology and how they cause difficulties for our constituents. I now turn to that subject.

Given recent events, we have a strong concern about the risks that might arise from the IT aspects of the proposed merger. Between them, the Inland Revenue and Customs and Excise have about 250 different legacy computer systems and deal with 13 million customers, including 3.75 million businesses of varying sizes and complexity. The departments already experience more than 250 million contacts a year, ranging from tax returns, letters and telephone calls to e-mails. The scale of the merger in IT terms alone is therefore huge, as is the potential risk to the Government's revenue stream if it all went wrong.

Unfortunately, even a brief examination of the Government's track record in managing major IT programmes is very far from encouraging. There are already serious problems at the Inland Revenue itself even before the merger commences and several hon. Members have touched on that issue already. The Revenue is now responsible for the administration of the Chancellor's complicated system of tax credits. The computer system designed for that purpose has been exposed as being prone to error, including a particularly unhelpful tendency to overpay tax credits to people in one year and then try to claw them back in the next. My hon. Friend the Members for Hexham and for North Wiltshire (Mr. Gray) made that point.

The Public Accounts Committee, which examined the performance of the Inland Revenue in this respect, came to a damning conclusion. In a press release of 22 April 2004, the Committee's Chairman, my hon. Friend the Member for Gainsborough (Mr. Leigh), commented:

> "The problems that arose when the Inland Revenue introduced the New Tax Credits scheme are well known. It was nothing short of disastrous, with hundreds of thousands of claimants not paid on time, inevitable hardship for some, inconvenience to employers, and disruption to other parts of the Revenue's business. The Revenue should have been more realistic in setting the timetable and have put in place better contingency arrangements."

That is a sword of Damocles to hold over the Government's head.

In facilitating the proposed merger, it will also be important to learn lessons from the recent problems—some of them very serious—at the Child Support Agency. By way of comparison, several years ago the Government decided to transfer CSA cases on to a new bespoke computer system known as CS2. The new computer cost almost £500 million of taxpayers' money but, according to an article on the BBC News website entitled appropriately, "Basically, it doesn't work", operators could be working on the system when it would suddenly lock them out without warning. It would take weeks before the case file could be electronically reactivated and properly dealt with. According to a briefing note from the Library, up to 150,000 cases are now stuck in the CSA system in this way and are effectively unable to proceed.

Ministers are still wrestling with whether to try to fix the existing system or write off a great deal of public money and start again with an alternative. This has been a fiasco, and it led to the resignation of the chief executive of the CSA. Such events must be avoided in the merger that we are discussing, particularly as the merged entity would have to deal not just with individuals but with companies.

It is important to remember that we are not just dealing with statistics, even though some of the numbers for the problem cases involved are very large. I say in all sincerity to the Economic Secretary that these are real people, many of whom rely on receiving money for which they have budgeted in all good faith, but which fails to reach them through no fault of theirs.

Commenting on the syndrome of Government computer failures, the National Audit Office, in its November report on improving IT procurement, a copy of which I have, concluded that the failure of public sector IT contracts is due to a number of key factors, including a lack of a clear link between the project and the organisation's key priorities, a lack of effective engagement with stakeholders who will need to use the system, and a lack of clear senior management and ministerial ownership and leadership. That is a damning indictment from the NAO, in addition to the previous one from the PAC.

As the merger is implemented, it will be important to try to avert what might be described as ordeal by Government call centre. Too many of our constituents experience a substandard service because the Government switch work into call centres backed up by inefficient or unreliable computer systems. The syndrome, which is all too familiar to many CSA and Inland Revenue tax credit customers, can be summarised as follows.

The Department's computer generates a letter that is incorrect on an account that was previously operating well. The aggrieved constituent telephones the number on the letter and is put through to a departmental call centre. After the electronic rendition of "Greensleeves" or whatever the music happens to be, they get the inevitable menu of options. Having fought their way through that, they are eventually put through to a member of staff. They give their reference number and the details, and attempt to explain the specifics of their case. That is all taken down and the caller is told something like, "I will send an e-mail to our computing department and have it sorted out for you. Don't worry."

Two or three weeks later the constituent receives another letter showing that nothing has happened and nothing has changed. Frustrated, they ring up the call centre again, are put through to a different person and go through the whole saga a second time, only to discover a fortnight or so later that again the problem has not been put right. The problems with tax credits and overpayments are a perfect example of the syndrome. Eventually, in a state of high dudgeon, the constituent arrives at their Member of Parliament's constituency surgery to vent their wrath. I am sure a number of hon. Members have had that wonderful experience already.

Mr. Mark Hoban (Fareham) (Con): My hon. Friend is outlining a problem that many constituents have experienced. Constituents of mine have been advised by the person at the call centre to ring their MP, as that is the quickest way to get their problem resolved. That demonstrates the problems that constituents face with the computer systems already in place, dealing with the CSA and tax credits. The Paymaster General shakes her head, but that is a common concern that constituents raise with me. They are told that the MP is there to sort things out.

Mr. Francois: I thank my hon. Friend for that pertinent intervention. I did not intend to mention individual constituency cases, but I, too, have had people who have come to see me at my constituency surgery because someone at a call centre has advised them that the only way they will get their problem sorted out is to see their Member of Parliament.

In fairness to the Minister, it appears to be the Child Support Agency that is the worst offender, but the Inland Revenue is not far behind with its maladministration of tax credits. I know that Ministers do not like to hear it, but that is stark reality.

Dawn Primarolo *indicated dissent.*

Mr. Francois: I remind the Minister that the system is supposed to help people and provide them with value for money, not to drive them mad. We must do better than we are doing at present. People out there deserve better than they are getting from people in here. I cannot stress that strongly enough to the Minister.

In conclusion, we are not opposed to the Bill per se, but we are concerned about how its provisions will be implemented. Specifically, we are worried about the degree of risk inherent in the information technology aspects of the merger, given that the new system will be expected to handle more than 250 million contacts in any one year. Were there to be another foul-up on the scale of the Child Support Agency, the threat is not just that it would cause widespread confusion among the taxpayer and business community, as it undoubtedly would do, but that the Government's revenue stream would start to dry up as a result.

For this merger, we will need a combined system that provides a high-quality service to both taxpayers and companies and ensures that they receive genuine value for money in return for the considerable capital costs that are likely to be involved. Crucially, we need evidence of clear ownership and leadership by

[Mr. Francois]

Ministers. When that falls to future Ministers in a Conservative Government, we will endeavour to provide it.

4.49 pm

The Economic Secretary to the Treasury (John Healey): This has been a full debate, and I shall try to do full justice to the detailed contributions made by nine hon. Members from both sides of the House since my right hon. Friend the Paymaster General opened it earlier this afternoon.

The Bill is important and will bring important changes. It concerns the machinery of government, but it matters to 30 million HMRC customers, including 4 million businesses around Britain. It enables the early steps in bringing together the Inland Revenue and Customs and Excise—full integration is a long-term, large-scale undertaking. As my right hon. Friend said, the process goes beyond a simple merger between two departments.

Between them, the two departments collect £400 billion in revenue each year. They pay out £17 billion in tax credits and a further £9 billion in child benefit, and they handle almost 40 million telephone contacts. The two departments employ 100,000 staff, operate from more than 300 locations, run 250 separate IT systems and carry out a wide range of functions from traditional tax gathering and assurance to enforcement of the minimum wage, payment of tax credits, facilitating British exports and securing the UK's frontiers. Between them, Customs and the Revenue have a proud history of more than 1,000 years' service to the British state and the British people. I pay tribute to their professionalism, their technical expertise and their commitment to the public service ethos, which have been the special hallmarks of both departments over the years.

Some have questioned the case for integration. Earlier this year, Gus O'Donnell, the permanent secretary at the Treasury, produced the O'Donnell report, which examined not only the case for integration but a couple of other options not involving integration. It set out the clearest conclusions on the case for integration, and I refer hon. Members on both sides of the House to page 6:

"The case for organisational change rests on potential improvements in customer service, effectiveness and efficiency. It results from an analysis of

* international experience, which has shown that the current separation of direct and indirect taxes in the UK, as opposed to organising around functions and customers, is behind best practice;

* the functions of the revenue departments, which shows that there are benefits from bringing them closer together;

* the experience of closer working between the departments since 1994, which has been promising but limited in its results; and

* the success of the creation of the Department for Work and Pensions, with the formation of several customer-oriented agencies, including the integration of benefits and employment advice in Jobcentre Plus".

The Treasury Committee has been in no doubt about the sense in creating a single Revenue department. I, like others, pay tribute to the hon. Member for Sevenoaks (Mr. Fallon), who led the work on the recent report, and to his colleagues, both past and present, who have contributed to this afternoon's debate. Last month, the Sub-Committee produced its report, which welcomed the decision to merge the two departments and reminded us, as the hon. Member for Sevenoaks did this afternoon, that the Treasury Committee, under different chairmanship, recommended a merger in 2000.

The Sub-Committee observed that witnesses believe that the merger should produce benefits for both taxpayers and the Government. It endorsed what the Government saw as the pragmatic approach adopted in this initial Bill to create HMRC, which will be followed by further work. Finally, although this is not related to the Bill, the Committee endorsed steps to strengthen the Treasury's capability in the area of strategic tax policy making.

In that respect, the Committee was reporting afresh on an issue that was first examined by one of its predecessor Committees in 1863, although that Committee published two reports that year which came to exactly opposite conclusions on amalgamation. The Committee chaired by the hon. Member for Sevenoaks has had no such second thoughts. Indeed, it made recommendations to the Government about proceeding on integration. It made further recommendations on quantifying the expected costs and benefits; on ensuring that business as usual is a top priority during the merger period; on proper parliamentary scrutiny, including a second stage of legislation for any substantive changes; and on safeguarding the confidentiality of taxpayer information. My right hon. Friend the Paymaster General explained that we have taken those recommendations into account in framing the Bill, and she set out the Government's point-by-point response to them.

I shall try to do justice to the very detailed contributions that hon. Members made to the debate, starting, if I may, with the hon. Member for Chichester (Mr. Tyrie). He said that as a country we are very lucky in our Revenue departments; we would share that sentiment. He said that he worked with both departments in the 1980s; I fear that he may have to wait for a little longer than a few months until he gets the chance to do so again. He mapped out the rationale for integration and quoted a section of the O'Donnell review, which summarised the principal benefits on page 7 of its report.

Mr. Tyrie: Will the Minister give way?

John Healey: So soon? By all means.

Mr. Tyrie: I also pointed out that the Government have not provided the quantification of those benefits that is necessary in taking this decision, and that the project has real downside risks whereby if it goes wrong it could be very costly for the country in terms of lost yield. I would not want the Minister to paint a picture suggesting that we are giving unalloyed and unqualified support to the merger.

John Healey: The hon. Gentleman did indeed make a substantial contribution to the debate. If he will be patient, I propose to move on immediately to his point about costs and benefits, then to deal with the concerns that he expressed about IT, as one of at least six of his points that I intend to respond to directly.

The hon. Gentleman mentioned cost-benefit analysis of integration, as did the hon. Members for Yeovil (Mr. Laws), for Sevenoaks and for Hexham (Mr. Atkinson). All did so in the context of being generally favourable to the plan to integrate the two departments. Essentially, their questions concerned detailed cost-benefit analysis of full integration. Let me try to explain the situation. A change management centre has been set up for the departments with the specific role of identifying and tracing the benefits that may flow from integration. As part of that, it will ensure that all proposals for bringing work together are tested to identify the benefits that they deliver and to establish proper priorities for the integration work. Of course, the National Audit Office will subject the new department to scrutiny and monitoring on efficiency and effectiveness, just as in the case of its predecessors; and any legislation on reforms that are required will be accompanied by a regulatory impact assessment that will spell out the anticipated costs and benefits.

I remind the hon. Member for Chichester that, as my right hon. Friend the Paymaster General said, until this House gives the Bill its Second Reading, the departments do not have the legal authority to spend money to analyse and model the options in sufficient detail to quantify the costs and benefits that can flow from integration in the way that he seeks. Clause 38 provides for expenditure by HMRC in carrying out all its functions.

Mr. Tyrie: Does the Economic Secretary seriously suggest that we do not have figures from the Government on costs and benefits because of some legal bar to their beginning the preliminary work?

John Healey: There is no ducking the fact that there is a legal bar until the HMRC is closer to being formally constituted. There is a bar on deploying resources. It is obvious that, until more detailed plans are worked out about how integration can be effected to secure the general purposes and gains that the O'Donnell review sets out, it is not possible to quantify the costs and the benefits precisely. I shall shortly spell out the costs and benefits analysis that we were able to set out in the regulatory impact assessment that accompanies the Bill.

Mr. Francois: I thank the Economic Secretary for his courtesy. The NAO report on IT procurement that I mentioned in my speech contains a list of recommendations to the Government from Sir Peter Gershon from the time that he spent at the Office of Government Commerce. One recommendation, on page 3 of the executive summary of the report, states:

"No government initiative (including legislation) dependent on new IT to be announced before analysis of risks and implementation options has been undertaken."

How does he square that with his comments?

John Healey: I shall deal with IT, if the hon. Gentleman, like the hon. Member for Chichester, will be patient. Let us be clear: the Bill and the changes for which it provides do not directly depend on changes and integration in IT.

The regulatory impact assessment confirms the figure of 3,200 for staff savings as a direct benefit and gain of the integration of the two departments. Her Majesty's Revenue and Customs is committed to delivering those figures from integration as part of its efficiency plan up to 2007–08. Let me be clear and direct: the savings from those 3,200 posts, including the associated overheads, could be £100 million of a total of £507 million that the department will save by 2007–08. Those are Gershon savings.

Mr. Tyrie: Are they to do with the merger?

John Healey: They are indeed, but they are not entirely dependent on it.

Mr. Tyrie *rose—*

John Healey: I am sorry but I need to explain the point to the hon. Gentleman again. The staff savings that flow directly from integration are set at 3,200—HMRC has signed up to deliver that target by the end of 2007–08. The costs of those posts plus the associated overheads could be approximately £100 million. That is part of a total saving, set at £507 million, that the department will achieve by the end of 2007–08. They are Gershon savings and include additional savings on posts through integration. Those efficiency savings will save at least £507 million by the end of 2007–08. Hon. Members should not regard that as new information, because in September a 16-page note, entitled "HMRC Efficiency Technical Note" was produced on the department's efficiency plan. Hon. Members will find plenty of information in that publication that they do not seem to have.

Mr. Laws: The Economic Secretary says that the information is available. It did not appear to be available to the Paymaster General earlier. I am grateful that he has corrected her comment that the £500 million savings were down to the merger. Will he clearly answer two other questions? He said that the figure of 3,200 was a target for job cuts that had been signed up to. However, the Paymaster General admitted earlier that the figure was a guesstimate of savings. Is it appropriate to sign up to a target of 3,200 job reductions on the basis of a guesstimate? Will there be any net savings from the Bill in the period of the existing spending review?

John Healey: The existing spending review is entirely consistent with the period that I have just outlined, to 2007–08. The savings involved will flow from the posts. The hon. Gentleman has failed to see what has been going on in other Departments as part of the general efficiency drive in Government. This is precisely the nature of the targets that have been set and signed up to. Department by Department, senior managers and Ministers are examining how they can be realised. There is nothing different about this stage of the process for HMRC.

Mr. Tyrie: *rose—*

John Healey: I am going to make some progress, if I may. I want to move on to a point that the hon. Gentleman raised earlier, and which was also mentioned by the hon. Members for Sevenoaks and for Yeovil. The provisions in the Bill are not a downgrading of the Inland Revenue oath, as the hon. Member for

[John Healey]

Sevenoaks tried to argue. The statutory duty set out in clause 17 places the staff of HMRC under the same strict obligations as the Inland Revenue oath does, but in a modern guise. Protecting customer confidentiality will remain an essential characteristic of the new department, as my right hon. Friend the Paymaster General spelled out earlier, and all staff will continue to take their obligations on confidentiality extremely seriously.

Mr. John McFall (Dumbarton) (Lab/Co-op): I would like to pay tribute to my colleague, the Chairman of the Sub-Committee, the hon. Member for Sevenoaks, for his work on this inquiry. It was a very productive inquiry: the fact that Customs and Excise and the Committee worked together was very good, and the fact that the Treasury has taken up our suggestion is very welcome. Confidentiality was a concern for us, however. Will the Minister assure us that he will ensure the confidentiality of each department, and that that will be in the Bill?

John Healey: I can give my right hon. Friend that assurance; it is indeed in the Bill.

Mr. Fallon: The Minister has not quite reassured me on the specific point as to whether the statutory declaration will continue to be practised. Is it to be wrapped up inside the employment contract, or will members of the service still make the statutory declaration in front of a witness when they join?

John Healey: The staff will have a statutory duty, which will be binding on them, regardless of what they have already signed. As my right hon. Friend the Paymaster General said, the statutory duty set out in the Bill replaces the Inland Revenue oath and for the first time extends it across former Customs and Excise matters, giving statutory backing to existing duties of confidentiality under employment contracts across a wider range of functions.

The hon. Member for Chichester raised the question of information technology, as did the hon. Members for Rayleigh (Mr. Francois) and for Bury St. Edmunds (Mr. Ruffley). The Paymaster General and I know only too well how central information and communications technology is to the delivery of the essential functions of both revenue departments. As we look forward to their integration and to the formation of HMRC, we are creating a single chief information office which will bring together the planning for both organisations. I want to make it clear that HMRC will not have a single operating environment. Both departments have many systems at present, a number of which are stand-alone systems that are likely to remain so under HMRC. As Members would expect, detailed contingency plans and disaster recovery arrangements are already in place, together with strategic sites for back-up. However, I do not accept the argument of the hon. Member for Chichester that it would be appropriate to publish that information.

I am grateful to the hon. Member for Yeovil for his general support for the change that we are proposing. He says that he can see the potential benefits of integrating the departments, as we can, and he came to the same conclusion as the Treasury Committee that gains were more likely to come from integration than from the further closer working of the two independent departments. He outlined the three principal objectives involved: the further closing of the tax gaps; the provision of a better service to business and individual customers; and the efficiencies that can be gained. I say to him that the focus is certainly not only on the efficiency savings that could come from integration, although it is true to say that, on Budget day, when the integration was confirmed, the focus of the media was very much on those savings. The lengthy O'Donnell report, the policy and plans in place in both departments to improve services to taxpayers, and the public service targets that are set for HMRC to continue to reduce tax gaps, will all, I hope, reassure him that this is not a merger that will be driven by efficiency savings alone.

Mr. Laws *rose—*

John Healey: I will give way one last time. I am sure that other Members who have contributed to the debate would like me to be able to answer their points as well.

Mr. Laws: I am grateful to the Economic Secretary for giving way. I remind him that he has almost two hours in which to respond, so there is no particular hurry. I have accepted that we will not get an answer from him on the issue of net cost, but does he really think that setting an arbitrary target for job reductions of 3,200 for this merger, which we now understand is based only on a guesstimate from other mergers, is the right way to get the support of the staff for the significant changes that he has discussed today?

John Healey: It is not an arbitrary target—it is a realistic target. What has been done for HMRC is exactly what has been done and is being pursued in other departments.

My hon. Friend the Member for Bexleyheath and Crayford (Mr. Beard), who has served for some time with distinction on the Treasury Committee, urged us not to lose sight of the wood for the trees. Like the hon. Member for Yeovil, he stressed the main concern, which should be to close the tax gap, as he put it, and reduce it almost to the point of elimination of evasion. I want to underline that HMRC has public service targets set throughout the current spending review period and throughout the period of the initial stages of integration, which cover reducing the amounts of unpaid VAT to the Exchequer and reducing the underpayment of direct taxes.

My hon. Friend the Member for Bexleyheath and Crayford also gave some indication of the potential gains for business: a single inspector; single inspection visits; and a single point of contact. I am sure that he looks forward to the publication, which my right hon. Friend the Paymaster General mentioned, of the consultation paper on further steps and changes in powers in January. We look forward to his views and those of the Treasury Committee as part of that consultation. He was also concerned that integration should not distract the departments from their continuing duties. The Treasury Committee was right to

stress that, and Ministers have made that clear to the new chairman, David Varney, who has certainly made it clear to his staff that that cannot be the case.

The hon. Member for Sevenoaks asked why the Government have changed their mind since 2000, which was a point echoed by the hon. Member for Bury St. Edmunds. It is less that we have changed our mind than that we have undertaken a serious study, led by the permanent secretary to the Treasury, which gives us a better basis as Ministers to take such a decision to move to integration. It is also based on a couple more years of experience in government of such large-scale mergers than when the Committee first took evidence and produced its report. I welcome the second report from his Committee, as I have made clear, and its conclusions.

The Committee urged us to treat this as a staged process, and to evolve the new department rather than to do it in one go, although, curiously, the hon. Members for Sevenoaks and for Hexham then started raising concerns about the second stage of the process. I hope that the former will be reassured by confirmation that the consultation on this second stage will begin in January, and that it is clear to him that we do not expect that to be completed in time for the setting up of the new department under this Bill. My right hon. Friend the Paymaster General has made it clear that we regard the Finance Bill in 2006, or appropriate legislation, as the likely timing for introduction of the succeeding stage. Of course, we will delay no longer than necessary, as to do so would be to delay gaining the benefits that we set out to achieve from integration.

On the concern raised about geographic location and the move of Customs and Revenue staff to Parliament street—I will come on to the similar point made by the hon. Member for Torridge and West Devon (Mr. Burnett) in a moment—location is not an issue. The existing convention whereby Ministers and their officials do not intervene in individual cases will be strictly maintained. As now, Ministers and their officials will not have access to individual taxpayer and customer information in the Treasury.

The hon. Member for Torridge and West Devon asked where the new RCPO staff would be housed. They will have two offices, one at New King's Beam house in London and one at Ralli Quays in Manchester. They will share those larger Government buildings with some HMRC staff and some staff from other Departments. However, the respective operational areas will be quite distinct. RCPO staff will report directly to their new director, who will be accountable to the Attorney-General and not to Treasury Ministers.

The hon. Gentleman asked about the extra staff in the Customs and Excise Prosecutions Office since the line of accountability led to the Attorney-General rather than Treasury Ministers. The new arrangement is settling down, as he said, and the numbers have also been settled: there are just over 200 staff. The hon. Gentleman also asked about resources for the extension of the functions of the IPCC to the new HMRC. They are still being agreed, and for reasons that he will understand I cannot yet give him a definite answer. He asked about confidentiality, the principle of new powers, the quality and nature of investigators' training post-Butterfield and the external scrutiny that we deem necessary for investigators post-Butterfield. I look forward to discussing and probing those matters with the hon. Gentleman in Committee.

I will pass on the tributes paid by my hon. Friend the Member for Luton, North (Mr. Hopkins) to the excellent job done by Customs and Revenue staff. He urged us to be prepared to invest in, among other things, more staff when there is a case for doing so, and my hon. Friend the Member for Hayes and Harlington (John McDonnell) mentioned what he described as our "spend to raise" programmes. What we have done in the past has had an impact on the VAT gap, and helped to close the gap in the collection of tobacco excise duties. I was a little concerned when my hon. Friend was reciting his experiences at the port, until he explained that they had happened 15 years ago. He will recall that one of our first moves when we came to office in 1997 was to cancel the Conservatives' planned cut of 300 Customs posts.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the Minister give way?

John Healey: My hon. Friend is a great friend of mine, but he has only just come in, and I want to respond to points made by those who have been present and contributed to the debate.

I pay tribute to the work of my hon. Friend the Member for Hayes and Harlington as chair of the all-party PCS trade union group, which is one of the most active all-party groups in Parliament at present. He spoke of the improvement in the information that we publish with Bills, but felt that details of staffing changes were still not full enough. As I said earlier, the aim is to cut 3,200 posts as a direct result of integration. That has been signed up to as part of the efficiency plan for the new department, to be delivered by the end of 2007–08.

Mr. Tyrie: Will the Minister give way?

John Healey: No, I will not. I want to finish my response to my hon. Friend the Member for Hayes and Harlington. He will know of the opportunities we are providing; of the redeployment and reskilling of staff affected by the cut in the number of posts; and of our determination to avoid compulsory redundancies whenever we can; and he will know that plans for the development of the new department, and plans for efficiency savings, are being fully discussed with the trade unions.

Mr. Tyrie: Will the Minister give way?

John Healey: The hon. Member for Rochford and Southend, East (Sir Teddy Taylor) asked—

Mr. Tyrie *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. It is obvious that the Minister is not prepared to give way at this point.

John Healey: The hon. Member for Rochford and Southend, East waited patiently to make his contribution, and is still in his place. Understandably, he is worried about the employment implications of a number of changes affecting Customs and Excise, and not just its integration with the Inland Revenue. I appreciate the concern that he feels as a diligent constituency MP, and I certainly appreciate the uncertainty felt by the staff. I hope that the reassurances that I gave to my hon. Friend the Member for Hayes and Harlington will also help to reassure the hon. Gentleman and his constituents. Any changes will be fully discussed with the trade unions and with the staff affected. Ministers and senior managers are very conscious of the need to settle the precise plans and the implications for particular posts as soon as possible. As my hon. Friend asked, neither Ministers nor senior managers will forget the people in the departments in making these changes, because they remain at the very heart of everything that we do.

The Paymaster General and I were encouraged by the broad support that we received for the Bill in all parts of the House this afternoon, and we both believe it right that detailed scrutiny should take place in Committee. I should make it clear that, as the Treasury Committee advised and as Members have urged today, we cannot proceed without this legislation. The Bill legally establishes HMRC. It allows it to spend money in carrying out its functions, to deploy resources more flexibly on single visits and returns, and to pool information that Customs and Revenue officials currently cannot share. Although it is currently possible to achieve a good deal of close working and joint activity, a single Revenue department structure and management will indeed bring better strategic focus and benefits to all the department's customers. It will help to tackle the tax gap, to reduce costs for honest taxpayers, and to enable much more coherent and integrated future developments.

Beyond creating a single new department, we have also taken the opportunity provided by the Bill to establish a new and fully independent prosecutions office—the Revenue and Customs Prosecutions Office—and to extend the remits of Her Majesty's inspectorate of constabulary and the Independent Police Complaints Commission. Together, they will provide the extra, external scrutiny of HMRC's criminal investigation work that is a direct consequence of accepting and putting into practice the Butterfield review's recommendations.

In summary, the Bill allows for the legal establishment of HMRC. It confirms the transfer of existing powers for the administration of tax and duty regimes, not their extension. It reinforces the principle of, and protection of, taxpayer confidentiality. It strengthens the independent scrutiny and inspection of criminal investigations work. It sets up a new prosecutions office that is fully independent of HMRC, and will report directly to the Attorney-General. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

COMMISSIONERS FOR REVENUE AND CUSTOMS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6),

That the following provisions shall apply to the Commissioners for Revenue and Customs Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on 13th January 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the day on which proceedings on consideration are commenced.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords amendments or on any further message from the Lords) may be programmed.—*[Mr. Heppell.]*

The House divided: Ayes 332, Noes 147.

Division No. 8] **[5.23 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Bailey, Adrian
Baird, Vera
Baker, Norman
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beith, rh A. J.
Bell, Sir Stuart
Bennett, Andrew
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, Russell *(Dumfries)*
Browne, Desmond
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Paul *(Gillingham)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, rh Jean

Cotter, Brian
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Creagh, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gibson, Dr. Ian
Gidley, Sandra
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harvey, Nick
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Laws, David *(Yeovil)*
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGrady, Eddie
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Öpik, Lembit
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Russell, Bob *(Colchester)*
Ryan, Joan *(Enfield N)*
Sanders, Adrian
Sawford, Phil
Shaw, Jonathan
Shipley, Ms Debra
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, rh Andrew *(Oxford E)*
Smith, rh Jacqui *(Redditch)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Sheale, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Wareing, Robert N.
Watts, David
Webb, Steve *(Northavon)*
White, Brian
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Roger *(Brecon)*
Willis, Phil
Willis, Michael
Wilson, Brian
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Mr. Tom Watson and Ms Bridget Prentice

NOES

Ainsworth, Peter *(E Surrey)*
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Beresford, Sir Paul
Blunt, Crispin

Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burt, Alistair
Cameron, David
Cash, William
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Roe, Dame Marion
Rosindell, Andrew
Ruffley, David
Salmond, Alex
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Weir, Michael
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Young, rh Sir George

Tellers for the Noes:
Andrew Selous and
Mr. Geoffrey Clifton-Brown

Question accordingly agreed to.

COMMISSIONERS FOR REVENUE AND CUSTOMS BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That for the purposes of any Act resulting from the Commissioners for Revenue and Customs Bill it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) expenditure of the Commissioners for Her Majesty's Revenue and Customs,

(b) payments to or in respect of the Commissioners or their staff,

(c) rewards,

(d) expenditure of the Director of Revenue and Customs Prosecutions,

(e) payments to or in respect of the Director of Revenue and Customs Prosecutions,

(f) payments to or in respect of Her Majesty's Inspectors of Constabulary,

(g) payments to or in respect of the Independent Police Complaints Commission, and

(h) any increase attributable to the Act in sums payable out of money provided by Parliament under any other enactment,

(2) payments out of the Consolidated Fund to enable the Commissioners to make payments or disbursements, and,

(3) the payment of sums into the Consolidated Fund.—*[Mr. Heppell.]*

DELEGATED LEGISLATION

Income Tax

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

That an humble Address be presented to Her Majesty, praying that the Double Taxation Relief (Taxes on Income) (Georgia) Order 2004 be made in the form of the draft laid before this House on 17th November, in the last Session of Parliament.—*[Mr. Heppell.]*

Question agreed to.

Mr. John Gummer (Suffolk, Coastal) (Con): On a point of order, Mr. Deputy Speaker. Have you received a request from the Secretary of State for Environment, Food and Rural Affairs to give an oral report about the two documents published today? She appeared on television and answered a large number of questions from journalists, but no one in the House is able to question her about the fact that we shall meet neither our Kyoto targets nor the 20 per cent. target set by the Government. Today, it has been announced that 43 per cent. of new homes have broken the regulations that she laid down to ensure that they were energy efficient. Surely, the issue should be debated in the House and not on the television and radio.

Mr. Michael Jack (Fylde) (Con): Further to that point of order, Mr. Deputy Speaker. As Mr. Speaker is always keen that Departments make important announcements to the House first, may I ask you, Mr. Deputy Speaker, to investigate why on this occasion a very important result in terms of our climate change programme was released to the media first, and not to

the House? Secondly, could you investigate the delays that I encountered today in getting hold of the relevant documents to understand precisely the terms of the announcement that had been made?

Mr. Deputy Speaker (Sir Alan Haselhurst): The first answer—to the right hon. Member for Suffolk, Coastal (Mr. Gummer)—is that I have received no request from a Minister to make a statement. The House will know that it is up to the Government to decide how they make information available to the House. That is a matter of judgment, and from time to time there will be differences of view about how that judgment is exercised; it is a matter for the Government in each case.

I understand that the documents are available to Members, but if there has been a delay I will certainly ensure that it is investigated.

Dr. Andrew Murrison (Westbury) (Con): On a point of order, Mr. Deputy Speaker. In a reply given during Health questions yesterday by the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), on the new dental contract, the hon. Lady suggested that negotiations with the British Dental Association were going reasonably well, yet within hours of her making those comments the British Dental Association withdrew. The hon. Lady had plenty of opportunity during subsequent supplementary questions—not least from me—to correct that erroneous impression. Given the collapse of the talks between the BDA and the Government, would it be in order for the Minister to come to the House to correct the erroneous impression she made?

Mr. Deputy Speaker: It would certainly be in order, but it is entirely up to the Minister whether that opportunity is taken. I am sure that opportunities are open to the hon. Gentleman, or his colleagues, to pursue the matter if that is what they wish to do.

PETITION

Care Homes

5.43 pm

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I wish to present a petition on behalf of my constituent, Mr. Eddie Gardner, and well over 3,500 residents of Mexborough in my constituency.

The petition states:

To the House of Commons.

The Petition of residents of Mexborough,

Declares that the proposed use of former care homes on Manvers Road, Mexborough, as a hospital for people with mental illnesses is unacceptable because Cambian Healthcare has failed to communicate with local people during the early stages of the project leading to confusion about its purpose, fear about its suitability and lack of trust in the company.

The Petitioners therefore request that the House of Commons urge the Government to commission an independent review of Cambian Healthcare's proposal.

And the Petitioners remain, etc.

To lie upon the Table.

Eye Treatment

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

5.44 pm

Norman Baker (Lewes) (LD): I am pleased in one way at least to have the opportunity to raise in the House this evening a very sad case that involves one of my constituents. I want to do the best that I can for my constituent, and I hope that, when the Minister replies, he will be able to give him hope about the way forward to try to deal with his very difficult health condition.

My constituent, Mr. Adrian Patrick, lives in Newhaven. He is a relatively young man—he is only 31—and he has been a chef by profession, but he now cannot work because, sadly, he is going blind, which is a tragedy at that age. That is sad, but it is also a matter of anger, however, because the means to keep his sight may be available but its use is being blocked by, of all people, the management of Moorfields Eye hospital.

Mr. Patrick suffers from a condition that is a form of uveitis, which essentially attacks the jelly between the eyeball and the retina, causing a disconnection. Although the erosion is gradual, the effect can be sudden. Such a disconnection can be triggered by something as simple as the individual who is affected bending his or her head in the shower. One eye has already gone, and the race must now be on to save Mr. Patrick's remaining eye. Such is his condition that he is already eligible for blind registration.

I want to run through the chronology of the key events. Mr. Patrick contacted me for the first time on 6 August 2003, when he told me that his consultant, Professor Susan Lightman at Moorfields had, since November 2002, wanted to prescribe for him a certain drug, infliximab, to try to help his eye condition but was being prevented from doing so. I wrote on that same day to the local PCT in Lewes—the Sussex Downs and Weald primary care trust—to raise the matter with it, based on the fact that the PCT had been contacted directly by Professor Lightman but had refused to fund the treatment.

The position that the PCT has taken—it is a difficult one for it—is, as I shall explain, to try to mediate between the different elements of Moorfields Eye hospital. In the response to me on 26 September 2003, the PCT's chief executive, Fiona Henniker, wrote:

"It is not normal practice for a hospital doctor to approach a commissioner direct to ask for money above and beyond the sum already agreed in the service level agreement."

So the PCT wanted approval from Moorfields direct, rather than simply an application from my constituent's consultant. I raise that issue now because it is relevant, as I shall explain later, in respect of a letter that I received from one of the Minister's colleagues, Lord Warner, in considering this matter.

The PCT's position was not normal practice, and one of the questions that I want the Minister to clarify—I hope that he is able to do so—is the exact relationship between the three elements of the triangle in this sad saga: first, the PCT, the commissioning body in normal circumstances; secondly, the management at Moorfields hospital; and, thirdly, the consultant.

Is it possible for a consultant to secure funds from a PCT if the consultant believes that the release of those funds is appropriate and the PCT is happy to do so; or

[Norman Baker]

must the PCT always have approval from the management of the hospital where the consultant works? Despite a year and a half of looking into the case, I am still not entirely clear about the legal position in respect of that matter. If the Minister can clarify that in his remarks, I should be grateful. According to the PCT, Professor Lightman subsequently presented a protocol to the drugs committee at Moorfields on the use of the drug infliximab, but that was rejected.

The letter that Professor Susan Lightman wrote to the commissioning manager of my local PCT on 7 February 2003 is relevant to the history of the case. She gave evidence to the fact that infliximab helps uveitis and enclosed several abstracts which suggested that that was the case. So at an early stage, the consultant supplied evidence that the drug could be effective in dealing with the condition.

At the end of a long exchange of correspondence between Moorfields and my PCT, a reply was received from the Adur, Arun and Worthing PCT. My PCT had felt that it should not be deciding the matter and it had been referred to a specialist funding panel. In fact, there was a process error involving my PCT, which took some months to come to light, and that caused a further delay for my constituent.

The reply from the Adur, Arun and Worthing PCT, acting on behalf of my PCT, said:

"My response to the request"—

for funding—

"is that we have a fully inclusive agreement with your Trust"—

the Moorfields Eye hospital trust—

"to cover the treatment of patients registered with Sussex GPs . . . It is therefore not appropriate for clinical departments to make direct approaches for additional funds. I would like to make it clear that my response is based purely on our contractual arrangements. It does not imply agreement or disagreement to the use of an unlicensed drug for your patient".

In other words, both PCTs have taken the position that they do not want to intervene in whether the drug is used, but to leave it to the management at Moorfields to arrive at a conclusion with the consultant at Moorfields. I shall demonstrate that it has been impossible to reach such a conclusion because the consultant and management have been at variance throughout the process. In the meantime, of course, my constituent is going slowly blind.

I received a reply from Sussex Downs and Weald PCT to my next letter on 13 January 2004. It again reiterated its position. That letter, also from Fiona Henniker, stated:

"This matter is very much an internal one for Moorfields NHS Trust. Unfortunately, Mr. Patrick is the subject of a difference of opinion within Moorfields NHS Trust about how new drugs should be introduced. Moorfields NHS trust has not asked"

the PCT

"to fund treatment for Mr. Patrick."

At this stage, cost is not an issue. The problem appears to be the suitability or otherwise of the drug. The PCT quoted an extract from the letter that Moorfields sent to it, which stresses that the only issue is whether the drug is appropriate.

However, the PCT conceded in the letter:

"we do on occasions fund patients who are having unproven treatments, if we are satisfied that this will provide good quality evidence to help in the evaluation of a potential new service."

So, first, the position appears to be that the PCT is prepared to fund "unproven" treatments and, secondly, there appears to be a situation in which the PCT would agree to fund a consultant, even if the consultant's own trust is not willing for that arrangement to take place. That is where the confusion lies. Again, it comes back to the triangular nature of the arrangements between the three participants—my PCT, the Moorfields trust and the consultant who works for that trust.

Given the uncertainty with the PCT, I wrote directly on 23 January to the chief executive of Moorfields Eye hospital, Mr. Ian Balmer. In my letter I included the following paragraph:

"Can I ask you to set out exactly what the position is that you have reached, and if it is one which is contrary to the wishes of my constituent"—

my constituent is happy to have this drug tried; he is aware of the potential side effects but he still wants to go ahead with it—

"whether you would now reconsider this issue, given both his direct wish and the views of your own specialist?"

I indicated in my letter the urgency because all the time it is possible that my constituent may go blind almost overnight, given the nature of the condition from which he suffers.

I am sorry to say that my letter did not engender the speedy and considered response from the chief executive for which I hoped. It was with some surprise that I had to indulge in a good deal of chasing up before I received a reply. I am disappointed by the laggardly way in which the chief executive appears to have dealt with the case and with my correspondence. I had to ring his office on 12 March to remind him that I had not had a reply. On 23 March, having had no reply to my earlier phone call a further 10 days back, I had to write to him again. I can assure the Minister that it is not the sort of letter that I normally write. I wrote:

"If I have not received a reply within the next 7 days I shall be raising my constituent's case and your failure to respond to my letters both with the Health Minister and on the Floor of the House of Commons."

That was sent after I had given Mr. Balmer two months to deal with the case of my constituent, who was about to go blind.

Having faxed that letter, there was a reply the same day. He wrote:

"There is not sufficient or new evidence to support the use of Infleximab"—

by the way, he spells it incorrectly—

"routinely in patients with chronic sight threatening posterior uveitis who are unresponsive or refractory to other treatment modalities. In the absence of this evidence, including effectiveness, a formal protocol-driven ethically approved evaluation needs to be conducted for local experience of appropriateness, clinical effectiveness and safety."

So he raised concerns about whether it is appropriate for the drug to be used for this particular condition.

The second bullet point in the letter was as follows:

"There also needs to be a formal agreement with the partner Trust for the administration of the drug infusions. This currently does not exist."

It is true that it does not exist. It does not exist because the PCT has been unable to get one from Mr. Balmer and his management team, notwithstanding the wishes of the consultant. It is rather disingenuous to say that an agreement does not exist when he has been the person, as far as I can tell, who has prevented the agreement from being reached in the first place.

Most depressingly of all, Mr. Balmer writes:

"I am afraid we cannot find a way forward for this particular patient at the moment".

That is not exactly the sort of message that my constituent wants to hear from the chief executive of the Moorfields Eye Hospital NHS trust, the stated purpose of which, presumably, is to help people with eye conditions. It took Mr. Balmer two months to tell me that he could not find a way forward.

I then wrote to the Secretary of State about the matter. I explained the position and in quick time—far quicker than Moorfields Eye hospital—I received a speedy response from the Minister's colleague, Lord Warner, on 21 April. Lord Warner, in his helpful letter, stated:

"You may find it helpful to know that a hospital consultant can prescribe any product, including any unlicensed product, which they consider to be a drug necessary for the treatment of their patients under the NHS. When a patient is being treated at a hospital, the consultant can arrange for the supply of any drug, even one not normally available on NHS prescription, provided that the PCT or NHS Trust agree to supply it at NHS expense."

That offers a wide remit to any consultant. Rightly the Minister continues:

"GPs and hospital doctors are, of course, ultimately responsible for their own prescribing decisions".

It is absolutely right that that should be the case. Lord Warner concludes:

"It is therefore open to Mr. Patrick's consultant to prescribe Infliximab for him if it is considered safe and of therapeutic benefit."

It is clear from Lord Warner's letter that the decision should remain with the consultant. The consultant takes it on his or her head when taking a prescribing decision. That is subject only to the PCT or the NHS finding or funding the supply, and this drug is reasonably expensive. My constituent wonders whether that is an issue—everyone denies that it is—in his case.

According to the Minister and the Government, the consultant can supply

"any product, including any unlicensed product which they consider to be a drug necessary for the treatment of their patients under the NHS".

However, the NHS trust for which the consultant works will not supply it and the PCT in my area will not fund it because it does not want to cross the management at Moorfields. As the Minister will gather, we have a drug that the consultant wishes to prescribe, that my constituent wants to try and that, according to the Government, the consultant is empowered to prescribe under the NHS, but its prescribing has been blocked by the management at Moorfields Eye hospital, a body from which we might expect help for people with sight difficulties.

The Minister will realise that I have gone round the houses in an attempt to find a way forward, but each body appears to send the matter to someone else. I asked the PCT to reconsider its decision and, on 5 July, it wrote back to me. The PCT in my patch has been helpful and has done its best in a very difficult position between a rock and a hard place to find a way forward. I have no complaints about its approach. Its letter expressed its considered view and said:

"We cannot, and would not, attempt to force Moorfields to prescribe a drug when their clinical governance body has decided that the evidence does not support its use."

There we are. The PCT rebuts the idea that there may be any cost consideration and adds:

"We have and will continue to be guided by Moorfields as to the appropriateness of this drug."

That does not reflect Lord Warner's view that the consultant could prescribe the drug and the PCT could fund it. The two positions are at odds.

We have moved on from November 2002 when my constituent's consultant first wanted the drug prescribed through to the middle of 2004 and we have got no further forward despite the consultant's determination to prescribe it. Professor Susan Lightman has set out her position in blunt language. For example in a letter to me of 3 December 2003, she said:

"The letter from the Chief Executive is completely inaccurate and does not reflect the situation at all."

She has been battling away for her patient as I hope that I am for my constituent.

Having reached this point, the next thing I did was to get back to Mr. Balmer, the person who had taken two months to reply to my letter and had done so only because I said that I might raise the matter in the House of Commons. After many phone calls, many attempts to find him and after ringing his secretary on a number of occasions, I finally got to speak to him on 23 July. He held to his position that it was not a matter of money, but of the "lack of any proof that the treatment works"—that is the phrase he used; I wrote it down at the time.

I said to Mr. Balmer that if he had genuine concerns about using an unlicensed product, his consultant did not and, with respect to Mr. Balmer, the consultant was a medical person and not a manager. However, if Mr. Balmer did not want to use the product, I asked him about his plan B. Without a plan B, my patient will go blind. No plan B is there from Mr. Balmer. As he had said:

"I am afraid that we cannot offer a way forward for this particular patient at the moment".

I asked him to make inquiries to find out whether there was any way that he would reconsider the decision of the Moorfields management to block its consultant from prescribing the drug. If that were not possible, I asked him to come back to tell me how he would help in another way to save the sight of my 31-year-old constituent. He promised to do so. Almost five months on, I am still waiting for a reply from Mr. Balmer, the chief executive of the trust. In case he has forgotten, I assure the House that we have telephoned him from my office on more than one occasion and asked him to ring me, but he has not done so.

Mr. Balmer has shown great discourtesy to my constituent, to a Member of Parliament, which is less important, and to the process whereby MPs represent their constituents. He has effectively written off my constituent and appears to be content to let him go

[Norman Baker]

blind—not a very happy analysis of a chief executive of a trust designed to help people with sight difficulties. If nothing else comes out of the debate, I hope the Minister will have inquiries made about why Mr. Balmer seems to be incapable of answering an MP's letters or phone calls about a constituent who is going blind. It is not good enough. Mr. Balmer should examine his conscience.

As regards the way forward, we are told that cost is not the issue. The arrangement with the PCT has been a red herring. I believe the PCT would be willing to fund the treatment if Moorfields management withdrew its objections. The issue is whether it is appropriate for the drug to be used for the particular condition. My constituent's consultant, Professor Susan Lightman, is in no doubt. She has provided me, the PCT and no doubt her own management with examples in which the drug has been used. She sent me, for example, an extract from the department of ophthalmology and visual sciences at Queen's medical centre, Nottingham. It is entitled "Infliximab in the treatment of refractory posterior uveitis" and begins:

"Purpose: To determine the efficacy and safety of infliximab in the treatment of refractory posterior uveitis."

In order not to delay the House unduly, I shall read only the conclusions:

"Infliximab is effective in the treatment of sight-threatening refractory posterior uveitis. However, patients should be thoroughly screened for tuberculosis before treatment and followed up closely during and after therapy with infliximab."

Professor Lightman also sent me an extract with the same title, "Infliximab in the Treatment of Refractory Posterior Uveitis" from the American Academy of Ophthalmology, which reported the following results:

"Four of the 5 patients who were treated with infliximab responded to the therapy with resolution of uveitis within 5 weeks of the first dose and were able to discontinue all other immunosuppressive therapy. These 4 patients did not experience any adverse effects of infliximab."

It worked for four out of five patients.

A young man with a promising career is going blind. He has already lost one eye and, because of his condition, could lose his other eye at any time. His professional consultant believes there is a possible way forward for him through the prescription of infliximab. She has demonstrated that it has been tested elsewhere, and the results that she has found suggest that it can be effective without, in the cases referred to, side effects.

There may well be side effects. My constituent accepts that, but he is young, he is going blind and he wants to try the treatment. His consultant wants to prescribe it for him and, in my view, he should be allowed to undertake that trial. He should be allowed the chance to save his sight. If he cannot save his sight in that way, what is plan B? It is not sufficient for the chief executive to say that nothing more can be done for this patient. I do not want to condemn my constituent to blindness when a possible solution is there, waiting for him. I hope that in his reply the Minister will give him some hope.

6.9 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I congratulate the hon. Member for Lewes (Norman Baker) on securing this evening's debate. I have no doubt that his constituent is grateful for the interest that he has taken in the matter over a long period of time.

I regret the fact that the hon. Gentleman has had such a torrid time getting responses. It is difficult to see what excuse there might be for the lack of courtesy that he experienced.

I am aware that the hon. Gentleman has corresponded with both the primary care trust and the relevant acute trust, which are the appropriate bodies to deal with the issue. I sympathise with Mr. Patrick. It is a tragedy for a young person to be losing their sight and not to be responding to treatment. I doubt whether any hon. Member would not sympathise with him—indeed, we sympathise with all people who are not responding to the available treatments.

I listened carefully to the points that the hon. Gentleman made, but I hope that Mr. Patrick and he accept that my powers are limited. Furthermore, I hope that he agrees that, in line with patient confidentiality, it would not be appropriate for me to comment in detail on the individual aspects of that particular case. He may have been given leave to raise those issues in public, but I have not, so I must largely limit myself to general comment.

The hon. Gentleman raised several points about the handling of Mr. Patrick's case by Moorfields eye hospital and his local primary care trust. The first reason why my powers are limited is because the key trust involved, Moorfields eye hospital, is an NHS foundation trust. Foundation trusts are independent organisations that are no longer accountable to the Department of Health or to Ministers. Instead, they are accountable to four other groups and bodies: first, their members, via a board of governors; secondly, primary care trusts, for the delivery of NHS services; thirdly, Monitor, the independent body responsible for regulating foundation trusts; and fourthly, Parliament, which is responsible for the legislation that creates foundation trusts.

Because of foundation trusts' independent status and separate, local route of accountability, Ministers are no longer in a position to comment on or become involved in their day-to-day activities. We also have no powers of direction or intervention over those trusts. Freeing foundation trusts from the backstop of the Secretary of State's powers of direction and Department of Health control means setting out and applying clear sets of rules for the regulation of foundation trusts and intervening only when things go wrong, which is the task of the foundation trust regulator, Monitor.

Monitor needs to ensure that foundation trusts are fully compliant at all times with their terms of authorisation—a sort of licence to operate—and the legislation, so that they deliver NHS services to NHS patients effectively, efficiently, economically and confidently. It has powers to intervene where necessary in the running of a foundation trust in the event of failings in its health care standards or other aspects of its activities that amount to a significant breach of the terms of its authorisation. That ensures that a foundation trust that is failing to meet its obligations can be brought back into line. Monitor will intervene only if it feels it necessary.

In this particular case, I am aware that Monitor has considered Mr. Patrick's treatment, which it considers a matter for Moorfields eye hospital. That brings me to the specifics on the approval or non-approval of the treatment, and I stress that the issue does not concern funding. Instead, this is a case in which the PCT and the trust have not prescribed a drug because it is not licensed for that particular indication and because no new evidence exists to support its use. When a patient is treated at any hospital, whether or not that hospital is within a foundation trust, the consultant may prescribe any drug, including unlicensed medicines, as appropriate. That is what my noble Friend Lord Warner said in his letter to the hon. Gentleman. However, trusts have multi-disciplinary drugs and therapeutics committees that oversee the clinical and cost-effective use of medicines within their organisations, and all prescribing should have the support of that committee.

Of course, consultants are ultimately responsible for their own prescribing decisions. They should always satisfy themselves that the medicines that they consider appropriate for their patients can be safely prescribed, that patients are adequately monitored and that, where necessary, expert hospital supervision is available.

In March 2002, the National Institute for Clinical Excellence recommended the use of Infliximab for highly active rheumatoid arthritis in adults who have failed to respond to at least two standard drugs. However, Infliximab is not licensed in the UK for the eye condition that Mr. Patrick has and there is no sufficient or conclusive evidence to support its use for that condition, hence the decision taken by Moorfields.

A group of experts—the drugs and therapeutics committee—has decided that the potential harm to the patient from this treatment, including severe blood disorders and septicaemia, outweigh the unproven benefit for his condition at this time. I stress that the decision was taken by the drugs and therapeutics committee, which is a committee of experts, not a group of managers or people without expertise in such matters. Moorfields, as advised by its drugs and therapeutics committee, does not currently include this drug within its supported formulary.

If I might offer a glimmer of light at the end of the tunnel, I am assured that the position could change as further evidence regarding the efficacy and safety of the drug in ophthalmic treatment becomes available. At the moment, however, the trust's position is that further research will need to be done before the clinical governance body will review the decision. I understand that the trust will continue to explore other possibilities that might help Mr. Patrick and other patients, including access to existing or future research trials.

As the hon. Gentleman spoke, I was struck by the length of time that this case has gone on. That might indicate that the clinical governance body last reviewed it before some of the evidence that he brought to the House's attention was available. One of the courses of action that could be taken, if it has not been done already, is for the consultant to put that body of evidence before the body and ask whether it considered it before making its decision.

I understand that it was hoped that a research programme could be set up in the Moorfields area that might have been able to help Mr. Patrick, but unfortunately that has not happened.

The hon. Gentleman asked about the relationship between the trust and the primary care trust. Sussex Downs and Weald, the PCT that commissions services for residents, including Mr. Patrick, has considered the case. The PCT has a contract for specialist eye services with Moorfields, and general services are available locally. However, the specialist treatment that Mr. Patrick's consultant recommended is not supported by the trust, and therefore the PCT cannot fund it. I am assured by the PCT that, if different treatment options that were licensed for Mr. Patrick's condition were suggested, or if sufficient clinical evidence emerged to support the use of this unlicensed treatment, the PCT would consider funding. However, the PCT has made it clear that it cannot and would not attempt to force Moorfields to prescribe the drug when its clinical governance body has decided that the evidence does not support its use. The decision was not taken by accountants or managers, nor by the PCT. Like Moorfields, the PCT did not decide against the treatment for financial reasons.

Clinical governance is the collective responsibility of the clinicians at the hospital. Those clinicians have decided that the available evidence does not support the use of Infliximab in ophthalmology at the present time. The PCT has made it clear that it will continue to be guided by Moorfields as to the appropriateness of the drug as and when further clinical evidence is forthcoming.

If a drug is prescribed privately, the clinician will be bound by codes of clinical governance but will be held entirely responsible for the consequences if the clinician decides to prescribe it. But when, as in this case, a drug is prescribed or requested to be prescribed on the national health service, the NHS must share responsibility for the decision.

The rules for arriving at decisions about the drugs that can be prescribed, the validity of the evidence of efficacy and risk and the balance of the two are, therefore, agreed with the clinicians at the trust and they cannot be overturned by an individual clinician. Of course, that clinician has the opportunity to put forward reasons and make the case for the drug to be prescribed. The clinician has the opportunity to bring forward evidence that he or, in this case, she thinks has been overlooked and can even explore the opportunities for becoming involved in trials to establish that evidence. However, in the absence of that evidence, or having failed to establish a convincing case, the clinician cannot expect to have his or her personal judgement put in the place of that of his or her colleagues. He or she cannot try to make the case that everyone else's judgment is flawed.

I assume that the consultant has based the view that the drug may help the hon. Gentleman's constituent on evidence. If it is strong enough to convince the consultant, it should also be strong enough—if the consultant puts the case—to convince the clinical governance committee. I therefore encourage the hon. Gentleman to speak to the consultant to ascertain whether new evidence, which the committee has not yet

[Dr. Stephen Ladyman]

considered, has recently emerged, and to have another go at making the case. If the consultant can be convinced, so can the committee.

Politicians should not question the good faith of those who made the decision—that would be disingenuous to say the least—and claim that the decision must have been made on the ground of cost. The decision in the case that we are considering was not made on that ground, although I can understand why the hon. Gentleman is becoming angry with the trust's chief executive if he cannot even get information or responses to correspondence.

As I said earlier, I sympathise with the hon. Gentleman's constituent but I cannot and will not intervene. I certainly would not want anyone to see the decision changed until safety issues are resolved. However, if the hon. Gentleman and his constituent are dissatisfied with the answers that they have received from the trust, Mr. Patrick can, of course, complain to Moorfields about his treatment.

New regulations—the National Health Service (Complaints) Regulations 2004—came into force on 30 July this year. Although those regulations do not require foundation trusts to have a local complaints procedure, they will more than likely have their own process for addressing patients' concerns. In any event, patients can complain to the Healthcare Commission and ultimately the health service ombudsman if they are unhappy with the treatment that they have received from a foundation trust. Mr. Patrick can also complain about the actions of the PCT if he wishes by first setting out his concerns to the PCT. If he remains unhappy, he can approach the Healthcare Commission and, ultimately, the health service ombudsman.

The hon. Gentleman said that he was satisfied with the efforts that the PCT had tried to make on his constituent's behalf and I am pleased to hear that. However, he is clearly far from satisfied with the efforts of Moorfields. I therefore strongly urge him to consider the complaints route and, if necessary, approach the Healthcare Commission. The chief executive reports to a board at the foundation trust. If the hon. Gentleman believes that the chief executive is not dealing with the issue appropriately, he might wish to approach members of the board and ask for the issue to be raised. The Healthcare Commission will make Monitor aware of all complaints that relate to foundation trusts. It will therefore be told of the matter if the hon. Gentleman pursues a complaint.

I hope that the matter reaches a satisfactory conclusion but I must stress again that it is for the NHS to resolve on the basis of evidence and expert clinical opinion. It is not a matter of money—it never was—and to suggest that that is the case is deeply unfair and, more important, will mislead Mr. Patrick and may indeed give him false hope.

Norman Baker: I accept that this is not a matter of money. I merely reported that my constituent was beginning to think that it might have been, given the apparent intransigence and the difficulty in securing an outcome.

Dr. Ladyman: It is fair of the hon. Gentleman to say that. Let me stress that, following the inquiries that I have made in preparing for this debate, I have received assurances that this is not a matter of funding but of evidence. It is a question of getting evidence about efficacy in regard to the condition that Mr. Patrick is suffering from and evidence on safety issues. If that evidence can be presented, the decision can be further reviewed.

I suggest that the hon. Gentleman and his constituent find out whether the consultant believes that all the latest evidence has been put to the governance committee so that it can reconsider the issue. I also suggest that they consider complaining about the matter to the Healthcare Commission, if the hon. Gentleman feels that that is the appropriate route to take, and to consider ensuring that members of the board of the foundation trust are aware of the issue and the way in which it has been handled, and of Mr. Patrick's dissatisfaction with the way in which it has been handled.

I will ensure that the official record of this debate is passed to the chief executives of the primary care trust and of the Moorfields trust. I will ask them to read it carefully and to consider whether they are acting on the latest evidence and whether they could, on reflection, find any way to help Mr. Patrick.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes past Six o'clock.

House of Commons

Thursday 9 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Miners' Compensation

1. **Mr. David Watts** (St. Helens, North) (Lab): What action she is taking to ensure fair payment of compensation to coal health claimants. [203414]

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): In the past four years, as part of the largest health-compensation scheme in the world, the British Government have paid more than £1.1 billion to compensate more than 171,000 miners for injuries relating to vibration white finger, and more than £1.2 billion to more than 221,000 miners for injuries relating to respiratory diseases. We have paid a total of £2.3 billion to nearly 400,000 people, with individual payments of up to £130,000 for vibration white finger and £370,000 for respiratory disease. We have paid a total of more than £75 million in the most affected constituency.

Mr. Watts: When does my hon. Friend expect full payment to be made to private mine claimants?

Nigel Griffiths: The House will be pleased to note that we have made compensation payments to miners who spent all or part of their working lives in private mines. However, I regret that it took far longer than it should have done to persuade private mine owners to accept their liabilities and agree a formula for compensation for 2,600 miners who have submitted claims. I have asked for claims to be expedited so that payments can be made as quickly as possible.

Mr. Dennis Skinner (Bolsover) (Lab): The Minister cannot stress strongly enough the fact that the hold-up in many cases is for miners who worked for British Coal and subsequently for private employers such as Cementation—there is a long list—when the pits closed. The net result is that miners worked for those companies for a few years. British Coal is prepared to settle as a result of the Government's intervention, but the private mine owners are holding out. My hon. Friend must lay it down strongly that they must pay their fair whack of the bill and get the matter settled.

Nigel Griffiths: I am certainly willing to do that—indeed, I have been doing that. Private mines use two excuses: first, they dispute the length of time people spent in the mines; and, secondly, it is suggested that the amount of dust to which they were exposed in the private mines might have been different and that, therefore, matters could not be proportioned for someone who had worked for former British Coal for 80 per cent. of the time and for a private mine for 20 per cent. of the time. We have said that that is nonsense and asked for the proportion to be worked out in relation to the amount of time spent in private mines. I understand that all the private mines have now agreed to that. Payments have already been made to some miners but, to my mind, that is not only four years too late but far too late. We will certainly convey a strong message to private mine owners.

Mr. Bill Tynan (Hamilton, South) (Lab): My hon. Friend knows that some of my constituents have received substantial sums from the fund. Does he know that more than 3,000 miners in the United Kingdom have received less than £200, whereas solicitors have received substantial funds for those cases? Will he confirm that there is an agreement on a minimum payment of £500 for every ex-miner who suffers from respiratory disease? If that is the case, when will the payments be made?

Nigel Griffiths: I am grateful to my hon. Friend for championing the case of miners who have received woefully inadequate payments. That has happened because compensation payments can be drastically reduced, for example, if a miner had a history of heavy smoking. I have been pressing for a minimum compensation payment of £500 to be funded out of the solicitor's fee, which is £2,300 per case. Solicitors have agreed that in principle and I urge them to implement that agreement in full without further delay. So far, we have paid solicitors more than £400 million for their services. I do not want any delays in making the minimum payments of £500.

Fraud

2. **Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): What action the Government are taking to address intellectual property crime and the trade in counterfeit goods. [203415]

The Secretary of State for Trade and Industry (Ms Patricia Hewitt): On 10 August, we published details of a new national strategy for intellectual property crime to ensure that the Patent Office, the police and trading standards officers work together more effectively to tackle counterfeiting.

Ms Stuart: Will the Secretary of State acknowledge the tremendous contribution that the creative industries make to this country's prosperity and condemn those who illegally copy video games, other videos and DVDs? They not only undermine our future prosperity, but the

funds that those illegal activities generate are often used for serious organised crime. Will my right hon. Friend therefore assure me that the Government will not only condemn people who do that but take action against them?

Ms Hewitt: My hon. Friend is absolutely right. Britain is a world leader in the creative industries, and I completely condemn the counterfeiters who threaten jobs and profits in those industries. It is estimated that about a quarter of the counterfeiters are also involved in drug smuggling and money laundering. That is why we are strengthening our efforts here and working with other Governments internationally to try to catch the criminals behind the counterfeiting.

Mr. Mark Prisk (Hertford and Stortford) (Con): I share the Secretary of State's view that this form of fraud is significant and important. What would she say to businesses in my constituency and elsewhere about the fact that missing trader fraud—or carousel fraud, as it is also known—has increased significantly in recent years? What steps has she taken over the past six months to try to address that problem?

Ms Hewitt: As the hon. Gentleman says, this is a matter of real concern, and we have asked trading standards officers and the police to work more effectively together to deal with the problem.

Mr. Martin O'Neill (Ochil) (Lab): I congratulate my right hon. Friend on the work that she is doing on intellectual property and counterfeiting matters, but will she acknowledge my disappointment at the apparent insufficient zeal that is being displayed by the Department of Trade and Industry in pursuing those UK companies, their associates and agents, who, it is alleged, have been involved in bribery and corruption, and who will now be subject to far less severe strictures than had been expected when the first announcement on this matter was made in the spring of this year?

Ms Hewitt: I am sorry that my hon. Friend is disappointed. In fact, the new bribery and corruption laws will provide us with some of the strongest anti-corruption laws in the world. I am sure that he agrees, however, that we should not impose unnecessary bureaucratic regulations on our exporters. We should work with them and demand only the information necessary to ensure that they comply with our bribery and anti-corruption laws, which is precisely what we and the Export Credits Guarantee Department are doing.

Mr. James Arbuthnot (North-East Hampshire) (Con): Does the Secretary of State agree that, while the entry of China into the World Trade Organisation was a welcome move, China has serious deficiencies in its approach to the protection of intellectual property rights? What steps have the Government taken to help China through those deficiencies, and what success have they had?

Ms Hewitt: I completely agree with the hon. Gentleman about the importance of China's entry into the WTO. I have taken every opportunity—most recently, when I was in Beijing in October—to raise the issue of counterfeiting and piracy with the Chinese Government. They are aware of the problem, and I am glad to say that British companies operating in China are now beginning to see evidence of a more effective approach by the Chinese authorities. However, we will keep the pressure up, in order to protect the intellectual property of our companies.

John Robertson (Glasgow, Anniesland) (Lab): My right hon. Friend is quite right to say that people are moving out of the drug trade into counterfeiting. In Scotland, we have done a lot of work, particularly under the provisions of the Proceeds of Crime Act 2002, to get money back from the drug barons. Will she assure me that the Government will do their level best to ensure that the counterfeiters are also dealt with under those provisions, so that we can get the money back from people who are taking food out of the mouths of others, particularly those in the music industry? If things go on like this, it will have a detrimental effect on the music industry.

Ms Hewitt: My hon. Friend is right. I have discussed this matter frequently, particularly with representatives of our music industry. We shall certainly ensure that the police do everything possible to use the Proceeds of Crime Act 2002 against these criminals, and the Serious Organised Crime Agency that we are establishing will also improve the way in which we deal with this kind of organised crime.

Fisheries

3. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What progress the Government have made with the introduction of safeguard measures to prevent the dumping of salmon from non-EU countries. [203416]

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): The European Commission imposed provisional safeguard measures in August to levy additional duty on imports above a certain level. With our strong ally in this cause, Ireland, we continue to press the case of Scottish salmon farmers.

Mr. Carmichael: I thank the Minister for that answer. Indeed, I commend the Department, and the Minister for Trade and Investment, the hon. Member for Paisley, South (Mr. Alexander), who I know has acted in this area, for their efforts to date. Unfortunately, however, aquaculture in my constituency remains an industry under the cosh, and safeguarding measures, important though they are, can help only in the short to medium term. In the long term, the industry needs a level playing field on which it can compete with countries such as Norway. That will involve the elimination of some of the extra regulatory burden and charges such as Crown Estate rents. Such charges do not have to be paid by the industry in Norway. What will the Minister do to progress that agenda?

Nigel Griffiths: The Department of Trade and Industry has been working closely with the Scottish Executive and colleagues there who make representations about the tremendous pressures on the industry. My right hon.

Friend the Secretary of State has written to each member state counterpart to press the case, and our co-sponsor, Ireland, is supportive as well. This issue will be subject in early January to a proposal from the European Commission, and it is hoped that a decision will be taken by the end of next month, with measures being introduced at the beginning of February.

The hon. Gentleman will know, as he takes a keen interest in this issue, that there is no certainty of support from other member states, but I have outlined just one of the steps that my right hon. Friend has taken. The Prime Minister has also made representations, as have other Ministers. We are acutely aware of the pressure that the industry is under, and will do what we can to alleviate that. The best way of supporting it, however, is to ensure that it is not subject to any sort of unfair competition.

Mr. Calum MacDonald (Western Isles) (Lab): May I, too, pass on the gratitude of the industry to the Minister, his colleagues and officials who have been fighting the case in Brussels? Is he aware of the latest figures from the Norwegian Directorate of Fisheries, which show that the Norwegian industry has been losing £100 million a year over the past three years? Is that not strong evidence of the existence of illegal and underhand subsidies being paid to that Norwegian industry?

Nigel Griffiths: Certainly, I know that my hon. Friend the Minister for Trade and Investment has discussed these issues directly with Norway. I am particularly grateful to him for briefing me on that issue earlier this week. We know of the concerns of my hon. Friend the Member for Western Isles (Mr. MacDonald), how hard he presses the interests of his constituents, and the meetings that he has had with my right hon. Friend the Secretary of State and others. We are aware of the issues and want to make sure that other member states, which seem more sympathetic to Norway and the practices that have come in for great criticism than to the problems facing his constituents and our colleagues in Ireland, address this issue. We believe that we have the firm support of the European Commission in this matter, and my right hon. Friends are making sure that they apply as much pressure as they can and advance the arguments with the 23 other member states, to make sure that we get a successful resolution early in the new year. We realise the threat that is posed to our industry.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Will the Minister bear it in mind, before he goes down the traditional Labour-EU protectionist route—which militates against the interests of the British consumer and, in this case, those of a poorer country, too—that these safeguards would cause Norwegian salmon to be exported to third countries to the detriment of Chilean producers, who in many instances are considerably poorer, and who have a right to sell their salmon, too?

Nigel Griffiths: I am not sure that the hon. Gentleman speaks for the House in relation to this matter, but let me touch on an issue that I have not covered: Chile. We are aware that it was excluded from the provisional measures because its imports were assessed as being less than 3 per cent. of the EU value. I do not see Norway as a poor country, and I do not believe that if there are unfair subsidies, anyone in the House would support them.

UK Competition Law

4. **Mr. Parmjit Singh Gill** (Leicester, South) (LD): What discussions she has had with retailers, publishers and wholesalers regarding changes to the Vertical Exemption (Exclusion) Order. [203417]

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): Over the past 18 months, DTI Ministers and officials have had discussions with all parts of the newspaper and magazine industry about the proposal to remove the exemption of vertical agreements from prohibition under UK competition law.

Mr. Gill: I thank the Minister for his answer. He will be aware of the current deadlock in the industry and the impact that changes to the newspaper and magazine supply chain will have on the viability of small independent retailers. Given the vital role that small independent retailers and newsagents play in our communities, particularly the 254 small retailers and newsagents in Leicester that sell less than £300 worth of newspapers a week and are particularly at risk, will he assure the House that he will seek a resolution to the deadlock and provide legal certainty before 1 May 2005, when the competition law changes take effect?

Mr. Sutcliffe: As the hon. Gentleman will know, there has been a great deal of discussion about the vertical agreement. Indeed, as I studied it horizontally this morning I saw a clear need for both sides of the industry to consider the impact of last year's decision so that they would have time to think about how they should come together. DTI Ministers have met representatives of all sectors, including the National Federation of Retail Newsagents, and are well aware of the issues that concern them. The Office of Fair Trading is also talking to the industry, and we hope to make some announcements along the lines that the hon. Gentleman wants by early spring.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend accept that small independent newsagents in every constituency in the country are being increasingly squeezed by the superstores? They have always had a problem with the wholesalers. We want those small newsagents to survive, because they are an important part of the community network throughout our constituencies.

Mr. Sutcliffe: I agree that it is vital to maintain the small newsagent network. Newsagents have been assiduous in expressing their views about their relationship with the wholesalers. The OFT's purpose in talking to both sides of the industry is to secure an agreement, and I hope that one can be reached.

Post Office

5. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If she will make a statement on the future of the Post Office. [203418]

The Secretary of State for Trade and Industry (Ms Patricia Hewitt): The Government have invested more than £2 billion in the Royal Mail and the post office network since 1999. We have appointed a strong management team to the Royal Mail, which is successfully turning the business around. I am delighted to announce that I am reappointing the chair, Allan Leighton, for a further three years.

Mr. Clifton-Brown: I am sure the Secretary of State realises that the post office network plays a vital part in keeping rural communities together. The closure of post offices such as the one in Watermoor in Cirencester, leaving the elderly and the vulnerable to walk an additional three quarters of a mile, is extremely unwelcome. What will the Government do to prevent further closures once funding ends in 2008?

May I make a positive suggestion? Should not all post offices be able to sell all Government services—passports and driving licences, for instance? That would enable them to remain more viable than they would be otherwise.

Ms Hewitt: I know that the hon. Gentleman is extremely concerned about the impact of the Watermoor closure. Both Postwatch and the Post Office thought about it very carefully. I understand that most customers are already choosing to shop in Cirencester, and there are direct bus services from Watermoor to the main branch in the town centre. *[Interruption.]* There are bus services to the centre. As for rural services, we have indeed extended funding until 2008. I know that the Post Office is making enormous efforts to find an alternative to the branch that is currently in Tesco in Wootton-under-Edge, which is also in the hon. Gentleman's constituency. I am sure he will regret the fact that Conservative public spending cuts would mean less money for the post office network in future, not more.

Keith Vaz (Leicester, East) (Lab): I welcome the reappointment of Allan Leighton as chairman of the Post Office, but does my right hon. Friend share my concern about the way in which the consultation process works? She and I, along with the late Jim Marshall, wrote many letters to try to prevent the closure of post offices in our Leicester constituencies, but our representations were rejected. Petitions were presented, but Post Office officials refused to meet Members of Parliament before the deadline. It looks as though decisions are made and the consultation process is a farce. When she welcomes Mr. Leighton to his reappointment and invites him for a cup of tea and a mince pie at the Department, will my right hon. Friend ask him to have another look at a process that leaves everyone frustrated?

Ms Hewitt: I understand my hon. Friend's concern, but in fact, we took steps last January, after considerable concern had been expressed in the House, to strengthen the consultation process and sort out the problems that had arisen. I simply do not accept his assertion that that process is a sham; indeed, as a result of it, 400 Post Office proposals were either withdrawn or changed. In the case of Leicester, I am glad to say that, as a result of the representations made by my hon. Friend and I and the late Jim Marshall, two post offices that had been slated for closure—in Clarendon park and Abbey lane—have been reprieved.

Malcolm Bruce (Gordon) (LD): The Secretary of State may be aware that yesterday I was in her constituency—I did her the courtesy of informing her in writing—and that of my hon. Friend the Member for Leicester, South (Mr. Gill), looking at the installation of Community Point in post offices, which have sadly been let down by the failure to follow up the Your Guide experiment. Does she accept that this initiative by the National Federation of SubPostmasters might offer the way forward, the ultimate objective being that at least 5,000 of these Community Point units be installed throughout the country? Will she undertake to ensure, through the office of the e-envoy, that Departments across government use this service, which can print out up-to-date Government forms and eliminate the risk of stocking out-of-date ones? It could ensure that all post offices are used as a Government information network, to the benefit of their own business and of the public. Will she ensure that this experiment actually delivers the results that Your Guide did not?

Ms Hewitt: As I think the hon. Gentleman is aware, the very good Your Guide experiment, in which we invested nearly £25 million, simply did not deliver the increase in customers that the sub-post offices were looking for. However, the investment that we have made has proved enormously successful, in that 21 million bank account customers are now able to do their banking at post offices, thus hugely increasing the Post Office's potential customer base. I certainly hope that the current Post Office experiment in e-government connections will prove successful, and I shall discuss this issue with the Minister for the Cabinet Office, my hon. Friend the Member for Bolton, West (Ruth Kelly), and with the Post Office, directly.

Richard Burden (Birmingham, Northfield) (Lab): While I welcome the changes that were made last January, there is still huge concern about the urban reinvention programme consultation process. Decisions are being made, and consultation is then taking place upon their implementation. Although such changes happen in only a minority of cases—including in my own constituency—this process falls a long way short of the assurances that the Post Office gave to the Trade and Industry Committee last year, which Ministers subsequently gave to me. Communities should have a say in the planning of their local post offices' facilities, but that is simply not happening.

Ms Hewitt: I understand my hon. Friend's concern, but the Post Office has more branches than the whole of the banking and building society systems put together, and because there are simply too many branches for the number of customers, it is just not possible for our sub-postmasters and sub-postmistresses to make a living. In order to get proper community involvement in these decisions, we changed the consultation process so that decisions are made on an area basis, instead of one by one. I am afraid, however, that even with the very substantial support that we are providing for post offices, it is up to Post Office Ltd.—the management—

to decide which branches will be viable in future, and to ensure that 95 per cent. of its customers, and if possible more, are within a mile of a post office branch. That is the way to get a strong post office network that can deliver for customers and go on playing a strong role within communities.

Mr. Julian Brazier (Canterbury) (Con): Is the Secretary of State aware of the continuing concern of many pensioners about the new system for paying pensions at post offices? The blurb says that they are not supposed to give their PIN to anybody, but what about those pensioners who rely on a neighbour to collect their pension because they are house-bound? Giving their PIN away exposes them to a considerably greater risk than simply asking someone to pick up their pension, but what are they supposed to do, particularly if they do not have a neighbour who is a close friend?

Ms Hewitt: The hon. Gentleman raises an important point. I am glad to say that recent Department for Work and Pensions customer research shows that the vast majority of customers are happy about opening a Post Office card account and using the associated card. Of course, the system was designed to take account of the point that he makes, so that an elderly person who cannot collect the benefit at the post office can make an arrangement for a trusted person to do so on their behalf. I will check the precise point, but my understanding is that, in those circumstances, another person can be given their own PIN in order to get the cash payment. I shall write to the hon. Gentleman with further details on that point.

Marine Renewable Energy

7. **Mr. Colin Challen** (Morley and Rothwell) (Lab): What support her Department is giving to the marine renewable energy sector. [203420]

The Minister for Energy and E-Commerce (Mr. Mike O'Brien): We have announced a £50 million marine renewables deployment fund that will provide continued support to wave and tidal stream technologies. That builds on the £15 million of research and development support granted to the sector since 1999.

Mr. Challen: Does my hon. Friend agree that Britain has the skills, the ability and the resources to become a world leader in wave and tidal energy technologies? The opportunity must not be frittered away as previous Governments frittered away our opportunities with wind power. In that context, will the Minister do everything he can to speed up the delivery of the £50 million? I understand that there is some disappointment in the industry that the funding is subject to further consultation, which does not end until next August.

Mr. O'Brien: I certainly agree with my hon. Friend that this country has the skills and resources necessary to become a world leader in the area of wave and tidal technology. I plan to put forward a consultation paper in January, but the consultation will be short, lasting only about four weeks. We hope to make an announcement at Easter and to start to deploy the funds shortly afterwards. I do not know where my hon. Friend got the month of August from, but it is wrong, as we plan to deploy the money well before then.

Mr. Michael Weir (Angus) (SNP): The Minister will be aware that one of the greatest supports that could be given to marine renewable energy would be to have transmission charges that encouraged rather than undermined renewables in the north of Scotland. He will also be aware that last week Ofgem delayed a decision on transmission charges, saying that further work needed to be done. Obviously, without knowing the level of transmission charges, it is very difficult for renewable operators to plan ahead. Will the Minister give us some idea of the time scale for taking a decision on those charges?

Mr. O'Brien: We have had discussions with Ofgem about its view on the transmission charges regime and it assures me that it still hopes to be able to hit the original target date of April for putting the better system of transmission charging in place. We hope that the transmission charging system will operate effectively. There has been some further delay and further consultation on the part of Ofgem in relation to determining the right mechanism for charging. As I said, though, Ofgem assures us that it still expects to hit the delivery date of April.

Dr. Brian Iddon (Bolton, South-East) (Lab): One of the challenges of offshore power generation is indeed the cost of transmission charges to the mainland grid. I wonder whether any joint talks have taken place between those planning offshore wind generation and those planning offshore wave and tidal generation? It would seem to me to be common sense to use common transmission networks.

Mr. O'Brien: Since the Energy Act 2004, which came into force in July this year, there have been considerable consultations between both offshore and onshore organisations and companies, and Ofgem. A report is expected to be published shortly on how best to make progress on the issue of transmission. It is important to get it right, so it is important to conduct the consultation in a way that takes account of the needs of both offshore and onshore wind transmission.

Mr. Stephen O'Brien (Eddisbury) (Con): In a genuine and constructive effort to help the Government avoid being just all talk and to accelerate the realisation of a UK marine renewable energy source, will the Minister agree to meet me and my constituent, Mr. Alex Southcombe, who has invented WaveMaster—an outstanding innovation currently being successfully trialled? On the basis of my research, it provides one of the best early prospects of commercially enhancing this important marine renewable.

Mr. Mike O'Brien: I am happy to meet the hon. Gentleman and his constituent.

Mr. Stephen O'Brien: I am delighted to hear that and look forward to doing it quickly.

Does the Minister therefore concede that banking everything on wind turbines, especially on land, which attract such understandable hostility because of their effect on local communities and amenity, is heading Britain in the wrong direction? Does he agree that the development of the widest mix of renewable technologies is now, more than ever, a matter of urgency, given the reality of climate change and the Prime Minister's humiliating admission yesterday that his Labour Government are projected to fail to deliver on their manifesto pledge to cut greenhouse gas emissions by 20 per cent. by 2010?

Mr. Mike O'Brien: I am just trying to remember quite where the Tories were on funding wave power or renewables. Their funding was pretty well non-existent. The Government are on course to overshoot our Kyoto target of 12.5 per cent. of the basket of greenhouse gases. We are on target to achieve 14 per cent. We have additionally set ourselves a higher target of getting to 20 per cent. by 2010, and we have always said that it would be tough to hit that target, but we have six years to go. We cannot insulate the UK from the impact of climate change, which affects the whole northern hemisphere, but we are putting a range of funding into the renewables exercise and certainly are not committed to just one funding package. There is £500 million for low-carbon technology—including £50 million for marine technology—as well as £66 million for biomass energy, £31 million for solar photovoltaics and £170 million for offshore—not onshore—wind farms. We are also funding research into the hydrogen economy. What the Tories completely failed to do, we are delivering on.

Renewable Energy

8. **Mr. Bob Blizzard** (Waveney) (Lab): What steps she is taking to ensure that wind energy makes a full contribution to her renewable energy targets. [203421]

The Minister for Energy and E-Commerce (Mr. Mike O'Brien): We aim to generate 10 per cent. of electricity from renewables by 2010. The renewables obligation, together with the climate change levy, will create £1 billion per annum in financial support for renewables by 2010, including £117 million in capital costs for offshore wind farms, £10 million of which will be for Scroby sands, off the coast of my hon. Friend's constituency.

Mr. Blizzard: If we are to stand any chance of meeting our renewables target, is it not vital that wind energy developments that are commercially available now proceed as quickly as possible? We have gone offshore because of the slow pace of onshore wind farm development, but is not there a risk that offshore developments could be obstructed by unreasonable objections? For example, although there is no evidence that wind farms adversely affect birds, some environmental organisations are gearing up to take a strong line. Will my hon. Friend ensure that unreasonable objections do not obstruct the development of offshore wind farms? Do we not all have to learn to co-exist if we are to reduce CO_2 emissions and tackle global warming?

Mr. O'Brien: My hon. Friend is right to say that we all have a vested interest in ensuring that we tackle the problems caused by climate change. It is also important that discussion of wind farms be based on facts rather than myth. The Royal Society for the Protection of Birds has advanced some concerns and we are studying them so that we can obtain a factual basis and people can be sure that they make decisions on wind farms on the basis of the reality rather than fears and concerns.

Mr. Nigel Evans (Ribble Valley) (Con): There is plenty of evidence, not just from this country but from California, that wind turbines are the cause of death of many birds. Would not it be better if the Government concentrated on redoubling their efforts on energy conservation? A small increase in energy conservation would far outweigh the huge subsidies paid for the useless and inefficient wind turbines littered throughout the country.

Mr. O'Brien: My great concern is that the Conservatives are getting themselves into a position in which they are running down the whole concept of wind turbines, which are the only feasible way in which we can hit the 2010 target of achieving 10 per cent. of electricity from renewables. The Conservatives are creating a massive credibility gap for themselves. By offering a local veto on planning decisions, they are not recognising that there is a national as well as a local interest. In effect, they are offering little or no response to climate change issues, which is bad not only for the Conservative party but for serious political debate on climate change in this country.

Mr. David Drew (Stroud) (Lab/Co-op): Does my hon. Friend agree that the best places for renewable energy sites would be existing generation locations, especially nuclear and former nuclear power stations on the coast? Will he look carefully at licensing arrangements with the new Nuclear Decommissioning Authority so that we can loosen restrictions to ensure that wind and other renewables can be tied into those stations?

Mr. O'Brien: We have just issued new planning guidance, which sets out a long-range strategy for dealing with applications for renewables, not just for wind technology but for a series of other renewables, and will enable various opportunities to be realised and deal with various concerns. Our objective is to encourage growth in renewables and my hon. Friend's point about identifying the areas where renewables would be most appropriate is a good one.

Miss Anne McIntosh (Vale of York) (Con): As the hon. Member for Bolton, South-East (Dr. Iddon) said, one problem with wind farms is the high cost of their connection to the grid; another is that they can connect to the grid only through overhead transmission lines, which are costly, environmentally unfriendly and lose an enormous amount of electricity. How does that square with the Minister's renewable energy policy?

Mr. O'Brien: The creation of a new transmission infrastructure is a key issue on which Ofgem is consulting. Following the enactment of the Energy Act

2004 in July, Ofgem started a wide consultation on how we can ensure that we have the right transmission systems for both onshore and offshore wind generation. The same applies for renewables in the broader case, where we are building up micro-generation and considering how even homes can feed back into the grid the extra energy that they might create.

Mr. Kevin Hughes (Doncaster, North) (Lab): Although I agree that we need to develop renewable energy sources, does my hon. Friend agree that, where there is a cluster of applications such as those that completely surround the site of special scientific interest at Thorne Moors in my constituency, they should be looked at as a whole and not on a site-by-site basis?

Mr. O'Brien: At present, the planning rules require that various applications be considered on their individual merits. We are looking at how we can ensure that cumulative applications, where a series of applications is in situ, can be considered in terms of their overall impact on an area. In some situations, that can be done with one inquiry, while in others there will be individual inquiries for different applications, but it should still be possible to consider the cumulative effect of all the applications in those individual inquiries.

Inward Investment (South Yorkshire)

9. **Ms Meg Munn** (Sheffield, Heeley) (Lab/Co-op): What steps she is taking to improve inward investment in South Yorkshire. [203422]

The Minister for Industry and the Regions (Jacqui Smith): UK Trade and Investment promotes the UK as the top inward investment location in Europe and works in partnership with all the UK's development agencies to attract the maximum inward investment. UK Trade and Investment is expanding its inward investment operation and will make further resources available to Yorkshire Forward, which is the inward investment promotion agency for Yorkshire and Humber.

Ms Munn: I am sure that my right hon. Friend is aware that South Yorkshire is a great place to live and work but that it has also been one of the poorest regions of the European Union and receives objective 1 funding. As the future of regional funding is still unclear, can she give me an assurance that the Government will make getting investment into Britain's poorer regions a high priority, ahead of other regions?

Jacqui Smith: I agree with my hon. Friend about the attractions of South Yorkshire. I can assure her that the three quarters of regional funding that comes domestically from the Government have made an important difference in South Yorkshire. Over the past year, the regional development agency alone helped to create 16,500 jobs and 730 new businesses, and brought in £275 million of private sector investment. Of course, all that activity is under threat from cuts proposed by both Opposition parties.

Africa

11. **Hugh Bayley** (City of York) (Lab): What policies she intends to pursue during the UK presidency of the European Union in relation to trade with Africa. [203425]

The Secretary of State for Trade and Industry (Ms Patricia Hewitt): During our presidency of the EU, we will seek to make significant progress on the Doha development round, including a successful conclusion to the World Trade Organisation ministerial meeting in Hong Kong in the autumn. A successful development round would deliver enormous benefits to Africa and other developing countries.

Hugh Bayley: The "Everything but Arms" agreement offers the potential for greatly increased exports from the poorest countries in Africa to Europe, but that potential, sadly, has not been realised in a large increase in the volume of exports. What proposals will my right hon. Friend take to her colleague Trade Ministers in the EU for changes of policy to use that agreement in a way that substantially increases the export opportunities for the poorest countries in Africa, which, in turn, of course, would increase the opportunities for us to export goods to them?

Ms Hewitt: My hon. Friend makes an extremely important point, and the most practical change that we can make is to alter the rules of origin, which restrict the capacity of the least developed countries to take advantage of preferential access. In the longer term, of course, we must deal with the problem of tariff escalation on value-added goods to enable African countries, in particular, to produce not only primary produce, but industrial goods as well.

Sir Nicholas Winterton (Macclesfield) (Con): The common agricultural policy is inefficient, costly and extremely damaging to the export potential of developing countries, particularly those in Africa, which all hon. Members would seek to help and assist. What positive, aggressive action will the Government take to amend the CAP to achieve what the world wants: a fair deal for the poorest countries of the world with agricultural industries?

Ms Hewitt: The hon. Gentleman is right and he will be aware that my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs played a key role last year in negotiating new, radical reforms to the CAP. I am delighted to say that, since then, the EU has signed up to an end date for the export subsidies on agricultural products that are devastating to developing country farmers. We still have more to do and we continue to press hard for a substantial reform of the sugar regime. Again, that is vital in Africa. We are helping to lead the way on all that in Europe and will continue to do so to help to make poverty history.

Ann McKechin (Glasgow, Maryhill) (Lab): My right hon. Friend may have had the opportunity to read early-day motion 333 on the proposed economic partnership agreements between the EU and African countries. They are bilateral agreements that seek large-

scale liberalisation of African trade, but they fail to discuss the terms of the CAP. Does she share my concerns that such agreements could undermine the benefits of the multilateral negotiations that are offered at the WTO and that they fail to address the development needs of African countries, which are badly hindered by the CAP?

Ms Hewitt: Our current system of European trade preferences with countries in Africa, the Caribbean and the Pacific is simply not compatible with WTO rules. That system must be replaced by 2008. We are negotiating economic partnership agreements with those countries, so that they can continue to gain as much access to European markets as possible, but we are absolutely clear that the agreements must be negotiated in a way that enables the development needs of those countries to be met. I am glad to say that we have already given some €20 million to those countries to help them to negotiate agreements that will be good for their people.

Energy Markets (Western Europe)

12. **Dr. Vincent Cable** (Twickenham) (LD): What discussions she has had with her European Union counterparts on progress in liberalising energy markets in western Europe. [203426]

The Minister for Energy and E-Commerce (Mr. Mike O'Brien): Ministers have frequently discussed the development of the EU's internal energy market with other member states. I recently met the new Commissioner for Energy, Mr. Andris Piebalgs, and raised the issue of the EU gas market, in particular, with him a few days ago. We are looking for further steps by the Commission, in particular, to ensure compliance with the 2003 gas and electricity directives.

Dr. Cable: Does the Minister agree that one reason why British manufacturers, in particular the engineering industry, suffer high energy costs is that they cannot get access to low-cost competitive gas supplies because of the monopoly exercised over the German and Dutch pipeline and the lack of common carriage? What concrete legal action can he take to ensure that the principles of the directive, the single market and the European competition rules are enforced?

Mr. O'Brien: We need to ensure that there is broader liberalisation of the market for energy in the European Union. We have ensured that the Commission is aware of our wish to see that liberalisation proceed apace. The aims of the 2003 directive, which are binding on other member states, require a legal unbundling of network activities from supply, the establishment of a regulator, the publication of network tariffs, the reinforcement of public service obligations and the introduction of monitoring of security of supply. In dealing with some of the problems that the hon. Gentleman identified, especially with regard to Germany, we are engaging not only with the Commission, but with other member states directly to ensure that we move forward with that liberalisation.

Mr. Laurence Robertson (Tewkesbury) (Con): Is not the biggest problem with the market in Europe the fact that the consolidation of companies took place ahead of liberalisation—exactly the opposite of what happened in this country? That makes it difficult for consumers on the continent to switch suppliers and, indeed, difficult for companies in this country to compete on the continent in the way that the continental companies compete in the UK. What can the Minister do about that?

Mr. O'Brien: I agree that the problem arose because the European market developed differently from the UK market. However, directives place obligations on European member states. We have made it clear to the European Commission that, for gas in particular, which is more of a problem than electricity, we want it to apply those directives. The directives were passed, they were broadly accepted and now they have to be applied.

MINISTER FOR WOMEN

The Minister for Women was asked—

Pension Gap

20. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What recent discussions she has had with the Secretary of State for Work and Pensions regarding the pension gap for women. [203435]

The Minister for Women and Equality (Ms Patricia Hewitt): I regularly meet my right hon. Friend to discuss a range of issues, including women's pensions. Today's women pensioners, of course, benefit substantially from the pension credit, winter fuel payments and so on. The state second pension and the home responsibilities credit are helping women in particular to build better pensions for the future.

Mr. Carmichael: I thank the Minister for that answer, which highlights the complexity of the situation that faces women pensioners and, indeed, all pensioners. She will be aware that the average state pension for women is £51 a week. As a result, some 63 per cent. of women pensioners rely on means-tested benefits. She may also be aware that the National Association of Pension Funds reported this week that a citizen's pension based on residency would be

"do-able, affordable and achievable within six years".

Will she join the Secretary of State for Work and Pensions in veering towards the implementation of that idea?

Ms Hewitt: The hon. Gentleman is right that most women who have retired do not get the full basic pension. There is no doubt that, for future generations of pensioners, and of women in particular, the citizen's pension would deal with that problem. That is why I welcome the fact that my right hon. Friend is looking at the option of a citizen's pension. We will do so, of course, in the context of the final report of the review group led by Adair Turner.

Chris Bryant (Rhondda) (Lab): Does not the fact that, for all sorts of reasons that are not of their own making, so many women get to pensionable age without achieving a full set of stamps prove that, if we followed the advice of some other political parties to put all our money into the basic state pension, we would do nothing to tackle the pensioner poverty that many women face? Will it be a major aim of a third term for a Labour Government to ensure that we abolish pensioner poverty for women?

Ms Hewitt: My hon. Friend is right. We have already done an enormous amount—I see it every day in my constituency—to tackle the shocking problem of pensioner poverty that we inherited. If we had simply linked the basic pension to average earnings, we would have given the poorest pensioners far less help than we have given them through the guaranteed minimum pension and now the pension credit. I pay tribute to my right hon. Friends the Chancellor and the Secretary of State for Work and Pensions for their enormous effort and the success that they have had in reducing poverty among the current generation of pensioners.

Mrs. Eleanor Laing (Epping Forest) (Con): How can the Minister come to the Chamber and praise the Chancellor of the Exchequer for what he has done on pensions when, in fact, every year since assuming office he has taken £5 billion or more from pension funds? In 1997, Britain had more money in funded pension funds than the rest of the European Union put together, but now we are in a worse position than most other comparable countries entirely as a result of the actions of this Government and the Chancellor. Of course, it is women, whose pension funds tend to be the smallest, who have suffered most. After seven years in government, for the Minister to stand there and say that as far as the basic state pension—

Mr. Speaker: Order. I was wondering when the hon. Lady was going to stop.

Ms Hewitt: Thank you, Mr. Speaker. I regret that the hon. Lady, for whom I have a great deal of respect, was not willing to give us credit for what we have done for women who have already retired. They have benefited hugely from the pension credit, the winter fuel payment and all the help, including free television licences and so on, that we are making available both to people who have retired and to future generations of pensioners. I hope that she supports, as I do, the home responsibilities credit and the state second pension, which make an enormous difference to women who are now in work, and the Pension Protection Fund to protect people who have contributed to their occupational pension but whose firms have simply walked away. I think that she should give credit where it is due.

Sandra Gidley (Romsey) (LD): I am pleased that the Minister has an open mind about the citizen's pension, but does she acknowledge that many women receive lower pensions because they are carers? The nature of caring means that many of them are part-time carers who also hold down a part-time job. They do not pay contributions, so has she considered introducing a carer's credit to help them to have a pension in their own right in the shorter term?

Ms Hewitt: The home responsibilities credit, both for the basic pension and the state second pension, is already helping some women with caring responsibilities. I agree that more needs to be done to support carers and my right hon. Friend the Secretary of State for Work and Pensions is looking at that.

Engineering

21. **Michael Fabricant** (Lichfield) (Con): What steps she is taking to encourage women to graduate in engineering; and if she will make a statement. [203436]

The Deputy Minister for Women and Equality (Jacqui Smith): The UK Resource Centre for Women in Science, Engineering and Technology was launched in September to tackle the barriers that hinder female participation in these sectors throughout the career lifecycle. In particular, it will support higher education institutions to aid the retention and progression of female undergraduates on science, engineering and technology courses and into the labour force.

Michael Fabricant: I am grateful to the Minister. In fact, I have a brochure produced by the resource centre, so we are thinking alike. I do not know whether she saw the Richard Dimbleby lecture last night—I had the privilege of attending it—which was presented by James Dyson, who promoted engineering in this country. Is she aware that, in China, 60 per cent. of graduates are in science, engineering and technology but that the figure is only 35 per cent. in this country? Of that 35 per cent., only 5.3 per cent. are women, so we have a long way to go. What steps will she take to ensure that 50 per cent. of engineering students are women?

Jacqui Smith: There has been progress in the past 10 years. The increase in the number of female science, engineering and technology graduates has been larger than the increase in the number of their male counterparts. However, we still have a long way to go, which is why the resource centre was set up. It will also find ways, as the hon. Gentleman rightly said, to overcome misapprehensions about engineering, which is no longer about grubby, heavy industrial workplaces but at the cutting edge of our economic success. The manufacturing forum, for example, which met for the first time last week, brings together representatives from business, trade unions and so on. One of its key priorities is improving the image of manufacturing, particularly so that we can attract the many skilled and talented women engineers, both for their own good and for the success of UK manufacturing and engineering.

Public Companies

22. **Valerie Davey** (Bristol, West) (Lab): What steps she is taking to encourage increased representation of women on the boards of public companies. [203437]

The Deputy Minister for Women and Equality (Jacqui Smith): On Tuesday, my right hon. Friend the Secretary of State for Trade and Industry launched the DTI's new booklet, "Building Better Boards", to coincide with the publication of the new female FTSE figures, which show that 17 per cent. of all new directorships went to women in 2004. Those figures are better, but they are not good enough, which is why the booklet and advice issued by the DTI spells out the business case for diversity and the different ways in which companies can develop and recruit a much wider range of talent.

Valerie Davey: I congratulate my right hon. Friend and the DTI on that booklet and on their work to ensure that board members in companies are drawn from the widest calibre of candidates. Can she do anything further for the 31 companies in the FTSE 100 that still have no women on the board?

Jacqui Smith: First, like my right hon. Friend the Secretary of State for Trade and Industry on Tuesday, we can communicate the business advantages: for example, businesses with women on the board experience an increased return to equity. Secondly, we can make sure that talented people who have gained board experience in the voluntary sector are better enabled to get on to boards in the private sector, which is something that we are working on alongside the Cass business school. Thirdly, we can set an example in government by the way in which we use the head-hunter contract. We expect that contract to bring the widest range of people on to public sector boards, which should impact on good practice in the private sector.

Business of the House

12.32 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Secretary of State for Wales (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 13 DECEMBER—Opposition day [1st allotted day]. There will be a debate entitled "The Government's Failure to Improve School Discipline" followed by a debate entitled "Family Justice". Both debates arise on an Opposition motion, followed by proceedings on the Consolidated Fund Bill.

TUESDAY 14 DECEMBER—Remaining stages of the Mental Capacity Bill.

WEDNESDAY 15 DECEMBER—A debate on "European Affairs" on a motion for the Adjournment of the House.

THURSDAY 16 DECEMBER—Remaining stages of the School Transport Bill.

FRIDAY 17 DECEMBER—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 20 DECEMBER—Second Reading of the Identity Cards Bill.

TUESDAY 21 DECEMBER—Motion on the Christmas recess Adjournment.

I should like to inform the House that the business in Westminster Hall for January will be:

THURSDAY 13 JANUARY—A debate on the reports from the Environmental Audit Committee on environmental crime and the courts and environmental crime: fly-tipping, fly posting, litter, graffiti and noise.

THURSDAY 20 JANUARY—A debate on the report from the Work and Pensions Committee on the work of the Health and Safety Commission and Executive.

THURSDAY 27 JANUARY—A debate on fire safety.

Mr. Heald: I thank the Leader of the House for the business. Will he join me in expressing the House's condolences upon the death of security officer Mark Peters following a road traffic incident yesterday? Mr. Peters had worked here for almost seven years and had given very good service. Our thoughts are with Mrs. Peters, their two children and their whole family.

Will the Leader of the House join me in congratulating the other place on the improvements now being made to the Constitutional Reform Bill, particularly the saving of the Lord Chancellor, who will remain a lawyer and who will sit in the other place for many years to come? Will he confirm that when the Bill reaches us, the Committee stage will be taken on the Floor of the House, as is usual with constitutional measures?

Is the Leader of the House able to report on any progress on my request for a full foreign affairs debate so that we can discuss the situation in Africa and the middle east?

May we have a statement on the new contract for NHS dentists? On Tuesday this week, the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), having previously claimed that "dentistry's sorted", said that the reforms were "proceeding on time", and went on to claim that

> "dentists recognise that we are moving in the right direction . . . and . . . we will be able to implement the new contract by October."—[*Official Report*, 7 December 2004; Vol. 428, c. 1027–1029.]

Today we hear that the British Dental Association has withdrawn from discussions because the new contract will mean that dentists are not able to spend enough time with each patient. The Leader of the House is always saying that we are safer with Labour—not our teeth, though. May we have that debate?

May we have a debate on hospital cleanliness? According to the *South Wales Evening Post*—a regular read of mine—the Leader of the House's constituent, Mrs. Jennings, a former hospital cleaner, was shocked by the filthy condition of a Swansea hospital where she was a patient. She is quoted as saying:

> "If something isn't done soon in Morriston, then superbugs will be the norm."

There has been a huge rise in MRSA under Labour, and 5,000 people a year are dying as a result. The Leader of the House likes to say that it is safer under Labour—not in hospital, it is not. May we have that debate?

Finally, the Leader of the House will remember that the Government used to publish an annual report on themselves. [HON. MEMBERS: "Oh!"] We have not seen it for a while. Could the Modernisation Committee perhaps consider whether in future it could be written by the Home Secretary? Would the Leader of the House care to comment on his own assessment for the year:

> "If there's anyone who upsets colleagues more than I do, it is Peter."?

Mr. Hain: I think that I got off very lightly, actually.

I am grateful for the opportunity that the hon. Gentleman has given me to put on record the House's gratitude to Mark Peters. He was a young father with two young children, and his wife Bernadette has been plunged into this dreadful tragedy. In common with other security officers, he was employed at the vehicle search point at Black Rod's Garden Entrance. He did a valuable job for us, and I am sure that the whole House will wish to express our sympathy and condolences to the family on the tragedy that has befallen them.

On the Constitutional Reform Bill, the truth is that we remain committed to the reform and modernisation of the constitution of the United Kingdom. The Bill has not yet been considered in the Commons; of course, such a major constitutional measure will need to be debated on the Floor of this House. Despite all the comings and goings in the House of Lords, this is not about the title of the post. It is about separating the judiciary from the Cabinet, ensuring that there is an independent judiciary, and ensuring that the Secretary of State concerned, who is ultimately responsible for the delivery of the justice system—for example, under the current Secretary of State there has been a dramatic increase in the recovery of fines—is not required to spend a lot of time on the Woolsack rather than on ensuring that the criminal justice system works efficiently. That is what the changes are designed to deliver, and they will do so.

[Mr. Hain]

I am still considering the hon. Gentleman's request for a debate on Africa and the middle east. We are in a very congested part of the timetable at the moment, with Second Readings coming through and so on. The middle east and Africa are vital issues, and the Foreign Secretary will continue to report to the House, as he always does extremely diligently.

On dentistry, we inherited an absolute shambles from the Conservatives. They closed training places for dentists and cut the provision of NHS dentists. We have been recruiting more dentists and have opened 47 NHS dental access centres in areas where they are needed most; they now treat more than 300,000 patients a year. I am sorry, but I am not going to take any lessons from Conservatives on dentistry. There is a problem, but we are tackling it and we will solve it.

On MRSA, I am well aware of the problem, and my constituent has indeed raised the issue with me. However, the truth is that it has been made more easy to identify and more transparent as a result of the recording procedures that we have put in place, which did not exist under the previous Government. We are driving forward a programme to deal with that.

All these issues, whether it is the provision of dentistry or the cleaning up of our hospitals, would be put at risk by the shameful robbery from the NHS by the Conservatives of up to £1 billion to pay for their patient's passport, to allow those who can afford to pay in part for their operations to take money out of the health service and go down the road to a private hospital. That is the truth that they will not face.

Mr. Ian Cawsey (Brigg and Goole) (Lab): Will my right hon. Friend find time for an urgent debate on the planning processes for wind farms throughout the country? In and around the north Lincolnshire area there are plans for 176 turbines, some in farms that are large enough for the Department to approve and others in smaller farms that will be dealt with by local authorities, of which there are several. That leads to a situation in which no one is considering the cumulative effects of all the applications. During Department of Trade and Industry questions there was a helpful reply from a Minister who said that he hoped that something could be done about that. However, there is no time scale and the applications are being considered now. When can the House debate this issue so that hon. Members and the local planning authorities know what will happen?

Mr. Hain: Clearly, a balance has to be struck between ensuring that wind farms are not literally in people's back yards and ensuring that wind has a major contribution to play in meeting future energy needs, and renewable energy in particular. We must resist a nimby attitude. If we are to provide for an alternative that does not involve a wholesale increase in nuclear power, we must go down the renewable road. That is not only wind, but wave and tidal power, fuel cells, PV solar and solar.

Mr. Paul Tyler (North Cornwall) (LD): I join right hon. and hon. Members in expressing condolences to the Peters family.

How soon will we have a statement on corruption in the sales of arms? He will be aware, I hope, of the extensive and important report in today's edition of *The Guardian*, which indicates that the sale of arms to Indonesia was the subject of a major corruption episode. We are only now learning exactly what happened. It has been alleged that Alvis paid £16.5 million in bribes to President Suharto's eldest daughter to secure a £160 million sale of Scorpion tanks, which were used for internal oppression.

The significance for the Government's policy is that the sales were backed by the British Government's Export Credits Guarantee Department, which was left to pick up a £93 million bill when Indonesia ran into financial crisis. I hope that the Leader of the House will agree that there are important implications for the Government's arms sales policy, about which the Secretary of State for Trade and Industry gave a mealy-mouthed reply a few minutes ago, indicating that the company had succeeded in watering down the Government's constraints. There are also important implications in terms of freedom of information legislation, which comes fully into force at the turn of the year. Will the Leader of the House give us an undertaking that there will be a statement on all those matters?

The Leader of the House is widely reported in the media this morning as commenting on the deaths at the Deepcut Army barracks, saying that there were too many to be a coincidence. Will the right hon. Gentleman give the House an opportunity to express a view on the suitability of the limited review that is now taking place, given that his comments would suggest that the Ministry of Defence is inadequate to do the job? Otherwise, why is he making these comments now, after all these years during which these things have been going on? He says, rightly, in the comments made in the newspapers this morning that he finds the situation very disturbing. I hope that he will agree that we need a much more substantial debate in the House, on a substantive motion, so that we can express a view about the adequacy of the investigations that are now taking place.

Mr. Hain: The article in *The Guardian* on the sale of arms was obviously serious and disturbing. The matter is being investigated by my right hon. Friend the Secretary of State. I am sure that the hon. Gentleman will want to take this opportunity to applaud the fact that it was this Government who brought in a new code, and got the European Union to adopt a similar one, which prevents the export of arms for internal oppression or external aggression. Any arms exports have to be judged against those important criteria. We have led the world in the matter. The Foreign Secretary, the Defence Secretary and the Prime Minister are trying to enlarge the code beyond the European Union to make it global.

The hon. Gentleman asked why I was commenting on Deepcut now. The answer is that, on Tuesday, when I met regional political editors, I was asked a question about it. I have said nothing that differs from the comments made by my right hon. Friend the Minister of

State for Defence at the Dispatch Box only a week ago or from anything that my right hon. Friend the Secretary of State for Defence has said. I support their programme of investigation—that is the best way to sort the matter out. The hon. Gentleman suggests that there is difference of opinion between the Ministry of Defence and me; there is not.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Will my right hon. Friend ensure that, on Tuesday, Labour Members have a free vote on amendments to the Mental Capacity Bill that relate to euthanasia? I remind him that it is long-standing practice in the parliamentary Labour party that Labour Members have a free vote on matters of conscience. If euthanasia is not a matter of conscience, what on earth is?

Mr. Hain: I understand my right hon. Friend's point. Of course, we continually review the circumstances in which there might be free votes. If the Bill opened the issue of euthanasia, there would unquestionably be a free vote, but we are not changing the current law. Any final arbitration on such matters under the Bill, as under current law, would be for the courts to determine on a case-by-case basis. That is the sensible way to proceed. I remind my right hon. Friend that the Bill had its Second Reading on Monday 11 October and was carried by 326 votes to 62. There were no votes in Committee and the measure was subject to pre-legislative scrutiny. We have tried to get the Bill right and bring the law into a modern framework but we are explicitly not reopening the question of euthanasia.

Sir Nicholas Winterton (Macclesfield) (Con): Will the Leader of the House give further consideration to the request of my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) about dentistry? Some years ago, with the full co-operation and assistance of the then South Cheshire health authority, I got a national health service dentist established in the village of Poynton in the north of my constituency because all the other dentists had gone private for those who were not pregnant women or children. That dentist now threatens to withdraw from the NHS, with all the problems that that would create for thousands of my constituents and those in the surrounding areas. The Leader of the House suggested that there is a problem. May we therefore have a debate because the problem of dentistry is great for all hon. Members and I believe that we would all like the opportunity to debate the subject?

Mr. Hain: I acknowledge that there is a problem—indeed, the hon. Gentleman was fair enough to point out that I did. We are devolving record funding to primary care trusts to sort out the problem, and 1,000 new dentists will be recruited by October 2005. There is a historic problem that goes back to the time of the Conservative Government. We are getting a grip on it and we will solve it in due course.

Mr. Kevin McNamara (Hull, North) (Lab): May I draw my right hon. Friend's attention to early-day motion 336 on the Mental Capacity Bill?

[That this House notes the most recent report from the Joint Committee on Human Rights which is severely critical of sections of the Mental Capacity Bill; notes in particular the criticism of those sections dealing with the withholding and withdrawing of life-sustaining treatment and of assisted food and fluids; further notes the conclusion that the presumption in favour of life-sustaining treatment in relation to the withdrawal of assisted food and fluids is not sufficiently strong in the Bill to satisfy the requirements of the European Convention on Human Rights (Articles 2, 3 and 8); believes that it would be disastrous if the Bill, which has the laudable aim of seeking to transform the lives of mentally incapacitated individuals and their carers, were to become a vehicle for the introduction of euthanasia; regrets that, despite Government assurances, the declaratory provision in Clause 58 that nothing in the Bill is to be taken to affect the law relating to murder, manslaughter and suicide is not sufficient to rule out the threat of euthanasia by omission posed by the Bill; and calls upon the Government to take note of the report from the Joint Committee on Human Rights and to amend the Mental Capacity Bill to make it clear that it gives no statutory authority to any decision made with a purpose of bringing about the death of the person about whose personal welfare the decision is made.]

More than 100 Members have signed it to express their concern about the possibility of euthanasia by omission and by withdrawing sustaining foods and liquids. Will my right hon. Friend reconsider carefully the human rights implications of his decision? Will he also consider the conclusions of the Joint Committee on Human Rights that the position in the Bill as currently drafted is contrary to our undertakings under the European convention on human rights, which we proudly incorporated into our legislation?

Mr. Hain: As I said a moment ago, the Bill does not reopen the question of euthanasia. However, I understand the concern that my hon. Friend and others have expressed and which is demonstrated in the early-day motion. For several hon. Members, a question mark remains about the issue. I am sure that there will be an amendment on this matter—if it is selected—for debate next week. The issue will then be able to be resolved in the way in which the House normally resolves these issues. Any uncertainties or anxieties will then be resolved, and people will have the chance to recognise that we are doing the right thing.

Mr. Michael Weir (Angus) (SNP): The Leader of the House will be aware that the first contingent of Black Watch personnel returned from Iraq this morning, and that is very welcome. He will also be aware, however, of the continuing concern in Scotland about the future of our historic regiments. There is speculation that an announcement will be made on that next week. Will he confirm when that announcement will be made, and will he give us an assurance that it will be made first to Members of the House by the Secretary of State for Defence?

Mr. Hain: I will certainly ensure that the Secretary of State is aware of the hon. Gentleman's question, and, in particular, of his concern about the form that any announcement should take. We will consult about that. The Black Watch has performed heroically, as it always does, and done a fantastic job. I recall some of the hon. Gentleman's colleagues—if not the hon. Gentleman

[Mr. Hain]

himself—saying that members of the Black Watch would not be back before Christmas. They are back, and I hope that the hon. Gentleman will be generous enough to acknowledge that.

Julie Morgan (Cardiff, North) (Lab): May we have a debate on under-age drinking? I understand from the press this morning that the Home Secretary is planning to strengthen the laws on pubs and clubs where under-age drinking goes on. The main problem in my constituency involves young people who buy cans from shops or off-licences and cause problems in the area. Last weekend, the residents of Whitchurch who live around the Court field had a very distressing time caused by young people who had been drinking breaking down fences, setting fire to dustbins and generally causing distress. It is important that we consider the issue of young people buying alcohol from shops. May we have a debate on the subject?

Mr. Hain: I would be very happy if there were time to have such a debate. If my hon. Friend were successful in applying for one, that would be all to the good. I can confirm that, this morning, the Cabinet endorsed a proposal by the Home Secretary and the Prime Minister to impose restrictions on premises found to be selling alcohol to under-age drinkers—indeed, under the proposal, such premises could be closed down for 24 hours in those circumstances—and we are looking for a suitable legislative opportunity to introduce the measure.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Another one!

Mr. Hain: Well, my hon. Friend the Member for Cardiff, North (Julie Morgan) has just explained about the problem in her constituency, and I am sure that the right hon. Gentleman would agree that there is too much antisocial behaviour as a result of excessive alcohol intake by children. We need to provide for extra procedures if we are to get a grip on that, and we shall do so as we tackle antisocial behaviour through the Clean Neighbourhoods and Environment Bill, and as we have done in previous legislation, often without the support of the Conservatives and Liberal Democrats.

Mr. John Redwood (Wokingham) (Con): In the village of Burghfield in my constituency, the police are experimenting with devoting more of their time to tackling yobbishness and antisocial behaviour. May we have a debate on whether we should have more police around the country to tackle this kind of activity, and on whether that, rather than more laws, might be the answer?

Mr. Hain: We have recruited more than 12,500 extra police officers and 4,000 community support officers across the country, and the number of community support officers will go up to 20,000 under Labour's spending plans. That would all be jeopardised, in the right hon. Gentleman's constituency and elsewhere, under the savage cuts that the shadow Chancellor proposes to make within a couple of years of the Conservatives coming into office. That is the reality that people will face at the general election.

Mr. Lindsay Hoyle (Chorley) (Lab): Our debate on the Mental Capacity Bill next week has already been mentioned, but many Labour Members feel that it is only right for us to have a free vote on a matter of conscience. The conscience issue is the withdrawal of food and fluids, and the amendment that has been tabled does not go far enough. I believe that the time has come to respect the views of Labour Members by allowing a free vote on what is a very important constituency issue for many of us.

Mr. Hain: I agree with my hon. Friend that it is an issue of conscience, and an issue of deep concern to our constituents. I have had representations on it, as, no doubt, has he. But, as I have explained, this is not about reopening the issue of euthanasia. When he looks at the Order Paper on Tuesday morning, he will see that amendments have been tabled to deal with Members' concerns right across the House, and I think that he will be satisfied by that, subject to their being selected for debate. I think that we can move forward on this on a basis of consensus and agreement.

Sandra Gidley (Romsey) (LD): Earlier this week, a report was produced on the prescribing of selective serotonin reuptake inhibitor drugs, including anti-depressants such as Seroxat, and it highlighted a number of problems. There was no ministerial statement on the issue. Bearing in mind that depression affects one in four of our constituents, are there any plans to debate the matter on the Floor of the House?

Mr. Hain: I realise the concerns about this matter. I think that a Select Committee investigation is being carried out on it, and its report will be considered in due course. However, the hon. Lady would have the opportunity to question the Secretary of State for Health on the issue if she tabled a question to him.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): My right hon. Friend cannot help but be aware of the impending statement by the Secretary of State for Defence on the infantry review. May we have a debate on the outcome of that review? My right hon. Friend will be aware from the Adjournment debate that I was lucky enough to secure on Tuesday on the future of the Royal Regiment of Fusiliers that, if the Army were to recommend cutting one of the two remaining fusilier battalions in that regiment, one of the unintended consequences would be that the Royal Anglian Regiment and the Princess of Wales's Royal Regiment would have to be merged and possibly lose their titles, thus decimating three of the most successful super-regiments in the British Army.

Mr. Hain: I know that the Secretary of State is considering all representations on this matter, and I applaud the way in which my hon. Friend has mobilised opinion in her constituency and led a campaign on behalf the many recruits from Rochdale who went into that regiment. She will find that

the Secretary of State has listened closely to her representations, although I cannot prejudge the outcome of the review.

Sir George Young (North-West Hampshire) (Con): The Government have an ambitious legislative programme, with 27 Bills and 10 draft Bills, to which the Leader of the House is adding by the minute. Some six of those Bills will have had a Second Reading before Christmas. On the basis of experience so far, can he tell us how many of the rest of the Bills are likely to hit the statute book, should Parliament be dissolved before Easter?

Mr. Hain: The answer is no.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): My right hon. Friend will know of the importance of the report of the United Nations high-level panel on threats, challenges and change, which was published last week. Will he give a guarantee that there will be a major debate on this matter in the House, because it touches on issues that affect us all, including the future of the United Nations, reform of the United Nations, terrorism, weapons of mass destruction and failing states. This matter is too important for us to allow it to slip off the agenda.

Mr. Hain: I strongly agree with my hon. Friend. I acknowledge, as I am sure the whole House will, the work that he, as an expert Back Bencher, and my hon. Friend the Member for Cynon Valley (Ann Clwyd) have done on this issue. We all want the United Nations to be reformed, so that it becomes a product and a reflection of the modern world, rather than of the colonial world in which the Security Council was constituted immediately after the second world war. We want the Security Council to reflect all the continents of the world, and to reflect some of the more powerful nations—Japan and Germany, for example—in a way that it does not at the moment. That, coupled with earlier intervention and the reform of the United Nations, is imperative; we all back those proposals.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Leader of the House give us an assurance on the truthfulness of statements made by Ministers, both in this House and in Westminster Hall? On 2 March this year, the Minister for Rural Affairs and Local Environmental Quality, the right hon. Member for Cardiff, South and Penarth (Alun Michael), promised me that

"in view of the opinions expressed by hon. Members of all parties and the chairman of the national park authority, I have concluded that 30"—

that is the membership of the Peak District national park—

"is the number to which we should move."—[*Official Report, Westminster Hall*, 2 March 2004; Vol. 418, c. 247WH.]

I have learned today, however, that the Government have changed their mind on that matter, and are now going to introduce legislation that will take the numbers down lower. That is in direct contradiction to the assurance that the Minister gave me in March. May we have an urgent statement or a debate on this matter?

Mr. Hain: I realise that this is an important local issue for the hon. Gentleman and others, and I am sure that the Minister will have taken careful note of what he said.

Mr. Gwyn Prosser (Dover) (Lab): Has the Leader of the House heard about the plight of Dover Athletic football club, which, in common with many other charitable trusts, is facing bankruptcy or possible closure because of retrospective VAT liabilities? Will he arrange for a debate on the Floor of the House to examine the impact of the complex VAT rules on small struggling clubs such as Dover Athletic which add so much value to local communities?

Mr. Hain: I was very concerned to hear about the predicament of Dover Athletic football club, because such clubs play a vital role in the local community, especially by bringing youngsters into creative forms of energy use rather than the alternatives ones that often disfigure our local communities. I know that my hon. Friend has strongly supported the club, is having discussions with the chiefs of the VAT collection service in the south of England, and is making representations to Treasury Ministers. As a result of his representations, let us hope that we can find a way to make sure that Dover Athletic is not plunged into bankruptcy, which it now faces.

Northern Ireland

1.1 pm

The Secretary of State for Northern Ireland (Mr. Paul Murphy): With permission, Mr. Speaker, I should like to make a statement on Northern Ireland.

Yesterday, my right hon. Friend the Prime Minister and the Irish Prime Minister—the Taoiseach—travelled to Belfast to publish an important set of documents: their proposals for a comprehensive agreement in relation to the political process in Northern Ireland. I want to explain to the House the background and the significance of those proposals.

Just over a year ago, the elections to the Northern Ireland Assembly changed the political landscape there. Sinn Fein and the Democratic Unionist party became the leading parties of their respective communities. At the time, there was much speculation that bringing those two parties to agreement together would be a difficult, if not impossible, task. In the months since the election, our efforts have been dedicated to building the trust and confidence necessary to enable those parties to lead an inclusive and stable Executive.

In February, we began a review of the Good Friday agreement involving all the parties. We spent many months discussing possible changes and improvements to the operation of the political institutions. In June, the Prime Minister and the Taoiseach met the political parties at Lancaster house and identified four areas that needed resolution to enable devolution to be restored in Northern Ireland. First, there had to be a complete and decisive end to paramilitary activity by the IRA; secondly, the process of decommissioning illegal weapons had to be completed within a clear time scale; thirdly, in that context, Unionist parties must agree to operate the power-sharing institutions in a stable and sustained fashion; and, finally, we had to create the conditions in which all parts of the community in Northern Ireland could support and participate in policing.

The documents published yesterday, copies of which have been placed in the Libraries of both Houses, represent a series of statements that would have been published in sequence by the Governments and the other relevant organisations if there had been an overall agreement. Those proposals include commitments in the form of a statement from the IRA that the causes of the conflict would be removed by the implementation of this agreement and that IRA paramilitary activity would cease immediately and definitively; and that decommissioning of IRA weapons would be completed by the end of December this year, under the supervision of the Independent International Commission on Decommissioning. I shall return to that issue later.

There were further commitments to the effect that after a period during which the good faith of the earlier commitments had been demonstrated, an inclusive power-sharing Executive would be established in March 2005. The restoration would take place on the basis of agreed changes to the operation of the institutions under strands 1 to 3 of the 1998 agreement. Finally, the proposed agreement sets out a time scale in which republicans would support policing and the policing structures established under the Good Friday agreement, in the context of the devolution of policing and justice powers, as envisaged by the agreement.

Any observer of the political process since 1998 will recognise how significant and substantial the progress represented by those commitments is. Before I turn to the outstanding area where agreement has not yet been reached, I want to pay tribute to all those involved. The leaderships of the DUP and Sinn Fein have negotiated tirelessly and in good faith. I have no doubt that they want to reach a final accommodation. I also want to pay tribute to the Ulster Unionist party, the Social Democratic and Labour party, the Alliance party and the Progressive Unionist party, all of whom have made essential contributions and without whom the progress that we have already seen in Northern Ireland would not have been achieved. And, as always, our partnership with the Irish Government has been close and decisive in driving this process forward. The progress of recent months owes much to the energy and determination of officials of both Governments.

The House will know that, despite this remarkable progress, there remains an outstanding issue that could not be resolved: the transparency with which the decommissioning process should be carried out. That issue will be familiar to right hon. and hon. Members who have followed the twists and turns of recent years. They will understand the significance of the promise of a completion of IRA decommissioning by the end of the year. But both Governments also recognise that public confidence in the process is critical to the success of any settlement and wider political stability in Northern Ireland.

For that reason, the Governments set out in the documents published yesterday a proposal that we regard as a fair compromise. Under the proposal, set out in annexe D to the document, photographs of weapons to be decommissioned would be shown privately to political parties in January and published at the time when the Executive came to be established, in March. We believed that this proposal should be acceptable to all.

I would have liked to be telling the House today that a final comprehensive settlement had been reached that would enable devolved government to be restored. That is the shared aim of all parties in this House and, more importantly, the firm desire of the whole community in Northern Ireland. Despite the efforts of so many and the remarkable progress made, we are not quite there yet and that announcement will have to wait a little longer.

I am absolutely convinced, however, that the day when the final piece of the jigsaw can be put in place is not far off. I remain optimistic that we will be able to resolve the outstanding issues and restore devolution. We have published the proposals now so that the people of Northern Ireland can discuss and debate the issues. The Governments will continue to press forward so that the remaining gap can be bridged. To that end, I will be meeting the Irish Foreign Minister, Dermot Ahern, and we will engage jointly with the parties next week. There will also be a meeting of the British-Irish intergovernmental conference on Thursday 16 December. My right hon. Friend the Prime Minister and the Taoiseach will have the opportunity to meet again at the European Council the following day.

The outstanding issue is about more than photographs. It is about confidence and trust between the parties. We will strive to encourage and build that trust. I know that in these efforts to move on from the

legacy of the past, I can rely on the support and good will of the whole House. Anyone who has followed the political process in Northern Ireland over the past number of years will appreciate that yesterday was a very significant milestone in that journey towards lasting peace and stability.

Mr. David Lidington (Aylesbury) (Con): I thank the Secretary of State for his statement. I am also grateful to him for his customary courtesy in giving me early sight of its contents.

I share the right hon. Gentleman's disappointment, and that of countless people, both in the United Kingdom and beyond, that a comprehensive agreement has not yet proved possible. We welcome his determination, and that of the Irish Government, to press ahead in the hope that a settlement can be reached, preferably this side of a general election. Does he agree, however, that what underlies the details of yesterday's publication is the fact that the prime obstacle to an agreement and an enduring political settlement remains the reluctance of republicans to show openly that they have completed their transition from terrorism and political force to becoming a political movement that campaigns to achieve its objectives exclusively through democratic and peaceful means?

After six years of waiting for the republican movement to deliver the decommissioning promised in 1998, and after so many false dawns, is it not wholly understandable that there is now widespread public scepticism in Northern Ireland about the movement's further pledges, and also a demand for concrete evidence that decommissioning has actually taken place?

Will the Secretary of State confirm that asking for photographic evidence of decommissioning is not just the position of the Democratic Unionist party, but the position of Her Majesty's Government and, for that matter, of the Irish Government? Is it not the case that if the IRA is so vehemently opposed to the attachment of that condition, there is nothing to stop it going ahead and simply delivering the decommissioning and cessation of paramilitary activity that it tells us it wishes to carry out?

I have a few questions to ask about the Government's document and the draft statements annexed to it. First, the Secretary of State said again today that it was the issue of photographic evidence on which the talks foundered; but he will be aware of the comments of the Irish Deputy Prime Minister, Mary Harney, who said

"It would be wrong of anyone to assume that this was just about photographs, that that was the only outstanding issue".

What were the other issues on which agreement was not possible yesterday?

Secondly, both yesterday's draft IRA statement and the actual statement that the IRA published today talk rather vaguely about the IRA instructing its members

"not to engage in any activity"

that might endanger a new agreement. Is it the Secretary of State's clear understanding that that undertaking from the IRA would indeed mean a firm pledge to cease all the activities listed in paragraph 13 of the joint declaration, including beatings, shootings, intimidation, racketeering and organised crime? Is it his clear and unequivocal understanding that when the IRA talks about moving into a "new mode", that means the effective standing down of its military organisation and a commitment that it will no longer engage in recruitment, training or targeting?

Thirdly, this morning's IRA statement says that photographs were "never possible". Will the Secretary of State explain on what basis the documents published yesterday included references to photographs as part of the process? Were there any prior agreements with republicans that that was going to happen?

Fourthly, the Prime Minister said yesterday that once the necessary legislation was passed Sinn Fein would recommend support for the police, and would take up its seats on the Policing Board. But the republican statements that we saw yesterday and today do not make such an unequivocal commitment; they merely commit Sinn Fein to holding a meeting to consider its position. How firm are the undertakings given to the Government that the republican movement really will accept the police and the rule of law, and has a clear undertaking been given in respect of the timetable within which that must take effect?

Finally, the documents published yesterday make no reference to other elements of the settlement, such as security normalisation and on-the-run terrorists. Can the Secretary of State confirm that unless and until IRA weapons have been put beyond use and paramilitary activity has ceased, there will be no movement from the Government on either of those issues?

Mr. Murphy: I am, as ever, grateful for the hon. Gentleman's co-operation and that of his party.

The hon. Gentleman mentioned scepticism in Northern Ireland about the political process. I suspect that there is an element of that, but I hope that there is only disappointment in Northern Ireland today, rather than despair. I do not know whether the hon. Gentleman or anyone else wishes to read a document containing 21 or 22 pages, but the bulk of it is about agreement.

The hon. Gentleman asked whether there were any other obvious areas of disagreement. I cannot find them in the document, but I think that the question goes beyond the issue of photographs to that of confidence about the transparency of decommissioning. It was, after all, owing to a lack of such transparency that the right hon. Member for Upper Bann (Mr. Trimble), when he dealt with these issues some time ago, found it impossible to move forward. Transparency and confidence are the important issues. To what extent can confidence be arrived at in Northern Ireland—particularly, but not exclusively, in the Unionist community—so that people can be confident that decommissioning has happened in a proper way?

The hon. Gentleman referred to the other statement from the IRA. It is certainly our understanding that there has been a big change in the wording. For example, a reference to the removal of the causes of conflict if agreement is reached is a world away from the old idea that those causes of conflict would go away only with the unification of Ireland. That is a big change over the last few years.

[Mr. Murphy]

The hon. Gentleman mentioned a "new mode" for the IRA, in the context of recruitment, training, punishment beatings and other matters. Of course the Government consider all those issues hugely important to attempts to resolve the problems, and to defining paramilitary activity and the ending of such activity. He also mentioned the statement that it was "never possible" for the IRA to accept photographs. Over the past 24 hours there has been some discussion about what did or did not happen in the negotiations, but what is clear is that—certainly from Leeds castle onwards—the issue of photographic evidence was there all the time. Of course we did not agree on it: that is the point. Most things were agreed; what was not agreed was the bit about photographic evidence.

The IRA clearly has a different view from everyone else. Our view is that whatever it takes to persuade people, confidently, that transparency has arrived is what we will accept as a Government—or as two Governments.

We believe that the statement in this document constitutes a commitment to examining the way in which Sinn Fein approaches the structures of policing in Northern Ireland, and—in the context of devolution of justice and policing—a clear commitment to involvement in those structures. The timetable is set out in one of the annexes.

The hon. Gentleman referred to other elements of discussion that featured in the negotiations. He specifically mentioned issues including that of on-the-runs. In the joint declaration they are related to acts of completion on the part of paramilitary organisations, particularly, in this case, the IRA. It is the Government's firm view that those acts of completion—the end of paramilitary activity and full decommissioning—must take place before on-the-runs and other issues are dealt with.

Mr. Eddie McGrady (South Down) (SDLP): Like my right hon. Friend and the Government, I am very disappointed at the unsuccessful outcome of his endeavours and those of the Irish Government over the past few months to bring agreement to Northern Ireland. Not only would such agreement have settled the issue of the structural governmental framework; it would have enabled the people of Northern Ireland, through their local representatives, to further their economic and social well-being.

The Secretary of State said that the two parties that he mentioned particularly, Sinn Fein and the Democratic Unionist party, were leading parties of the respective communities. May I point out to him that combined they represent 49 per cent. of the people of Northern Ireland, and that the other 51 per cent. have, de facto if not de jure, been virtually excluded from the negotiations? I encourage him, when he has further talks next week with those parties, to enter into dialogue with all the political parties in Northern Ireland, in order that—notwithstanding the question of photographic evidence—the confidence and trust that he indicates is missing can be established.

The statement refers to causes of conflict that would have been removed by the proposed agreement. What are the remaining causes of conflict that the agreement would have removed? Secondly, what new demands were made by Sinn Fein that, if met, would enable it to reverse its decision not to support policing and to discourage people from joining the police service? The devolution of policing powers has been agreed by all parties as an appropriate way forward. Did Sinn Fein require anything new to enable it to change its mind on the question of assisting the maintenance of law and order in Northern Ireland?

Can the Secretary of State make it clear whether Sinn Fein was correct in stating that it did not see any reference to the use of photographic evidence until approximately three weeks ago—apparently, the date was 17 November—or was there prior knowledge of such a way forward, but it simply had not been put in writing?

I greatly regret that an agreement was not reached for the sake of the people of Northern Ireland, and I encourage the Secretary of State, the Prime Minister and the Irish Government to continue their dialogue. But if they want success, they should address not only the extremes of paramilitarism and political thought, but the 51 per cent. of people—the moderate ground—who were excluded de facto, if not de jure, from the last round of talks, and include them in meaningful dialogue.

Mr. Murphy: My hon. Friend is right about the percentages to which he refers, but at the same time I was not responsible for the Assembly election results. The people of Northern Ireland voted as they did, and the result was that the DUP and Sinn Fein both secured a greater number of Assembly seats than did the other parties. However, no one party in Northern Ireland can say that it has an exclusive right to the views of either community, because that is not so. In a sense, every party in Northern Ireland is in a minority, because no one party commands the majority. As I said earlier, it is important to pay tribute to all the parties—including my hon. Friend's—which have made a tremendous effort and done great work in producing this process. So I do not for one second diminish the role of all the other parties; I am simply accepting the reality that, for the agreement to work and an Executive to be set up, agreement will have to be reached between the two parties that achieved the election result to which I referred.

My hon. Friend is right to point out that a settlement in Northern Ireland—a proper working Executive and Assembly—cannot be achieved unless all the parties in the Assembly work together properly. Although Sinn Fein and the DUP will of course have more ministerial seats than the other parties, they will not have them all. The whole purpose of the Good Friday agreement was to ensure an inclusive Executive who, in this case, would represent my hon. Friend's party, the Ulster Unionist party, the DUP and Sinn Fein.

I can assure my hon. Friend that all the parties will be involved in next week's negotiations and discussions. It is important to hear what every party has to say and what solutions they might have in trying to overcome the current difficulties. It is fair to say that in past months all the parties had the opportunity to discuss all the issues currently under discussion. After all, there was the review of the agreement itself, and some very long

nights in Stormont—involving my hon. Friend's own party—when we discussed accountability, the role of the First Minister and Deputy First Minister, and so on.

The devolution of justice and policing was an issue of particular concern to Sinn Fein. My hon. Friend is of course right to point out that such devolution is part of the agreement, but from Sinn Fein's point of view—it is of course for Sinn Fein to speak for itself—it regarded involvement in Northern Ireland's policing structures as being intimately bound up with the devolution of justice and policing to the Assembly and the Executive.

Lembit Öpik (Montgomeryshire) (LD): Clearly, the Liberal Democrats welcome the progress made in bringing the DUP and Sinn Fein so close to an agreement; we really have come a long way. I spoke to some friends at home last night, who said that the mood was one of great disappointment: so near, yet so far.

Does the Secretary of State agree that the new plan to endorse the whole Executive of the Assembly by the Assembly is a very important step forward in terms of collectivism? Ministers are there to serve the whole community, not just their party or tribe. The committee of the centre is to be placed on a statutory footing. Will it be able to scrutinise all the actions of the Office of the First Minister and Deputy First Minister, or merely those falling under its current remit?

On paragraph 14 of annexe B, which deals with community designation, do the Government intend that candidates should declare their community designation before election to the Assembly? I hope not, because we would have very grave concerns about further entrenching sectarianism in this way. We are also worried about the IRA's statement. Does it or does it not amount to acceptance of paragraph 13 of the joint declaration? Why is the IRA so resistant to providing photographic evidence, and what alternative solutions has it proposed to this vexing problem?

We welcome the developments concerning the secretariat of the British-Irish Council and the east-west parliamentary framework, which will help to further good relations between all Parliaments in these islands. Is it the Secretary of State's understanding that, in the context of the agreement, paragraph 6 of the DUP's statement—on working for agreement on policing—is compatible with Sinn Fein's commitment to movement? Indeed, has Sinn Fein indicated that it would get involved in current policing arrangements, such as participating in local district policing partnerships, immediately—in other words, before the Bill to devolve policing and justice to the Assembly would have been enacted?

In the light of the comments of the hon. Member for South Down (Mr. McGrady), do the Government not accept that their expressed intention to hold meetings with all the parties must be more than just warm words? Does the Secretary of State not accept that many friends of the agreement—in the Social, Democratic and Labour party, and in the Alliance party in Northern Ireland—have felt excluded from the current process? Would it not be a shame to make enemies out of friends of the process, simply through that sin of omission?

Mr. Murphy: I do not intend to commit any sins of omission or commission in the time ahead of us. I have met the Alliance party, in one form or another, three times in the past few weeks, and I recognise the important role that it has played in the Northern Ireland peace process. For example, it has often brokered deals between the other parties. The hon. Gentleman can rest assured that we will have a conversation consisting of more than just warm words with David Ford and his colleagues next week; indeed, we will have such conversations with all the political parties in Northern Ireland.

The committee of the centre will be a meaningful committee. The review that we undertook some time ago, which dealt with the issue of the committee's functions, pointed out that various functions of the Office of the First Minister and Deputy First Minister will be discussed in the months ahead. I cannot give the hon. Gentleman a definitive answer, therefore, as to precisely what the committee will be dealing with, because that depends on the functions of the OFMDFM.

I took the hon. Gentleman's point about the secretariat of the British-Irish Council. Sometimes, the strand 3 arrangements are forgotten. Meaningful communication between, and meetings involving all parts of, these islands is a very important aspect of the Belfast agreement. Indeed, the last meeting of the British-Irish Council was held in Guernsey and was, I thought, particularly important. All it lacked, of course, was representatives from the Northern Ireland Assembly and Executive to put their case to it. On policing, the agreement of Sinn Fein to deal with policing issues is intimately locked up with the devolution of justice and policing. Indeed, the last paragraph of annexe F says that Sinn Fein will

"convene a special Ard Fheis to decide on the issue of policing as soon as the legislation is enacted."

Mr. Kevin McNamara (Hull, North) (Lab): My right hon. Friend the Prime Minister, the Taoiseach and, indeed, the Secretary of State himself are to be congratulated on their perseverance and determination over the months to try to reach a successful agreement with all the participating parties. That is in the spirit of the Good Friday agreement, which was to make peace through addressing causes and to end divisions without requiring anyone to surrender. Whether we like it or not, the IRA regards itself as an army that has, in fact, made a ceasefire and is prepared to surrender its arms if there is a satisfactory political solution. That is the position, but the hon. Member for North Antrim (Rev. Ian Paisley) said:

"If the IRA-Sinn Fein are honest and face up to their responsibilities, they have to take the humility and the humiliation".

That is not acceptable to the IRA, which brings us to the issue of photographs. For many of us, that seems a simple solution to the problem. It is absolutely right—I am sure that my right hon. Friend would agree—that there must be verification of decommissioning and that the Unionists are entitled to proof, but surely not to

[Mr. Kevin McNamara]

trophies. The last experience with General de Chastelain showed how difficult the position was. Does my right hon. Friend understand—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I understand that these are extremely complex and sensitive matters, but it would be helpful if the hon. Gentleman made his contribution more concise.

Mr. McNamara: Does my right hon. Friend understand the real fear that photographs could be used publicly to humiliate the IRA over decommissioning? If that were agreed to, it would create dangerous divisions within the IRA and would be seen as election propaganda for one wing of Unionism over the other wing of Unionism, which sought peace without humiliation.

Mr. Murphy: I suppose that, in a way, all politicians could take lessons in humility. So far as those comments are concerned, I can do no better than refer to my right hon. Friend the Prime Minister, who said yesterday that it was not sensible to make them at a crucial point in the negotiations, but also that it was not sensible to overreact to them. They are, after all, words; what is important to the people of Northern Ireland is ensuring that the Northern Ireland Executive, the Assembly and devolution are restored.

My hon. Friend is absolutely right to refer to verification, because without it and without transparency, there is no way that the Unionist community—nor, indeed, the nationalist community—could understand that decommissioning had properly taken place. He would be the first to agree that the people of Northern Ireland and those of the Republic of Ireland voted overwhelmingly in favour of decommissioning when they voted for the Good Friday agreement.

Mr. Andrew Hunter (Basingstoke) (Ind Con): My hon. Friends in the Democratic Unionist party have been delayed in Northern Ireland by business arising from yesterday and have asked me to apologise for their absence. Will the Secretary of State take note that the DUP remains totally committed to the principle of power sharing in a devolved Government, but remains unshakeable in its opposition to that taking place in any circumstances other than with a complete, transparent and verifiable decommissioning of weapons? Is he also aware that, in his meeting with my hon. Friend the Member for North Antrim (Rev. Ian Paisley) yesterday, General de Chastelain was unable to report any meaningful dialogue with the IRA, let alone any progress on the issue of verification?

Mr. Murphy: I understand that the meeting did take place yesterday and I am sure that, as time goes by, there will be more meetings with General de Chastelain. The hon. Gentleman is right to highlight the issue of transparency. What is clear from the document, however, is that decommissioning as such is now taken as read and everyone believes that it will happen. The issue is whether people can be confident enough about the transparency of the verification. That is what remains to all politicians in Northern Ireland to resolve.

The hon. Gentleman is also right to stress the commitment to power sharing. Everyone welcomes the DUP's public commitment in the document to power sharing in the context of complete transparency of decommissioning and the end of paramilitary activity. Incidentally, it is also the position of the right hon. Member for Upper Bann (Mr. Trimble)—although he can speak for himself—and his party that there cannot be a proper power-sharing Executive in Northern Ireland that embraces Unionism without an end to paramilitary activity and proper decommissioning.

Helen Jackson (Sheffield, Hillsborough) (Lab): I suppose the first thing to say is, "Congratulations, commiserations, but please carry on". Many people in Northern Ireland believe, like me, that the crucial final sign that the paramilitary communities, both republican and loyalist, are finally committed to peaceful political ways forward is when they agree to work jointly with the Police Service of Northern Ireland in a cooperative way. Will my right hon. Friend tell us today whether unwillingness to serve jointly on district partnership boards from either side in the equation—there have been nominees from Sinn Fein and the DUP—was one of the aspects of trust to which he referred in his statement when he said that the outstanding issues amounted to more than photographs?

Mr. Murphy: I thank my hon. Friend for her congratulations and commiserations and we will continue in our endeavours to bring the process to a successful conclusion. She is right to point to the critical issue of policing, as many right hon. and hon. Members have already done, in the process. Until the policing arrangements are accepted by every part of the community in Northern Ireland, the Good Friday agreement, the Patten report and the important reforms of policing in Northern Ireland will not be absolutely complete. I believe that we are getting to that stage and that the policing arrangements are an important part of the process. My hon. Friend is right to remind the House of the importance of that matter.

Mr. David Trimble (Upper Bann) (UUP): My colleagues and I broadly welcome these proposals for the implementation of the Belfast agreement, and I would appreciate it if the Secretary of State confirmed that many of the matters included—for example, the ministerial code and the secretariat for the British-Irish Council—were in operation during the first Assembly or have been agreed then or since. The paper has to be read against the background of the joint declaration, so will the Secretary of State tell us more about the proposed implementation of that declaration? In particular, have any changes been made to it, especially with regard to normalisation procedures, their extent and the timetable for introduction? Have any changes resulted from the negotiations leading to these proposals?

There have been press reports and reports in the Dail over the last week or two of some measures that the Irish Government have negotiated with some of the parties. I would appreciate it if the Secretary of State gave us a complete account of the other matters that the Irish Government are negotiating, which are part of the mix for some parties but not for others. We need to get a full picture, which these proposals, on account of those other matters, do not provide.

I welcome, too, the overnight statement from the IRA, particularly as it largely repeats the draft that the Government have included in the proposals. Perhaps, though, the Secretary of State would consider some of its language against last October's statement, which, in some respects, depending on how one interprets it, is actually a stronger statement. Perhaps he would let us know why the language has varied from that of last October.

I also welcome the statement by the hon. Member for North Antrim (Rev. Ian Paisley) that the document has resolved all the issues that he and his colleagues have with the Belfast agreement. We welcome their completion of the process towards acceptance of the agreement, which they started when they participated in the Assembly and took office.

I have to say that we regard—

Mr. Deputy Speaker: Order. I must ask the right hon. Gentleman to confine his remarks; otherwise, this will become almost a statement in itself.

Mr. Trimble: Thank you, Mr. Deputy Speaker. I will endeavour to ask questions. We regard the request for photographs as reasonable. The Secretary of State said that it has turned out that the IRA had a different view from everyone else. Does "everyone else" include those republicans to whom he was speaking during the negotiations? Finally, with regard to the proposals in the document for the Government to nominate two clergymen to act as additional witnesses to decommissioning, can the Secretary of State confirm that that would enable the Government to nominate such persons as the hon. Member for North Antrim or the former hon. Member for Mid-Ulster? Might that be considered a way of resolving the impasse?

Mr. Murphy: It is an idea worth considering.

I thank the right hon. Gentleman for his general agreement to the points in the document and his support for the move forward. I agree, incidentally, that a number of institutional issues in the document were beginning to arise when he was First Minister. He and his party referred to them, indeed, in meetings at Stormont.

The right hon. Gentleman mentioned the joint declaration and its relationship with normalisation over the various aspects of the Police (Northern Ireland) Act 2000 and on-the-runs. All those things can come about only in the context of acts of completion, which the Government have referred to. The right hon. Gentleman will have an opportunity next week to talk to us about the detail, but what is certain is that such normalisation would be enacted only in the context of proper acts of completion on paramilitarism and decommissioning. The right hon. Gentleman referred to other issues and we can again talk in detail about them when we meet next week. For example, the question of a financial package in Northern Ireland has been referred to by his and other parties, and issues such as confidence-building measures for nationalists or Unionists were discussed. He has already raised with me and the Prime Minister some of the issues that the Irish Government raised. The Irish Foreign Minister will be present, too, next week, so there will be an opportunity there.

The right hon. Gentleman referred to last October's statement by the IRA. We will study the two statements for comparisons. Finally, he referred to photographs and to the importance of the issue. I simply repeat that it has been discussed since Leeds castle. We did not agree in the end, but many of us thought that we had a compromise.

David Winnick (Walsall, North) (Lab): Despite all the shortcomings and the unfortunate failure to get the power-sharing Executive working again, is not it a fact that the peace process of the Good Friday agreement has given much, if not all, of Northern Ireland a great degree of prosperity, substantial development and investment and freedom from day to day terrorist violence? Is not that an accomplishment in itself? We should not forget the importance of an agreement that we hope will lead to a binding agreement for the future of Northern Ireland.

Mr. Murphy: I could not agree more. I reiterate that Northern Ireland is in a much better state today than it was some years ago. That is so in terms of unemployment and general prosperity, and Northern Ireland is the fastest growing region in the United Kingdom. People are living a much better life than they used to, a life no longer encumbered by the difficulties of the past. All that is the result of an agreement forged by all the political parties in Northern Ireland.

If right hon. and hon. Members have read leading articles in the newspapers here and in Dublin and Belfast, they will know that commentators overwhelmingly referred to the importance of yesterday in getting the agreement that we want and on the points to which my hon. Friend referred.

Sir Brian Mawhinney (North-West Cambridgeshire) (Con): As the Minister who started this process more than 15 years ago, may I warmly commend the Secretary of State for the hugely significant progress that he and his colleagues have made with the Northern Ireland parties? Does he recognise that there is a variety of reasons for lack of confidence in the decommissioning process, one of which, I regret to say, relates to the handling of that issue by his predecessor, Dr. Mowlam? Will he be encouraged by the strong support on both sides of the House for his commitment to transparency in the decommissioning process, even if the last step of the way delays the inevitable, final and wonderful outcome for which so many people have striven for so long?

Mr. Murphy: I thank the right hon. Gentleman for those kind words. I agree that the process started more than a decade ago when the previous Prime Minister, John Major, was heavily involved. The right hon. Gentleman will understand, from having been a Minister himself in Northern Ireland—as will all Members who have been involved in Northern Ireland politics over the years—that the transparency of decommissioning has been an issue from the very beginning. If—I hope it is not if, but when—we deal with it, we shall have found our way to a complete resolution of the difficulties that we face.

Mr. Andrew Mackay (Bracknell) (Con): Does the Secretary of State accept that all of us who have been involved in the process wish him well and believe that real progress has now been made? Inevitably, however—and rightly—he mentioned compromise. Does he accept that there is not much more room for compromise because the real problem is that we have not yet had transparent decommissioning? Until we do, the Belfast agreement will not have been fully implemented and there is not much room for compromise from the Unionist or democratic nationalist side on that point.

Mr. Murphy: I thank the right hon. Gentleman for his remarks. He has been deeply involved in Northern Ireland politics for some time. We did have a compromise; that is the point. In the proposals, which, of course, were not accepted, the compromise that the two Governments set out was that photographs would be taken but would not be published until the Executive was up and running. Clearly, that was not acceptable to the IRA, so we must try to find another way to ensure that we get some confidence and trust on transparency.

Another new issue was the use of independent observers who were clergymen. That development can be welcomed, and we must all use our intellect, intelligence, experience and expertise over the next number of weeks to see whether we can find some way to ensure that there is sufficient transparency to command the confidence of everybody in the community.

Mr. Roy Beggs (East Antrim) (UUP): First, may I place on record my thanks to the Secretary of State and all those who have been involved in the effort to bring lasting peace, security and prosperity to the people of Northern Ireland? Naturally, like many others, I am disappointed that there has not yet been a final solution, but I recognise the need for transparent decommissioning. I welcome the agreements that have been reached between Sinn Fein-IRA and the DUP to date. In six of the 13 paragraphs of annexe E, the expressions "new agreement", "new powers" and "new arrangements" occur. Will the Secretary of State write to me identifying the parts of the Belfast agreement that will require amendment arising from the recently agreed proposals for agreement between the political parties in Northern Ireland?

Mr. Murphy: I am grateful to the hon. Gentleman for the thanks he expressed to me and to others involved in the process. So many people have been involved, including the hon. Gentleman and his party. Like him, I am disappointed that we could not go to the Waterfront hall in Belfast yesterday to announce a full agreement, so that in the new year we could ensure that there was, first, a shadow Assembly, with a full Assembly later on in 2005. But we shall keep on trying; that is important.

I shall, naturally, write to the hon. Gentleman about the points he made as he requested, but I say two things. This set of proposals is based, first, on the fundamentals of the Good Friday agreement, but also on changes suggested during the meetings held between all parties to review the agreements. The hon. Gentleman would very much welcome, for example, the changes on strand 3 to strengthen the secretariat. When the agreement was signed, it was never intended to be so set in stone that we could not, with the agreement of everybody concerned, make changes to it. However, everybody would also agree that certain fundamental points of the agreement, such as the principles of consent and power sharing, cannot be changed. People voted on those things, but there are details on the operation of the agreement that we can change. I thank the hon. Gentleman again, and I will write to him.

Dr. Julian Lewis (New Forest, East) (Con): As no quantity of photographs could ever prove that any group of people had given up all their weapons, does not the Secretary of State feel somewhat exasperated at the insistence of one side on photographs and the refusal of people on the other side to supply them? Surely, what really matters for the future is the intent and action of people on either side of the dispute, not what weapons they may or may not have got rid of, on or off the record.

Mr. Murphy: I am often exasperated by what we have to deal with sometimes in Northern Ireland; I sometimes express that feeling in more Anglo-Saxon terms. However, there are also occasions—yesterday was one of them—when I feel disappointment but also hope, because we have come so far in agreement. Although there is still work to be done on the issue we have been discussing this afternoon, there is nevertheless a feeling of hope, even though we were disappointed.

The hon. Gentleman is right. Ultimately, what is important is whether weapons are used and whether there is paramilitary activity in some form or another. That hugely important point is dealt with at great length in the document. Decommissioning is still important, not only because illegal weapons should not be there and should be handed over, but also, as I am sure he understands, as a hugely important symbolic gesture. When those weapons are handed over, in the way specified in the agreement, it will be a question not of anybody surrendering anything, but of abiding by the Good Friday agreement. That is what the agreement said should happen and that is why General de Chastelain has the commission. I welcome the hon. Gentleman's comments and I hope that we shall be able to resolve those issues in the weeks ahead.

Mr. Robert Walter (North Dorset) (Con): We should all remind ourselves that the documents are not about the triumph of one community over another or of one political tradition over another. We hope that they are the final reconciliation of those communities and traditions. I return to a point mentioned by other Members, the photographs. Annexe D, which I accept is a draft, says that

"the IRA representative has told us that the IRA will have photographs of the weapons and materiel involved taken by the IICD".

but there is a contradiction in statements subsequently made by the IRA that that is not the case. Surely it must be possible to convince both sides that the issue is confidence in the process. Photographs are not a substitute for independent verification, but an important symbol that weapons have been decommissioned. They are not a symbol of the IRA having been disarmed; they are pictures of weapons that

are no longer of use. At this late stage, cannot we convince the IRA that the pictures are of weapons, not pictures of the IRA being disarmed?

Mr. Murphy: I should very much like to do that over the next couple of weeks, but we must find ways and means to examine transparency and achieve confidence. That is what we have been talking about all afternoon. It may seem simple to people outside the House, but it is not. Like everybody else, the hon. Gentleman knows the history of Northern Ireland and he is right to point out to the House that it is not a question of triumphalism or surrender on anybody's part; it is the fact that the Good Friday agreement was voted on by people north and south. Part of the agreement is about decommissioning and that it should be carried out in a verifiable way, so that people can understand that it has genuinely been done. If the hon. Gentleman has any ideas, I should be glad to talk to him later.

Points of Order

1.56 pm

Mr. John Bercow (Buckingham) (Con): On a point of order, Mr. Deputy Speaker. I seek your guidance on a matter of good order in relation to ministerial responsibility for answering written parliamentary questions. I am gravely perturbed by a report in *The Guardian*, the contents of which appear to have been confirmed in statements made by the Leader of the House of Commons, the right hon. Member for Neath (Mr. Hain), to the effect that under a new system, howsoever introduced, Ministers are now binning hundreds of parliamentary questions tabled by hon. and right hon. Members, answers to which have not been provided for periods of up to 11 months. My understanding is that the hon. Members for Blaenau Gwent (Llew Smith), for Gordon (Malcolm Bruce), for Lewes (Norman Baker), for Selby (Mr. Grogan) and for Pendle (Mr. Prentice), my hon. Friend the Member for Mid-Sussex (Mr. Soames), the right hon. Member for Upper Bann (Mr. Trimble) and others have all been affected. Is it in order, Mr. Deputy Speaker, for Ministers to plumb new depths of abject contempt for the rights of the House? For my own part, on the strength of only seven and a half years in Parliament, I long ago came to the conclusion that I am justified in launching whatever level of interrogative onslaught is necessary to get the information and answers that my constituents and I require.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am conscious of the fact that that was something of an interrogative onslaught in itself. The Chair cannot rule on the systems in operation. Obviously, the Chair is concerned that Members should have opportunities to get answers to their reasonable inquiries, but as to the technicalities of a system for dealing with that, I suggest that the hon. Gentleman pursue his inquiries with the Table Office.

Mr. David Trimble (Upper Bann) (UUP): Further to that point of order, Mr. Deputy Speaker. It probably reflects on me, but I was surprised to discover that there is a report that questions tabled by me have not been answered. Can you give guidance, Mr. Deputy Speaker, as to how I can find out which questions have not been answered? Are records kept by the Table Office of all questions tabled so that we can check through them?

Mr. Deputy Speaker: I think I can say to the right hon. Gentleman that the Table Office should be able to assist him in discovering that information.

ESTIMATES DAY

[1ST ALLOTTED DAY]

VOTE ON ACCOUNT, 2005–06

IT Projects (DWP)

[Relevant documents: Third Report from the Work and Pensions Committee, Session 2003–04, HC 311-I, on Department for Work and Pensions Management of IT Projects: Making IT deliver for DWP customers; the Government's response thereto, HC 1125; and the uncorrected oral evidence taken before the Work and Pensions Committee on 17th November 2004, from the Rt Hon Alan Johnson MP, Secretary of State for Work and Pensions, and Mr Doug Smith, Chief Executive, Child Support Agency, HC 928-iii, on The Performance of the Child Support Agency; and The Department for Work and Pensions Departmental Report 2004, Cm 6221.]

Motion made, and Question proposed,

That, for the year ending with 31st March 2006, for expenditure by the Department for Work and Pensions—

(1) resources, not exceeding £26,303,662,000, be authorised on account, for use as set out in HC 1235 of Session 2003–04, and

(2) a sum, not exceeding £26,318,077,000, be granted to Her Majesty out of the Consolidated Fund, on account, to meet the costs as so set out.—*[Paul Clark.]*

1.59 pm

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): I am privileged and delighted to open this short but very important debate. I recognise perfectly that my colleagues who serve on the Work and Pensions Committee and colleagues who serve on the Education and Skills Committee have been selected by our colleagues who serve on the Liaison Committee to share this valuable time on the Floor of the House this afternoon. With a little help from our friends, the business managers, I hope to be able to complete this important debate by 4 o'clock, so that the education section of today's important business of estimates consideration should be completed by 6 o'clock.

I am very pleased that the Secretary of State for Work and Pensions has found time to listen to this debate on an emerging subject of importance in public policy, given the way in which information and communications technology affects the provision of public services.

Last July, the Select Committee on Work and Pensions published a report called "Department of Work and Pensions Management of IT Projects: Making IT deliver for DWP customers". It is an important piece of work, which the Select Committee undertook during the Session. I acknowledge at the outset the support that we got from our specialist advisers, Dr. Sarah Pearce and Tim Jarrett from the Library. I recognise the time put into the inquiry by my three main supporters on the inquiry: the hon. Members for Aberdeen, South (Miss Begg), for Wolverhampton, South-West (Rob Marris) and for South-West Bedfordshire (Andrew Selous), the latter two of whom are in their places, as I would have expected, and I hope that they will be able to catch your eye later, Mr. Deputy Speaker.

In addition, I want to thank some of the witnesses. Sir Peter Gershon gave generously of his time, when he was responsible for the Office of Government Commerce. The former Secretary of State, the right hon. Member for Oxford, East (Mr. Smith) was very helpful. In particular, Mr. Tony Collins, who represents *Computer Weekly*, advised and informed the Committee's work as the inquiry proceeded.

I refer colleagues to annexe 2 of the report. Nothing more than a glance at that annexe is needed to recognise—given the work done by the Public Accounts Committee, the National Audit Office and the Comptroller and Auditor General—that technical failures in ICT projects have been a feature of public policy. We went back as far as 1999, and hon. Members need only consider what happened when the national insurance recording system was upgraded in 2000–01 to recognise that the problem has been with us for some time. However, the problem is now more significant, and looking to the future, it will be become more significant still if Government policy, as we currently understand it, is rolled out as planned.

Annexe 3 serves a useful purpose in listing the current DWP modernisation programme. A glance at that annexe serves to remind the House just how much more dependent the successful delivery of DWP front-line services will be on the success or otherwise of the implementation of ICT programmes in the future. All those programmes involved complicated new technology systems that are delivered in an elaborate policy framework, on a scale that is larger than normal for comparable commercial projects and over unusually short periods, all of which lead to a very high-risk environment, to put it mildly.

The Select Committee started the inquiry in November 2003. One of the main drivers of the need for the work in the first place was that we were worried by the extent to which the Department's 2003 plans for a reduction in staff appeared to be founded too much on increased efficiencies that could be delivered by new ICT projects. Those fears were compounded after the announcement of the comprehensive spending review in July 2004, which, as the House will know, includes a further additional tranche of staff reductions that will amount to a net loss of 3,000 DWP jobs by 2008. That is a matter of some concern, not just for the staff involved or the Select Committee, but for anyone involved in the efficient and safe deployment of services by the DWP in future.

Everything that I learned in the inquiry, which included an important case study of the Child Support Agency, led me to the conclusion that it is absolutely not safe to implement job losses on that scale if the justification for doing so rests on increased functionality and efficiencies provided by new ICT systems. Staff reductions may well be justified—we must always look for efficiencies—but not on that scale nor over that period. All the evidence that the Select Committee took, particularly from front-line staff at the DWP, supported that view.

Of course, it is true that the Treasury may well be looking for its pound of flesh, but to be fair to the Treasury, it has spent large sums of public money on and made capital investment in modernisation. That is welcome, but if it is looking for unrealistic payback times that damage the front-line services that affect the

clients, it is up to Ministers at the Department to ensure that those clients are protected from a process that appears to be going too far, too fast.

As I said at the beginning, I am grateful to the Secretary of State for taking the trouble to come to the House to listen to the debate this afternoon because we are looking to him and his ministerial team. We in the Select Committee have been working carefully with them. Indeed two of them have been distinguished members of the Select Committee. We rely on their professional competence, but they have a hard job to do. They must be able to stop the process before it damages some of the front-line services if they believe that they are taking steps that may go too far, too fast, and there is a risk that we are.

The report talks about three things, and I want to spend a couple of moments on each. First, what strategies will be adopted for the future management and scrutiny of major mission-critical ICT projects in the DWP between now and 2008, and how can best practice be embedded in those future programmes? Secondly, what will happen next with the CSA? That is a matter of real concern among hon. Members on both sides of the House in the short term and in the longer term. Thirdly, I want to make one or two reflections about matters for the House of Commons itself. Have we got mechanisms in place to deal with those big, complex projects adequately in future?

The first thing that I want to say about the DWP's immediate modernisation programme is that everywhere I go with the Select Committee—I am sure that my colleagues who also serve on the Select Committee will echo this—I cannot help but be impressed by the quality of the professional front-line staff. They do a first-class job, sometimes in extremely difficult circumstances.

For example, on 22 November, 40,000 of the computer screens went down for a number of days. I happened to be in Blackpool last week—as I am sure that the Secretary of State and the Under-Secretary of State for Work and Pensions, the hon. Member for Gravesham (Mr. Pond) know—and the staff dealt with that failure efficiently and professionally, but it knocks the stuffing out of people who are taking their duties seriously. They are public servants; they take their work very seriously indeed. Their morale is knocked for six when those failures happen. They always do the best that they can to apply remedial measures in the short term. They deserve recognition for what they do. It is very easy to attack organisations such as the CSA and let them believe that we are attacking front-line staff. I want to make it clear that anything that I say about the CSA, or any other agency, casts no aspersions on the quality of their work.

The report satisfied me that there is a huge amount of best practice in the industry, in both the private and the public sectors, but there has been only patchy compliance with best practice in the past. The only way that we can be sure that we are getting best practice is to achieve far more openness and accountability—they are vital tools in our hands as a Select Committee to try to ensure that best practice is always complied with—and the DWP should be significantly more open about all its IT projects.

The OGC has had an important influence on best practice. The introduction of gateway reviews has been a significant step forward. However, too many of the OGC's recommendations are optional. We must consider giving greater powers to the OGC to enforce best practice, and we should be insisting on greater transparency—again, enforced by the OGC.

Rob Marris (Wolverhampton, South-West) (Lab): Hon. Members will know that I sat on the Work and Pensions Sub-Committee that produced the report. On commercial confidentiality, on which I am sure the hon. Gentleman will comment, does he share my memory of the flavour of the overall evidence, which was that the Government were more concerned with hiding behind commercial confidentiality than were the commercial suppliers?

Sir Archy Kirkwood: Absolutely. It was a revelation. I fully expected to run into a lot of hostility, suspicion and concern from the commercial sector, but that was far from being the case. Instead, it welcomed us with open arms. Subject to the terms applying fairly to everyone and the protection of the genuine tenders for contracts—obviously, we are grown up enough to understand that they have to be protected, otherwise that way madness lies—it egged us on. We should grasp that opportunity. The hon. Gentleman is right. The conclusion we are driven back to is that the Department is merely protecting its own situation by hiding behind a cloak of commercial sensitivity and confidentiality. It is not justified.

Mr. Mark Todd (South Derbyshire) (Lab): The hon. Gentleman touched on the gateway review. An early gateway review was disclosed to me in response to a parliamentary question at the start of the process, when it was relatively new, for a project relating to the Department for Environment, Food and Rural Affairs. I noted no dramatic consequences as a result of that disclosure and found it reassuring. However, consistent questions since to gain gateway review outcomes have been denied.

Sir Archy Kirkwood: My experience mirrors the hon. Gentleman's, and I am grateful to him for raising that. I think that the Government decided it was all too difficult and started putting up the barriers. I cannot understand why. If Parliament is treated in a grown-up way, Members will respond sensibly and positively.

The new Secretary of State—he will not be new for much longer because his face is becoming familiar—should always grab opportunities to simplify policies. Some bits of work are being done, which I welcome, and outside advisers are looking at the ineffably complicated edifice that we are trying to computerise. I recognise that CS2, the reform programme of child support arrangements, was an attempt to simplify matters and that that has gone wrong, but we should not give up the drive to make things more understandable.

The combination of the complexity of the social security system and of project management for major ICT projects frightens people to death. I am grateful that so many Members have turned up because it is a worry that people give up on trying to understand any

[Sir Archy Kirkwood]

of it. At the same time, £12 billion of capital investment has been devoted to such projects in the current period across central Government.

I used to think that the computer implementation of projects was simply an administrative matter for civil servants to get on with. It is not that at all. Instead, it is critical to the future development of public services in the United Kingdom. We have to understand the mechanisms available to us and scrutinise that work. We have to bear in mind that questions of fairness and equity limit the potential for extensive change, but we must keep up the momentum to get a simpler social security system that we can explain easily to our constituents when asked about it.

In that regard—I cannot help but sound carping—the response to the report was unsatisfactory in both its tone and content. There was a lot of management speak of which I could not make head nor tail. We asked for reasonable, important responses to deadlines. We thought hard about those and they were not just thrown out. We asked ourselves searching questions, as the Secretary of State would expect, because we know the Department well. It always treats our reports seriously and the responses are usually good. This one did not measure up.

I hope that we can get the Department to develop the way in which it thinks about such things, in particular the deadlines. It needs to publicise the work done on the business case studies, gateway reviews and implementation assessments. All those were covered in the report in measured recommendations, which were all denied. There is no way that I can disguise our disappointment with that.

The thing that worried me most was the Department's refusal to inform Parliament on a routine and regular basis about proposed IT projects. If that is the attitude, we are on a collision course, which is in no one's interest. We are not going away, however. The matter is on the agenda. A casual response to what we think is an important report is not the end of the story—

Mr. Steve Webb (Northavon) (LD): Next time it's personal.

Sir Archy Kirkwood: Soon it will get personal. That is the hard way to do things, and I would rather take the easy way.

Timetables are also important, and we need to do some work on the Department's plans.

On CSA reform, I reiterate what I said earlier about the commitment of the staff. We need to be told the state of development of the new simplified system. I know that the Secretary of State is thinking about that carefully. I am confident that I know as much as anyone can know about it, because the Select Committee spent a great deal of time looking at the problem, but I am still in the dark about progress on CS2. It is worse than that, though. There were some interesting contradictions between what the retiring chief executive of the agency said to the Committee recently and how the contractor supplier, EDS, understands the situation.

The software remediation work, which is what EDS was working on, was completed on Monday 6 December. That means that the migration process can start. The contractual obligations of EDS with regard to the software are, as I understand it, complete. It has been handed across and signed off. The Department now has it to make use of. That does not mean that it can switch it on and it will all be right. There will be a long period of updating and amending the data in the old system. Most or some of that will need to be done manually, which may take another six months or so. Therefore, if my estimates are right, it might be another six months until the conversion of the old cases can start. Once that happens, it is bound to take a period of time beyond that. Once the calculations are made and are available, there has to be a phase-in period so that the new system does not dish out high increases in liabilities to people who are making some payments.

All that leads me to believe that it will take two or three years before the complete system is operational and everyone gets all their payments in full. In fact, it might take to the end of the next Parliament. If that is the case, I would rather know that. It might sound like bad news, and Ministers may get bad crits, but it is time that they came clean and said how long it will take to put things right.

Rob Marris: Is the hon. Gentleman aware that at the bottom of page 2 of the EDS briefing paper produced for the debate it states:

"software which allows start of bulk migration of cases to new systems delivered on time"?

Sir Archy Kirkwood: That is my understanding. I am not trying to create trouble between the Department and its supplier, but there is a straight conflict between the evidence. It would help if we could understand the Government's position. We are not looking for definitive times that are undeliverable, because that is not in anybody's interests. I just think that we should be told the whole truth in its unvarnished form so that we can make judgments about what we do next. That leaves aside the whole question of backlogs, the difficulties of staff training and staff relocation. None of that helps with enforcement or debt reduction, which are also big areas of difficulty. All those issues are overlaid by the staff reductions that the agency appears to be facing, but I know that the Secretary of State is considering those carefully.

All in all, the situation is very difficult. The sooner that some light is shone on it by the Secretary of State, once he has finished his consideration, the better. If he cannot do it this afternoon, I hope that he will let us know early in the new year exactly what he intends to do. It is not an easy situation, but we would rather know the truth than be led on indefinitely in an area of policy that is causing great stress and anxiety throughout the UK.

We need transparency across government. What I have learned from this inquiry is how inadequate are the mechanisms that are available to Parliament. I was surprised at the extent to which the industry is willing to engage in a much more transparent partnership with Parliament in the process of scrutinising some of the projects as they are developed in real time. The National Audit Office looks at such matters historically and I look forward to its report on the CSA. In fact, I shall go to the hearings and sit at the back. We might even be able to sell tickets. However, we need reports

that are more in real time, so that we can track exactly what is going on. The biggest block is the difficulty that Departments seem to have in being free and open with the information that Parliament needs. Given that we will enter new territory on freedom of information early next year, people will start looking for recourse through the courts if they do not get the information that they want, such as business process statements and gateway reviews, transparently and openly from the Government. People will go to the Information Commissioner and ask for information that is withheld by Departments on the ground that their work is paid for by taxpayers' money. Parliament is entitled to know about expensive projects.

These questions are not easy, but I hope that the new Secretary of State will reflect on the response that he gave to the Committee. I hope that that is not his last word. I do not need to tell him that this is a huge issue, both collectively and in the individual elements of the CSA and other departments. I hope he will give urgent and proper consideration to the issue and try to devise a process that will in future give Parliament more confidence that it will be able to monitor and scrutinise such projects as they develop more coherently than is currently possible.

2.23 pm

Mr. Mark Todd (South Derbyshire) (Lab): I am delighted to contribute to the debate and I start by congratulating the Committee on the quality of its report. I say that as someone who 10 years ago served as an IT director in a large company and therefore had to be familiar with the principles of how large projects should be run and, in many cases, how they fail. The Committee's report was excellent and demonstrated to me that even my 10-year-old knowledge is not completely out of date. The report addressed many issues with which I was familiar when I worked to try to deliver major projects. The Committee has done everyone a considerable service, and I share the disappointment of its Chairman at the quality of the response, which did not attempt to address many of the core issues in the report.

As I mentioned in an earlier intervention, I took an interest in the Office of Government Commerce gateway process at an early stage, because with my background in the business I welcomed the attempt to take a much firmer grip of technology projects, to address the risks that might be involved in delivering them and to discover what could be done to control those risks to achieve the desired outcome. I obtained an early gateway review of a change programme in the Department for Environment, Food and Rural Affairs, which was reassuring; I thought that some further steps could be taken, but I am sure that the gateway process has altered since then. I was impressed by the initial start.

I have asked for gateway reviews on other occasions—several times for the project we are discussing—but the Committee's report contains various phrases that echo precisely previous parliamentary written answers that I have received on why disclosure was judged to be inappropriate. That serves us ill in many ways, including in the performance of our role as guardians of the public purse. These are important projects. I recognise that many of the issues involved are substantially beyond the ken of virtually all Members of Parliament, but nevertheless we can take advice on the content of documents and they should be available to us so that we can make our own judgments.

I recognise the merit in removing some of the personal comments that might be made that could be attributed to individual members of staff or those involved in the supply of the system. However, enough would remain to be publishable after that process and allow the documents to be made more widely available. Indeed, by coincidence, I received a written answer today to a question to the Chancellor—because the OGC process is the property of the Treasury—as to whether he had reviewed the gateway process following analysis of failures in the CSA system and process change programme. I was concerned to learn that there has been no such re-examination "as a direct result" of the CSA system and process change programme. Perhaps there has been a re-examination that was not a direct result. We await changes in the way in which the OGC operates and the disclosure of its activities in the future. I hope that that will happen soon.

The principles of delivering a project of the kind we are discussing are outlined in some of the papers that the Committee has produced. The first point, which is worth repeating to those who are not comfortable with technology, is that we should forget about the technology. The issue is how to make the human processes more efficient. Unnecessary elements in those processes should be removed and the most sensible way to deal with a particular task should be devised. Then the technology should be applied. All too often, those who commission a programme start from the other end. They say, "Well, this is a major technology project. We can see all sorts of problems with it." The first problem is to define the most effective way to do the job to be done. I admit that I did not see a huge amount of evidence, from what I could tell anyway—we would have liked to have greater disclosure—of that process having been properly undertaken within the CSA before the project started. But the revisioning of how to do the job in question is much the most important part of a project.

The second element is investment in the specification of how to do the job so that it can be put into a system. Again, in complex projects that element is often elided with others. People say, "Well, we need to map this down accurately, but no doubt there will be opportunities to amend it at some future stage." That is wrong, because those opportunities should not occur. The specification should take some time. A large proportion of the project's life should be spent defining the system properly so that it can then be turned into code.

That investment in time, however, should be balanced by rigid discipline. There are references in the report to project management and skills. IT project managers are strange people, and they are not comfortable to deal with, in my experience, because—I would use a rather unparliamentary term to describe the characteristics that many of them have—they are extremely detail-oriented if they are doing their job properly. They are highly protective of the discipline of the project, and will constantly remind people who attempt to depart from it of the consequences. It is therefore not easy to deal with a robust project manager, but their approach is

[Mr. Mark Todd]

valuable, because it is important to resist the desire for change while development is under way. That requires tremendous restraint. We all recognise that human beings make errors, and in the process of designing a major system, people may leave something out or fail to spot something else of importance. The specification programme should remove as much of that risk as possible but, nevertheless, something is bound to be missed. The project manager's task is to say, "I am sorry, we will not change this now. It will be changed in a properly planned process in future. The first task is to deliver a stable system that functions according to the original spec."

There were worrying signs in the project that people were all too free to suggest that something had been missed, something else could be added and so on. It was hard to work out the exact nature of the changes—I can understand the problems faced by the Committee, as Doug Smith gave some rather opaque answers—but I am concerned about changes of any substance whatever. Robustness is therefore needed from the outset. When one is commissioned to produce something that is highly complicated and of an extremely high risk, one must be disciplined and exercise restraint.

Mr. Paul Goodman (Wycombe) (Con): The hon. Gentleman appears to have taken a close interest in the project, so presumably he is aware that Mr. Smith told the Select Committee that about 50 change requests—

Mr. Todd: Fifty-five.

Mr. Goodman: I am grateful for the exact figure. Mr. Smith said that the CSA had made 55 change requests. Tony Collins of *Computer Weekly*, however, said that the figure claimed by EDS is about 2,500.

Mr. Todd: Those statistics demonstrate that this is a hazy area. There was a casual approach to counting the changes, some of which were claimed simply to be screen changes, but they can be of material significance to the system. To be too casual about managing change in the process of development shows either an improper grasp of the way in which a complex project should be run or a lack of transparency.

The Select Committee highlighted the critical value of honesty about progress and deadlines. When I was responsible for a project I was keen, like everyone else, to deliver systems rapidly. Early in my career, I attempted to talk up the progress in delivering one. However, I was firmly told that that was not acceptable. People had to attempt to remove areas of risk in the programme, and time had to be set aside to make sure that the system worked properly. I was not a politician at the time, but I was told that I was driven by the political purpose of persuading my business colleagues that I was doing my job correctly. That mirrors almost precisely the temptations in the DWP project. People felt that they had to say that the programmes would be delivered rapidly when, frankly, the complexity of the task should have made them much more hesitant about such ambitious deadlines.

I will not dwell further on the gateway process. It is imperative not just for this project but for any other major system project in government that we are given appropriate disclosure, although I accept that there may be constraints on the advice that project leaders receive.

There is a tendency, particularly in political circles, to be obsessed with the peripherals of an IT project or front-end considerations, such as how it appears to the citizen or whether they can go online and do certain things. I am disappointed by some of the presentations on the use of IT in government, as the importance of such things has been greatly overestimated. The critical elements are the infrastructure and the core systems, which are incredibly boring, but are the foundations on which the service is delivered. The appearance of the screen or the way in which citizens can access the system and get the information that they want are, frankly, secondary considerations that are some way down the line in a project. That is a generic issue, and does not apply to the DWP project because, thank goodness, there has been no attempt to allow people to access the system and look at one another's requirements

Finally, as the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) rightly said, we are undertaking a huge number of complex IT projects at the moment. I firmly believe that we need a holistic view of the use of technology in government that is driven by the concept of priorities. We must consider where the resources most need to be applied. It is sometimes forgotten that they are finite and that we do not have limitless numbers of skilled purchasers and project managers to do such tasks either within the industry or, critically, in government. We must apply those resources to ensure that we deliver our objectives properly, which requires a willingness to say, "I am sorry, that must wait for some time while we complete a number of other projects." Ministerial leadership is needed, and I am concerned that sometimes Ministers distance themselves from the process. I have made private remarks to Ministers about the CSA systems and, given my background, mentioned my willingness to talk to some of the people involved. Almost invariably, however, Ministers were uncomfortable with the technicalities. We need a ministerial focus of some depth on such subjects to lead a strategic process of change in government. It would be too optimistic to rely on individual departmental Ministers, given all their responsibilities, to try to understand and fix these things. A more strategic and holistic view is therefore needed and, above all, a more transparent process. I, too, was delighted to read some of the industry's remarks that suggested that it was not particularly worried about transparency, but were rightly concerned about the effect of some of the projects on its reputation. It is keen to achieve better quality outcomes; and some of the proposals that I have made this afternoon would help to achieve that.

2.38 pm

Andrew Selous (South-West Bedfordshire) (Con): Our debate highlights one of our prime duties as Members of Parliament. We must hold the Government of the day to account on the expenditure of public money, which, we must remember, is precious. We have learned this afternoon that a total of £12 billion has been invested across government in recent IT projects. The

sums involved are huge, and the Department for Work and Pensions, the highest spending Government Department, is at the top of the list on IT spending. Parliamentary scrutiny is essential, and we must ensure that the Office of Government Commerce enforces best practice.

Computer Weekly, which has been referred to several times, has suggested that project gateway reviews should be published in the public domain. In the United States of America, they have gone further by passing the Clinger-Cohen Act, which requires departments to report to Congress during the life of a project and highlight any deviations from that project specification. That is an American law, but I understand that the Minister for the Cabinet Office, who is a former Treasury Minister, indicated that she would look favourably at such a law in this country. Will the Secretary of State for Work and Pensions update the House on whether the Government intend to go down that path? All Governments of whatever persuasion will provide a better service to taxpayers and the public if they are subject to full and proper parliamentary scrutiny. That is true of future Labour Governments, Conservative Governments and Governments of any other persuasion. I hope that the Secretary of State will reply positively.

As part of its recent inquiry into the CSA, the Work and Pensions Committee went to Australia to examine the child support system. On that visit, we learned that the Australian Government have experienced similar problems to this Government regarding the computers that run their child support agency. The Australian Government got rid of their external commercial supplier during the life of the project, took the project in hand and made it work successfully. We must examine that example on a case-by-case basis, but it raises a number of questions.

I suspect that our Departments of State contain people who have expertise and who are capable of seriously examining commercial projects. They should be given the power to terminate a contract with an external supplier if the project looks like it will not come off and they should, like the Australians, have the courage to terminate such projects. If Departments do not have such expertise, they should scour the world to buy in the finest talent to oversee such projects. I cannot think of a better use of taxpayers' money than having people who understand such matters and who have the top technical expertise in the industry to make sure that projects deliver on time. Given the £12 billion sum that was mentioned earlier, expenditure on those people's salaries is money well spent.

Rob Marris: As a member of the Committee, does the hon. Gentleman recall that we got the impression that the DWP did not have the expertise to negotiate the contract and set up the agreement with EDS? However, we took evidence that the DWP has—not a moment too soon—beefed up its in-house technical, computer expertise, if not its legal expertise.

Andrew Selous: The hon. Gentleman is right, and he has made the same point as me. It is excellent that the DWP has increased its expertise, but we must ensure that top-level expertise exists in all Departments, and particularly in the DWP, to keep track of commercial suppliers hired by the Government.

When we were in Australia, we saw the benefits of a computer system that works, when we sat with Australian staff and listened to phone calls from the Australian public. It is was a joy to hear a phone call come in, to see the correct information, including the previous details of the case, coming up on the screen and to observe the member of staff giving efficient answers straight away and taking the case forward. We want that service for all CSA clients and CSA staff—the CSA employs about 12,000 staff—in this country.

The CSA has operated an appalling telephone system. Earlier this year, clients who rang the CSA had their calls routed to any member of CSA staff in the country who was not using their phone. The calls were answered by members of CSA staff in different offices in different parts of country, who were often unable to access the client's details. That was frustrating for both the member of the public who had rung in to try to get a service from the CSA and, indeed, the poor CSA staff. That level of service was appalling and unacceptable. The issue concerns not only computers, but a decent telephony system that serves the public.

In Australia, the computers and telephones work and proper information retrieval is possible. I asked Committee staff to analyse the case load levels of Australian staff and UK CSA staff. Where the computers work, it is no surprise that each Australian member of staff can handle a much greater case load than UK CSA staff.

In a few years' time, when the computers work—the objective for which we are all aiming—the CSA can employ fewer staff, whom we can pay more because there will be fewer of them. CSA staff are not particularly well paid—the average salary of a CSA member of staff in this country is about £14,000. I should like to see a situation in which we can employ fewer CSA staff who are better paid and who operate computers that work. That vision is achievable, because, as in many areas of social policy, Australia has led the way and shown us that it can be done. I hope that we all look forward to that vision.

Finally, I shall discuss the complexity of welfare benefits generally—the Select Committee Chairman, the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) commented on that matter in his opening remarks. When we went to Australia, we met someone who said, "The price of the equity is complexity," which is no doubt true in many cases concerning social security. If one is going to be completely fair to people in different circumstances—different incomes, savings, ages and family situations—one will be faced by a complicated welfare and benefits system.

Equity also concerns a robust, dependable system that works and that delivers the money that clients need on time, week in, week out, without failure. A system that works is a matter of equity and social justice. The welfare system is complex. The new CSA system is simpler and concerns percentages of income, but when it was converted into a computer programme, it took 60 million lines of software code to deliver the project. We must examine a simpler welfare and benefits system that is robust and that delivers—the new, simpler CSA system still requires a highly complex computer system.

2.49 pm

Mr. Steve Webb (Northavon) (LD): I join other hon. Members in congratulating the Chair of the Work and Pensions Committee, my hon. Friend the Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), and his colleagues on a very important report. If I may say so, my hon. Friend is an anorak's anorak. He was willing to go boldly where no one else was willing to go, and he has done the House, and all our constituents, an important service. Scarcely a person in the land is not affected by one or other computer system, whether for child support, tax credits or national insurance. They all affect our constituents to varying degrees, and they have to be got right. My hon. Friend and his Committee have done an important service in bringing this before the House.

The motion on which the House will be asked to express its view at 6 o'clock allocates £26.3 billion to the Department for Work and Pensions, on account, for 2005–06. It is probably out of order to ask too many questions about that £26.3 billion, because we are supposed to talk only about the bits of it that refer to the management of IT projects. Will the Secretary of State tell us how much of it refers to IT projects, to the nearest billion?

I have a feeling that we are not quite as rigorous in scrutinising public spending as we might be. I looked through HC 1235, a document referred to in the motion, to see whether I could find out what the £26.3 billion was spent on. There are six very vague headings. Apparently, ensuring the best start for children and ending child poverty in 20 years will be a snip at £113 million, whereas promoting work as the best form of welfare will cost £15 billion and improving rights for disabled people will cost £6 billion.

If I understand it correctly, this £26.3 billion is 45 per cent. of the expected figure for 2005–06, which takes us up to about £50 billion—about half the Department's whole budget. Will the Secretary of State clarify why we are talking about only just over half the budget—is national insurance excluded, for example? I am slightly befuddled. Given the vast sums that the Department deals with, some indication of what on earth we are talking about would be helpful.

On IT, we heard informed contributions from the hon. Members for South Derbyshire (Mr. Todd) and for South-West Bedfordshire (Andrew Selous). This has not been a partisan occasion, and I shall not seek to make it so—or not too much. The issue of in-house expertise is vital. I was shocked, when I read my hon. Friend's report, to find that ITSA—as in "it's a" shambles, or rather the Information Technology Services Agency of the Department for Work and Pensions—had been contracted out: handed over to one of the poachers, as it were. That is extraordinary. There is a concept in economic regulation called regulatory capture, whereby the regulator wants a quiet life and the best way to get it is to get on well with the people he is regulating. It is regulatory capture gone mad to hand over the people who know about managing IT projects to the people whose projects they are supposed to be managing.

I am reassured that the Department is now starting to build up its in-house IT expertise. However, I do not believe—this is no disrespect to the people the Department has taken on, because I do not know them—that one will get the quantity and quality of people while things are not done in-house, because surely anybody who could work for the DWP managing entire IT projects on this scale could earn three times as much working for EDS. If everything is outsourced, there will never be the quality and calibre of people being taken on. Will the sort of person who is up to the challenge take a job with the Department for a third of the money?

It was fascinating to hear about the Australian experience, whereby when the system went wrong it was brought in-house and then worked. I am worried that Departments of all sorts have lost the expertise. Initially, such IT projects were done on a public-private partnership basis. We are now reaping the rewards of that, and the Treasury has accepted that it is a mistake. However, projects are still being outsourced to a very small band of competitors. That is worrying. If the Department could choose from dozens of potential suppliers of these services, then when one of them makes a complete pig's ear of it, as it is known in technical circles, the Department could really give it a hard time by enforcing the penalty clauses and withdrawing contracts. But when it is only one of two or three, the Department dare not upset it and has to get on with it. It all seems to have got terribly cosy. The Department cannot get really tough because if that supplier goes away, it is down to two. I gather that EDS is one of only two potential suppliers for the Ministry of Defence's computer system. That terrifies me.

Mr. Goodman: Has the hon. Gentleman read reports, as I have, suggesting that EDS may be a provider for the Government's identity card scheme?

Mr. Webb: That would not greatly reassure me, given the scale of the project.

DWP projects, in particular, tend to deal with vast numbers of people. The national insurance computer deals with more people than there are living in the country—it has records of the dead on it. National IT systems do not get much bigger than that, and I cannot see that having very few people who can do it and very limited in-house expertise is the way forward.

I will be interested to hear the Secretary of State's response to a suggestion in the Committee's report about breaking such projects down. Can they be compartmentalised in any way, or are they simply indivisible? What is the Government's thinking on breaking down some of these projects into more manageable chunks?

The hon. Member for South Derbyshire rightly mentioned openness and parliamentary scrutiny. The House is constantly frustrated when it tries to oversee these things. I cannot think of many other areas in which things in Government go wrong, and in some cases have a devastating effect on our constituents, yet we cannot ask questions about them. We cannot even be told what has gone wrong or that it will be put right. One example would be the mess-up with the 40,000—I thought it was 60,000—PCs in the Department that went wrong the

other week. The Secretary of State did not come to the House, and I do not believe that there was a written ministerial statement. The shadow Secretary of State wrote a letter that was replied to—I was grateful for a copy of that—but the strategy was to try to keep it quiet. [HON. MEMBERS: "It did not work."] Indeed, it may well not have succeeded, but why should it have to? The presumption that IT matters are secret and the House should not be told even about things that go wrong is unacceptable. There should be a shift of emphasis towards a presumption of openness, not secrecy.

I want to mention NIRS2, which is another computer system that has gone wrong—there are plenty to choose from. For years, we did not have reliable information on the contracting out of the state earnings-related pension, as was. Not so long ago, when I asked questions about contracting out, the latest figures were for 1995–96 because the computer system was such a mess. Currently, the latest figures are for 2001–02. We are promised 2002–03 figures by the end of this year. When we are well into 2005, 2002–03 figures will be the most recent that we get. That cannot be acceptable. We spend about £11 billion on national insurance rebates, and the Government cannot tell us definitively how many people are getting them, or what has been happening to the numbers—have they been going up or down?

When I ask questions about NIRS2 functionality I am told that it is sorted out, yet we cannot have the data. I presume that that is because although the computer now works, it was such a mess that there is a backlog of data entry or some such. I hope that when the Secretary of State entered his new Department he was appalled at how little information it could give him about what it was doing. NIRS2 is not a sexy computer system, as it were, but it is a very important one. I hope that the Secretary of State will put resources into enabling it to give us reliable information. Information about trends in contracting out is terribly important, and the data that we have are so out of date that it might as well be pre-Beveridge.

I turn finally to the Child Support Agency. The presumption is that the new computer system is the problem and the old one is fine, but I heard that neither is working and that as a result staff are being sent home on annual leave and something called snowflake leave—I do not know what that is; I hope that the Secretary of State can tell me. Of course, we have no statement and no written information. Can the Secretary of State assure us that the old system is working properly—let alone the new one, which we know is not?

What is the Secretary of State's strategy for going from old to new? I recently had a meeting with a group representing lone parents, during which we discussed whether the Department might simply let nature take its course, bearing in mind the fact that in 16 years everybody will be on the new system. Every child who is born will go straight on to the new system and the older children will drop out. At some sort of tipping point, everybody will be on the new system. Perhaps three years short of that, so many people will be on the new system that it will be a fairly easy job to move the last lot across. I am not saying that it could take 16 years. I am asking whether that is an option for the Department—simply allowing nature to take its course and allowing a gradual, natural transition, or is the Department determined to have a CSA day, at which point everybody gets switched over on to the new system? What is the Secretary of State's latest thinking?

We ask repeatedly, "When?" and the answer is always, "When it is ready." Given that we are whinging about the problems of computers, of course we want the system to be ready. What is the Department's latest estimate? It has always been reluctant to give us an estimate, on the ground that it may be held to account for it. I will do a deal. If the Secretary of State will tell us when he thinks that it will happen, I will not criticise him when it fails to happen.

Our constituents want to know. People telephone to ask when they will go on to the new system. I tell them that I do not know and that I have asked the Government, and they do not know. Understandably, these people are dismayed. Those who are waiting need something better than that.

David Taylor (North-West Leicestershire) (Lab/Co-op): Like every other Member, the hon. Gentleman will be pressed from time to time by non-resident parents who will be better off under the new system, and not by those who will be worse off. Does he agree that it would be useful to have some statistics from my right hon. Friend the Secretary of State that indicate, by extracted samples, the likely proportions of people who are on the old system who will either be better off, worse off or much the same? That would give a feel to what the scale of the political impact might be.

Mr. Webb: The hon. Gentleman makes a fair point. If he were to read some of the written answers that I received when I probed these matters, he would find that the Department has made such estimates. As he said, on average non-resident parents will pay less. However, because of the £10 disregard, on average certain parents on benefit will gain.

I was coming on to the point that the slowness matters not only from the point of view of changes in the rules, but for every week lost, £10 is lost for good for a lone parent on income support. We may think that the odd week or two is acceptable, but if we are talking about a year or two that is £500 or £700. Those are huge sums for lone parents on income support. It is important that if the Department thinks that the transition will not happen soon, it should have a plan B. It is unacceptable that some of the poorest families in the land are missing out on a tenner a week through no fault of their own, whereas if they were new cases they would be getting the money. We have the situation where two lone parents living next door to each other, one having had a baby after a certain date and the other having had it before a certain date, will find that one is living on £10 a week more than the other, and that that will be ongoing. That is not sustainable. The Under-Secretary of State or the Secretary of State hinted that something might be done for that group. Perhaps the Secretary of State will tell us what that might be.

My hon. Friend the Member for Sheffield, Hallam (Mr. Allan), to whom the Secretary of State offered a job at the end of the Queen's Speech for his knowledge of these matters, said that people are critical of these computer issues. We can telephone the excellent CSA

[Mr. Webb]

hotline for Members. I pay tribute to the staff who deal with our queries and I should not drop them in it. However, it has been said to me that it is difficult to work with the new system. If I telephone about an old case, that is great, because all the information that I want is accessible. If I telephone about a new case, the staff have to go through complicated procedures and they cannot give me the information that I want on the phone. The information is less accessible on the new system. I wonder sometimes whether the people who have to deal with the system have been fully engaged in the process from the start.

A big issue—almost like the £450 million—is that on occasion it has been mooted that the new CSA computer might be given up as a bad job. Is that still an option? Is that still under consideration? If so, will the Secretary of State clarify how that would work in practice? Would the money that has already been handed over remain handed over? Would any of it be reclaimed? Is there a get-out clause—a break clause—for failure to deliver an effective computer system? Could the Secretary of State pull out? What would it cost the taxpayers if he did so? Is he considering pulling out, or is he of the view that eventually everybody will be a new case and we can then get the new data correct?

I am baffled by the fact that the old data are such rubbish. One of the problems seems to be that the new system is intolerant of dodgy data. I suppose that we should be thankful for that. It appears that the old system is riddled with rubbish. The data are inaccurate. Indeed, they are full of mistakes. That is one of the problems with migrating to the new system. People do not fit because the data are rubbish. Why was the CSA allowed to get away with that for presumably the 13-odd years of its existence? It was running a system involving hundreds of millions of pounds of taxpayers' money that was based on rubbish data. Presumably it was getting assessments and liabilities wrong.

There is a can of worms there. The House has failed to scrutinise that because nobody told us. The Secretary of State's predecessors failed to scrutinise what was going on when the old system was being run. The National Audit Office might want to examine how that was allowed to go on for so long with entirely inaccurate data.

The Committee has done the House a tremendous service in addressing a huge issue. The CSA is not the only example, but it is certainly the most obvious one. I hope that the Secretary of State can reassure us by telling us where he is heading with the CSA. I hope also that he will consider running some of these projects in-house in future, as an option. Or does he have an ideological objection even to considering that approach? I know that it is a bit old-fashioned, but I would welcome some of these projects being run by the Government.

3.7 pm

Mr. Paul Goodman (Wycombe) (Con): I begin by congratulating the Secretary of State. That may seem a strange, curious or bizarre remark after a debate of this sort. If for no other reason, as the Chairman of the Select Committee, the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), said, I congratulate him on coming to the House this afternoon. We all know that, sometimes, Secretaries of State with easy announcements to make come to the House, but those with difficult debates to face slough them off on junior Ministers. The right hon. Gentleman has not done that. The Opposition will not be congratulating him on much else.

Speaking as a member of the Select Committee as well as an Opposition Front Bencher this afternoon—*[Interruption.]* I have not had any complaints about that to date from Government Members of the Committee but perhaps I have received the first. The report, the Government's response, the response to that response and the events that followed were unique in my admittedly limited experience of these matters. They were also deeply worrying and should concern every Member of this place, and I want to explain why.

I should pay tribute to the Chairman of the Committee for the way in which he went about his work; I pay tribute also to the members of the Committee who have spoken this afternoon, including my hon. Friend the Member for South-West Bedfordshire (Andrew Selous). When the hon. Gentleman put the report together, an important focus of it was the Child Support Agency's IT programme, which not unsurprisingly has been the focus of this afternoon's debate.

My general experience is that the Select Committee does not pull punches in reaching is report conclusions. None the less, the reports are written reasonably; the volume is not normally playing at full blast. The current report is reasonable—how could I say anything else?—but, in announcing its conclusions, the Committee turns up the volume.

The report states:

"It is shameful that the benefits of policy simplification have been frittered away on a decision to build an IT solution that is clearly over-spec, over-budget and overdue."

The decision to deliver a simplified policy through a more complex IT system was, in the Committee's view, "astonishing." The service that the CSA's telephony system provides is "appalling." The Committee said that a former Secretary of State for the Department, the right hon. Member for Edinburgh, Central (Mr. Darling), had promised the House not only a simpler child support system but a simpler IT system. Above all, the Committee had been refused access to reviews of the IT system that the Department conducted. The Committee concluded that that

"is certainly convenient for the Department and makes us suspicious."

The Committee asked:

"Was the CSA's IT programme mis-sold to Parliament?"

The Committee demanded a full post mortem. It asked the CSA to guarantee by 1 December—a date that has passed—that the migration of old cases to the new scheme would be complete by May next year, and to publish a contingency plan by February 2005 if it could not migrate to the Committee's deadline. The Department's response—what there was of it—appeared in due course. There was no response to the request for a contingency plan or, therefore, to the deadlines that the Committee recommended.

The Chairman demonstrated again this afternoon that he is not someone who is prone to wandering through the Corridors, searching for Ministers, with a

broken bottle—full or empty—in his hand. He is always moderate. However, on reading the Government's response, he and the Committee lost patience. Out whizzed a press release, which said that the Committee was "profoundly dissatisfied" with the Government's response on publishing business cases, gateway reviews and implementation assessments. It stated that commercial confidentiality, going further than before,

"is being used to prevent Parliament from gaining access to key information about IT projects."

It summoned the new Secretary of State, who is in his place, before the Committee, with Doug Smith, the then chief executive of the CSA.

The Secretary of State for Work and Pensions (Alan Johnson): He still is.

Mr. Goodman: I am aware of that. We all know what followed as the Department scrambled at full speed to anticipate events. Would that it had responded so speedily to the Committee's recommendations in the first place.

Mr. Smith appeared before the Committee. The Secretary of State announced that Mr. Smith had decided that

"now is the time to stand aside".

The media were less diplomatic: "CSA Chief Quits in £460 Million Chaos" read one headline. Mr. Smith told the Committee that there was no date for migration, no firm date for what he called the recovery programme and, above all, no contingency plan. The Secretary of State said that he had not ruled out the nuclear option of scrapping the computer system. He pledged to make a "quick decision" on that, as the hon. Member for Northavon (Mr. Webb) will be interested to know. Later that day, the Prime Minister told the House that the current state of affairs was "not acceptable".

As I said earlier, the Secretary of State's presence this afternoon is very welcome. We all hope, whatever our party and whether we are members of the Select Committee or not, that he has some answers on, for example, the quick decision. We cannot expect an exact date but can he give some guidance about when he will make the decision? In the meantime, will he give us a timetable for the appointment of the new chief executive of the CSA when Mr. Smith goes? Is EDS right that the new version of software that was implemented on 6 December provides the capability to migrate cases from the old computer to the new system? That was mentioned earlier. If EDS is right, why is not at least migration happening now?

If the Secretary of State decides not to press the nuclear button, to use his figure of speech, will the recovery programme be completed by spring, as Mr. Smith expected? Hon. Members should note that, in the phrase that Mr. Smith used to the Committee, the deadline is

"an expectation rather than a detailed plan."

What exactly is being recovered? What news does the Secretary of State have of the migration and conversion of data?

To pick up a point that the hon. Member for Northavon made, when will lone parents get the £10-a-week payment to which they are entitled? After all, as hon. Members of all parties have said, that is at stake. The CSA is in crisis. Of the 478,000 applications to the new scheme since April 2003, only 61,000 non-resident parents—13 per cent.—have made a first payment. The CSA has failed to collect £750 million from some of the poorest families in the land.

We are not considering simply a technical story of computers, software, data and telephones that do not work, but a human story of needy children, lost cash, bewildering letters, parents getting away with not paying and desperate parents with care hanging on at the other end of those telephone lines. The story goes wider. The hon. Member for Northavon and other hon. Members said that on 22 November the Department's computer operations were paralysed by what has been described as

"the biggest software crash in Government history."

We understand that, following an attempted software upgrade—we cannot be sure because we do not really know—civil servants were unable to authorise new benefit claims or amend existing claims for approximately three days. Perhaps the Secretary of State can tell us whether the crash was linked in any way with a crash that apparently brought down the Home Office's national fingerprint computer system last week. According to insiders, that meant that

"no offender's identity can be verified".

It was described as Britain's "biggest-ever police IT disaster."

The Department issued 19 press releases last month. As the hon. Member for Northavon pointed out, it did not find time to issue a press release to explain exactly what happened on 22 November. The public, like the Select Committee, are still in the dark. My hon. Friend the Member for Havant (Mr. Willetts) wrote to the Secretary of State to ask him a series of questions. I shall not repeat them all; the list was long. However, I want to ask when Ministers were first made aware of what had happened, what instructions were issued and what, if any, implications the Secretary of State believes the incident has for the future. After all, it is the future that is at stake.

The Select Committee travelled to Blackpool and Preston last week. We were told in Blackpool by both the Disability and Carers Service and the Pension Service that the Department was expecting the computer systems to take the strain as staff numbers were reduced. The CSA is an IT disaster, a human disaster and a DWP disaster, and we cannot be confident that it will be an exception to the rule when we read that the company that might deliver the Home Office's grand identity card scheme—perhaps the biggest-ever Government IT scheme—is EDS.

So the Secretary of State must reassure us today. We cannot reasonably expect him to provide instantaneous solutions; I am sure that he will be grateful for that. However, we—along with demoralised CSA staff, parents with children in need, the Committee and the House—are entitled to clear answers that will sweep away the cobwebs of evasiveness, secrecy and non-co-operation of which the Select Committee complained.

Andrew Selous: What mechanism would be appropriate to ensure proper accountability to Parliament in relation to these issues? Does my hon. Friend think, like me, that measures similar to the Clinger-Cohen Act in the United States could be the answer, or do we need an uprising in desire from the Government Back Benches for greater parliamentary scrutiny?

Mr. Goodman: That is a good idea. In fact, I should put on record that there has been scrutiny from the Government Back Benches this afternoon. We had some very strong scrutiny from the hon. Member for South Derbyshire (Mr. Todd), who very ably recommended himself to the Department as a kind of freelance IT consultant—

Rob Marris: Or CSA chief executive.

Mr. Goodman: Even that, perhaps. We also had scrutiny from the hon. Member for Wolverhampton, South-West (Rob Marris), and others. If a Select Committee sends its report to the Government and no answer comes back on key recommendations, all we can do is keep up the pressure on Ministers. I have tried to do that, as have my hon. Friend the Member for South-West Bedfordshire (Andrew Selous), the hon. Members for South Derbyshire and for Northavon, and the Chairman of the Committee. After this story of non-co-operation, the Committee is entitled to an apology.

3.21 pm

The Secretary of State for Work and Pensions (Alan Johnson): I should like to join other Members in thanking the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood)—along with his Committee and, indeed, his Sub-Committee, which produced the report on IT—for securing this debate on an issue that is rightly of great concern to the House. I also thank him for the way in which he introduced the debate. His tone was measured, and he got to the root of the problem without seeking to turn this into a party political debate.

May I say to the hon. Member for Wycombe (Mr. Goodman) that I think that it is the hon. Member for Havant (Mr. Willetts) who has "sloughed off" this afternoon? I should like to have seen him in his place. The hon. Member for Wycombe said that he had not heard any complaints about that yet; let me be the first to record one. A Select Committee that is enhanced by its chairmanship is a little diminished by the fact that the hon. Member for Havant is not here to reply to the debate and has left that task to the hon. Member for Wycombe, who is a member of the Committee. Indeed, two of the Conservative Front-Bench spokesmen on Department for Work and Pensions affairs sit on that Committee, which rather confuses the issue. To be fair, the hon. Member for South-West Bedfordshire (Andrew Selous), who is also a member of the Committee, like my hon. Friend the Member for South Derbyshire (Mr. Todd), did not make a party political speech on an issue that concerns the whole House equally.

Mr. David Ruffley (Bury St. Edmunds) (Con): Shame!

Alan Johnson: The hon. Gentleman will now be in trouble with his party Whips.

Mr. Goodman: I should be grateful if the right hon. Gentleman would put on record the respect in which he thought I made a party political speech.

Alan Johnson: The hon. Gentleman should just read *Hansard*. I think that he made a party political speech; he aimed to say that the Government had somehow been curiously guilty of IT failures. I remember, however, something that happened under the previous Conservative Government, because I was involved with it as general secretary of the Communication Workers Union. They had a marvellous idea called Horizon—the payment card initiative—which I fully supported. It was an absolute disaster. Members need only read the National Audit Office report on it. The developer was also the financer; it was one of the most incredible errors by a Government on an IT case that we have ever seen.

Having said that, I think that modern IT developments offer enormous opportunities to businesses, public services and the way in which individuals conduct their day-to-day lives. That is why this debate is so important. Figures from the Office for National Statistics show that 52 per cent. of households have access to the internet at home, with almost 60 per cent. having used the internet in the past three months to buy or order tickets, goods or services, 36 per cent. using it for personal banking and financial services, and 23 per cent. for looking for a job or sending a job application.

As the Select Committee's report makes clear, the challenge facing the Government is to exploit the power and opportunities presented by modern IT, which the hon. Member for Sheffield, Hallam (Mr. Allan) mentioned in the debate on the Queen's Speech. Meeting this challenge has meant taking on a number of very big projects, including those involving significant expenditure, and it is right that they should be closely scrutinised by the House.

We have moved from large private finance initiative projects to smaller off-the-shelf solutions. The CSA project was the last of the old style. None of the projects, however, is risk-free, and only by taking on such projects are we able to harness the power of IT to help to deliver better public services more efficiently. I hope that the House understands and accepts that in doing this we are bound to encounter some problems, and that such problems are far from unique to government—they are also experienced by the private sector, as we all know from the publicity that surrounded the recent difficulties that Sainsbury's encountered.

Indeed, a survey undertaken by Oxford university and *Computer Weekly* on the IT projects of 1,000 project and programme managers, found that one in 10 IT projects were abandoned, three quarters were challenged, and only 15 per cent. succeeded, with similar

results for both private and public sectors. Those findings are not limited to the UK, as there is a similar story in the US. Last year's Standish Group survey of more than 13,500 IT projects in the US found that only one in three projects were successful; that on average, cost overruns were 43 per cent. and time overruns 82 per cent.; and that only half the required features and functions made it to the final product.

One of the best defences against such problems, which was mentioned in the debate, is having high-quality staff, and in particular sufficient numbers of appropriately skilled people to negotiate contracts and monitor IT suppliers effectively. In 2002, the DWP was the first Department to recruit a chief information officer, who is a member of the executive team and responsible for the delivery of the DWP's IT projects. The DWP has also recruited a series of top individuals, predominantly from the private sector, who have experience of operating and negotiating IT contracts and delivering IT services and projects. Those appointments include five information systems directors, a chief technology officer and a sourcing director, with a director of IT service delivery currently being recruited.

We therefore take on board the argument about the need for expertise in the public sector. We have been working to transform the overall capability of the Department's IT function. The objective is to move to a smaller and more professional approach, reducing overall staff numbers by more than half, but increasing skilled resources in key areas such as sourcing, risk and portfolio management. By bringing in experts in IT and procurement, the Department will build a high-calibre team of professionals able to deliver a world-class information system and IT service to the Department.

Andrew Selous: To save vast amounts of taxpayers' money, and to ensure value for money, is the Secretary of State able to pay such consultants what he needs to pay them to ensure that he can get absolutely top-class people to do the job in the hand?

Alan Johnson: I think that we are—the pension is good, as everyone keeps telling us. Certainly, from the standard of the people who are applying for these jobs —I will talk about the CSA chief executive in a minute— we believe that we are offering appropriate terms and conditions.

Rob Marris: In terms of the people being hired by the Department, and the people who have joined since two years ago, can my right hon. Friend say a little more about whether any of those individuals, at that level or lower, have the skills to do the software, computerisation and business transformation development? Does the Department now have hard expertise in computer matters, or does it merely have better expertise in supervising procurement, which, to me, the list that he read out suggested?

Alan Johnson: This is a debate about the management of IT systems, but from my understanding, the people concerned do have the necessary qualifications. Certainly, those whom I have met are well acquainted with the more techie, nerdy, anoraky end of IT projects, if one wants to use such terms. Indeed, it was specifically for those capabilities that they were recruited from the private sector. That is a key part of the progress we are making towards being better equipped to tackle the challenges that still face us. We are seeking to improve our expertise in IT, but also in addressing the business-change aspects of major IT-enabled transformations. For example, we have a programme director from the private sector for child support reform.

Let me deal with some of the key issues that have been raised. My hon. Friend the Member for South Derbyshire made two points. He expressed concern that we had rushed into the CS2 project. It was originally supposed to go live in October 2001. The then Secretary of State decided that it was not ready, and his successor decided that it was not ready the following April. It eventually went live in March 2003. I do not deny that there were problems, but there was no mad rush to get CS2 up and running.

Mr. Todd: That was not quite what I was saying. I was more concerned about the fact that the preparatory phase—which involved understanding of the process of business change and the key appointment to which my right hon. Friend has referred, and also the specification process—had not been given enough weight in the project. That is the element that was rushed.

Alan Johnson: My hon. Friend may be right about that. I mistook the point that he was making.

My hon. Friend's other point, which prompted an intervention from the hon. Member for Wycombe, related to the number of changes made to the initial contract. The hon. Gentleman said that there had been 2,500 changes, and that that was reprehensible. I wrote to the hon. Member for Roxburgh and Berwickshire, the Chairman of the Select Committee, giving the details. I am sure that he will share them with other Committee members. In the meantime, I can tell the House that according to the record there were 1,016 requests for changes—not 2,500—and 55 were agreed to as proper changes under the terms of the contract, while 657 were agreed by both sides to be defects. When the Department said that a defect should be rectified, it was itemised as a change. The remaining 304 are still under discussion. I hope that that explains the position, and that the hon. Member for Wycombe is now entirely satisfied.

Mr. Goodman *rose—*

Alan Johnson: No doubt the hon. Gentleman is about to tell me that he is.

Mr. Goodman: That means that the Secretary of State knows that I am not entirely satisfied. May I ask whether EDS agrees with those figures?

Alan Johnson: Yes. They are the figures agreed with EDS, which is why I pointed out that 304 changes were still under discussion. I will keep the Select Committee posted on them.

Rob Marris: Will my right hon. Friend clarify the question of dates? When Mr. Smith appeared before the Select Committee on 17 November, he said:

"Since December 2002, which is the last piece of review that we did, we believe that we have made something like 50 to 55 requests for change, against around 1,000-plus changes that needed to be made to the system".

It is not clear whether "Since December 2002" means that the figures related to a period leading up to that date or to a time between December 2002 and November 2004.

Alan Johnson: I cannot put my hand on the letter that I sent to the hon. Member for Roxburgh and Berwickshire, but if the answer is not in that letter I shall write a supplementary letter to ensure that the Select Committee has the information.

The hon. Member for South-West Bedfordshire made an interesting point about Clinger-Cohen. He said that we should consider introducing that American legislation for our UK procurement system. We believe that the steps that we are actively taking to strengthen our ability to manage these large projects are better than the Clinger-Cohen legislation, which could lead to a tick-box approach. That is not just our view. When pressed on this issue by the Public Accounts Committee, John Oughton, chief executive of the Office of Government Commerce, said:

"I do not think that this is the right route"—

the Clinger-Cohen approach—

"for us. I do think the route for us should be based on working with departments in partnership, collaboration. I do not think mandate helps."

So we and the OGC have considered this issue separately, and we do not think that the Clinger-Cohen approach provides a solution.

We expected the important points made by the hon. Members for Roxburgh and Berwickshire and for Northavon (Mr. Webb) to be raised, and I hope to cover them in the rest of this contribution. I understand the Select Committee's concern about the publication of the OGC gateway reviews. The House will know that the OGC is considering general disclosure of gateway review information in the light of the Freedom of Information Act 2000, which will come into effect in January 2005, so we will need to use this guidance to judge potential disclosure on a case-by-case basis. I can assure the House that if disclosure is judged to be in the public interest and is not covered by one of the exemptions in the 2000 Act, disclosure will happen.

I must make it clear to the House that, as the hon. Member for Roxburgh and Berwickshire said there will be a number of instances where disclosure will not be in the public interest. For example, if published too early, some financial information could jeopardise our ability to get the best value for money from commercial competition for a contract. Unless there were strong and overriding public interest reasons to the contrary, it would not be sensible to disclose such information. Similar concerns will apply in business cases. Nevertheless, I will do what I can to help the House and the Select Committee to get the information that they need to scrutinise this important area of Government activity. It is fair to say that the hon. Gentleman's disappointment at our response to the Committee's recommendations was to a major extent based on this issue. I hope that we will have the OGC report very soon, so that we can take this matter forward.

Mr. Todd: Will my right hon. Friend release the OGC gateway reviews relating to this project, given that it is reasonably clear that selective disclosure will happen at some point? As I pointed out earlier, selective disclosure appeared to be possible at the very start of the OGC gateway process; only more recently have people become rather more chary of it.

Alan Johnson: My hon. Friend seems to be asking whether we will apply this provision in retrospect. I want to have a good relationship with the Select Committee, and for it and the House to feel that we are being as open as we can be. I shall certainly consider what we can do retrospectively with other gateway reviews in the DWP, which is the only Department in respect of which I am able to give a commitment.

The hon. Member for Northavon referred to the question of overdependence on EDS. At one level, we are taking steps to increase the number of suppliers with which the DWP does business. We need access to a greater range of suppliers if we are to take advantage of the best that the market has to offer. Although existing suppliers such as EDS and BT will be free to bid for future work, we have made it clear that a natural result of this strategy is likely to be a reduction in traditional suppliers' share of DWP business. However, our traditional suppliers will continue to be important to our ability to deliver modern and effective services to customers. Consequently, as well as taking steps to access a greater range of suppliers, we also need to improve what our existing suppliers offer us.

I hope that the House will be pleased to hear that we have begun a constructive and frank dialogue with EDS. I met its senior executives from America yesterday evening and made it clear that we intend to extract greater value from Department for Work and Pensions IT contracts. In the case of EDS, we are its most important customer. For EDS to be successful as a business, it needs us to be a satisfied customer. The DWP is currently jointly restructuring its arrangements with EDS to create maximum value. We are looking for a radical transformation to deliver standard services at more competitive prices and we are instigating a programme that, subject to commercial agreement, will simplify existing contractual arrangements and create a catalogue and framework for new services. Overall, that transformation programme will give the Department a greater level of assurance on IT delivery for the future, but let me address in more detail the two most high-profile recent issues with EDS.

First, there is the fault with the digital object identifier system. Hon. Members have mentioned the computer failure that occurred across the DWP two weeks ago and the hon. Member for Wycombe asked several questions about it. I have now received the initial analysis of the incident and provided a copy of the report this morning to the hon. Member for Roxburgh and Berwickshire and to Opposition Front Benchers. I was seeking to make that point when the hon. Member for Northavon was speaking. I was referring to that matter, not to my reply to the hon. Member for Havant

(Mr. Willetts). The report was marked confidential and sent to the Select Committee and to the hon. Members for Havant and for Northavon this morning, as I said.

Let me be clear about the scale of the problem. It was never about a failure of our main computer systems. As was mentioned in the Queen's Speech, they operated normally throughout. For regular pensions and benefits payments, it was business as usual and customers continued to get their money as normal. The basic problem was that a routine upgrade to a small set of computers was accidentally applied to a larger group than intended. That affected those computers and could not be reversed. To use a non-computer technology phrase, EDS effectively put a round peg in a square hole and could not get it out again. Consequently, a large number of our PCs could not operate properly and there were some delays in dealing with new or amended claims because many staff were not able to access their systems. Thanks to the efforts of our staff, however, we worked round the problem.

Under the terms of our contract, we will pursue compensation from EDS for failures in the level of service, and we are now getting further information on the business impact and the resulting administrative and operational costs to assess the need for further compensation. Much of that information will help answer the questions posed by the hon. Member for Wycombe and I will be pleased to provide it to the House. EDS takes full responsibility and assured me yesterday that it has "bullet-proofed"—its term, not mine—against this happening again. Turning from that high-profile case to—

Mr. Webb: Before the Minister moves on, is there not an important issue about how the Department responded? The first I knew about the problem was when I turned on the television on Friday morning of the week in question. No information was given to the House about what was going on—*[Interruption.]* The Under-Secretary of State for Work and Pensions, the hon. Member for Gravesham (Chris Pond), refers to bandwagons, but we are talking about our constituents getting poor service and the Government refusing to tell us what was going on. Why was the report marked confidential? Why is the tendency to hold back information rather than to supply it openly?

Alan Johnson: I am talking about a report from EDS to the Government, its customer, about what went wrong. It supplied the report to us marked confidential, so it was then up to us to decide what to do with it. We were happy to share the information.

As to what happened that week, a problem occurred and we were made aware of it on the Tuesday, but it was a problem with people's desktop computers rather than the mainframe. About 20 per cent. were unaffected, but 80 per cent. became affected, albeit the process was gradual. Between Tuesday lunchtime and Thursday evening, when it was finally put right, it was all hands to the deck to find out what was going on in order to put it right. There was no attempt to keep the problem under wraps. It was simply a nose-to-grindstone, shoulder-to-the-wheel attempt by the Department and our staff to put it right. I assure any aspiring conspiracy theorists about that. It was certainly not a conspiracy, but the alternative explanation, however unparliamentary it may be to say so.

Mr. John Bercow (Buckingham) (Con): I apologise for not having been here for the start of the right hon. Gentleman's speech, but I have asked many questions previously about these and related matters. The point that the hon. Member for Northavon (Mr. Webb) was underlining was that of procedural necessity in relation to disclosure rather than the periodic exercise of ministerial fiat. Is the Secretary of State arguing that greater openness about costs will, on the whole, tend to their reduction over time? That would seem sensible. Is he alert to the fact that companies have, on the whole, a vested interest in making the process as lengthy, extensive and complicated as possible in the name of their own commercial success?

Alan Johnson: The final point has certainly occurred to me; the hon. Gentleman has put his finger on one of the real problems as regards how we solve these issues. A combination of the gateway process, having the right management systems and the fact that we are not reliant on only one supplier but are diversifying across a number of them will help put things right. Governments deal with such vast systems, not just in this country, but in others, so there has perhaps been a tendency to put too many eggs in one basket.

Let me move on to the most important issue. I am not saying that what happened a couple of weeks ago was not important but it did not affect our customers, apart from new applicants. The Child Support Agency, as many hon. Members have said, affects our customers daily. Last weekend, EDS completed a very smooth software release for the CSA system, despite its being the largest and most complex release since the system went live. This change is, in the terminology, 3.5—the fifth of six changes. So far, there have been no problems and the change has gone successfully.

David Hamilton (Midlothian) (Lab): Touch wood.

Alan Johnson: The Dispatch Box is wood!

The hon. Members for Roxburgh and Berwickshire and for Northavon, and others, have asked why, now that has happened, we cannot migrate. There is one more software phase—3.6—to go through, as the Select Committee knows because it was part of our evidence. That will happen next spring, and we have to make sure, now that things are moving in the right direction, that we can clear the backlog and the cases jammed in the system. Before migration occurs, we have to be absolutely sure that all that is done. We got the software in this weekend, but that did not lead us to say, and the House would not expect it to, that we should think three days later about migration. That would just repeat some of the problems that my hon. Friend the Member for South Derbyshire suggested had happened in the past.

There has, then, been some welcome progress on the CSA computer system. The current software release is the fifth out of six that form the most important components of the recovery plan, but there are still problems that inhibit the staff, so I was pleased that the hon. Member for Roxburgh and Berwickshire said what

[Alan Johnson]

he did about the staff who are working very hard in terrible circumstances. The final release will not be delivered until the spring.

In yesterday's meeting, I told EDS that I would conduct a formal stocktake with the Child Support Agency, EDS and the Department early in the new year. I have made it clear that I want to be personally assured, on an ongoing basis, about EDS's continued commitment and delivery track record. The plan for migration and conversion is dependent on EDS successfully remedying defects in the current system and the development, testing and successful implementation of the software for the bulk conversion of cases from old-scheme assessments to new-scheme calculations. Migration and conversion will not take place until I am absolutely satisfied that the new system is capable of supporting the full case load and that the business is stable.

I take the point made by the hon. Member for Roxburgh and Berwickshire: if it is two years away, he would rather have the bad news than nothing at all. However, until the stocktake, we will be unable to give some kind of comfort about the date when people can expect to have their cases migrated. When we are in a position to do that, it is fair that we tell the House how we expect the process to go.

The hon. Member for Northavon asked what we would do about the £10 benefit disregard. The big problem with the CSA not working is that the £10 disregard is a tangible benefit to poor children, so the reference by the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Gravesham (Chris Pond), at the Dispatch Box at DWP questions was about us looking at whether there was a way that we could get the £10 quickly, without waiting for the computer system to be sorted out. As I pointed out to the Select Committee, initial feedback was that the process would be so complicated, it would take so long and there would be so much bureaucracy, that we might as well spend the time trying to get the computer system right. However, the issue is still being considered.

Another important point is that £5 a week is stacked up under the old system and paid out as a £1,000 job bonus. That is available under the old system but not under the new system. As more and more lone parents go into work—in general, we are talking about lone parents—that £1,000 is an important element and we must ensure that they understand that that financial arrangement is still in place.

When I appeared before the Select Committee, I explained that the system is improving to a degree that would make it very difficult to decide to go through the real nuclear option, about which I was asked, bearing in mind that pulling the plug means the end of CS2 and the hopes and ambitions of the whole House for the system—it had a remarkable amount of political cross-party agreement—as well as the end of our hopes for an easier system. We are still at the stage where the system is improving to such a degree that it is difficult to contemplate scrapping it, but it is not yet coming up with the type of customer service that means that we can make a decision definitely not to scrap it. We are still in that difficult situation.

The option is not an easy one, but it must be faced. I have not yet come to a conclusion. As long as the system is appreciably improving—moving in the right direction—and EDS honours the undertakings given to me, the answer to the question, "Would you pull the plug?" would be "No" — but I shall look at it again in the new year.

Mr. Goodman: The Secretary of State told the Select Committee that he would make a quick decision. He has just given us an insight into his thinking and has concluded that, at present, the balance of the argument is in favour of letting the system continue. Will he give us any more guidance about when that quick decision will actually be taken?

Alan Johnson: I said that we would look at the matter again in the new year. The stocktake will be in January and there will be a new chief executive—I shall come to that in a second. The word "quick" will be as elastic in parliamentary terms as saying that we will publish a report in a spring that generally runs from April to December.

I want to reiterate, and make it absolutely clear, that this CSA system is the last of the old-style projects. We have learned lessons from it and there is no question but that we would do it differently if we were starting today. We need to meet today's challenges and our new chief executive will play a crucial role in helping to do so. I can confirm that the advertisement for the new chief executive has been completed and should be appearing in the weekend press. I hope that it will attract a strong field of candidates from which to choose, including my hon. Friend the Member for South Derbyshire and the hon. Member for Sheffield, Hallam, who is leaving Parliament at the next election.

In conclusion, the DWP's IT systems are vast. They contain more than 20 million customer accounts and make 13 million payments every week. We are part way through one of the largest change programmes anywhere in the world, which is transforming DWP businesses by implementing major organisational and business process change, delivering better services to our customers and freeing up staff to help people on the front line.

That change is at the heart of our aspiration to transform the customer experience. Today, customers can claim benefits over the phone and get jobs through the internet. The number of new integrated Jobcentre Plus offices has already reached almost 550. At the same time, 26 centralised pension centres have been established to provide a telephone-based service designed for the needs of today's 11 million pensioners.

The programme to modernise the way benefits are paid has so far resulted in almost 20 million accounts receiving direct payments. The public service agreement target is to reach 85 per cent. by 2005, but the current projection is that we will exceed that, reaching 93 per cent. in that time scale.

The Government's most popular online service is available through 9,000 touch-screen terminals, giving access to 400,000 vacancies in the internet job bank. The Jobcentre Plus website is one of the most popular in the country. In October of this year, it was the 66th most visited site in the UK, while in both Government and employment sectors, it was the most visited of more than 1,600 UK websites in each sector.

The Department has also been shortlisted for awards in recognition of achievements in connection with the modernisation programme. Those awards include IT department of the year and IT manager of the year, sponsored by *Computing* magazine, and the project professionals group won the Office of Government Commerce best practice delivery award in October 2003.

The modernisation of our transactional processes is crucial to delivering improved services more efficiently. It frees up resources for front-line services, modernising and streamlining corporate back-office functions, including reducing the reliance on clerical processes and reducing fraud and error.

Almost everyone in the country will come into contact with the DWP at some stage of their lives. Our commitment to better public service lies at the core of our use of IT. I welcome the continued scrutiny by the Select Committee in helping us to ensure that we get the best value for money that we can from our IT projects. I welcome the opportunity of the debate to put on record some of those facts and to answer some of the legitimate criticism that has been made by the Select Committee and others, and I look forward with optimism to a future where we can get ever greater value from our suppliers and deliver a continually improving service to our customers.

Debate concluded, pursuant to Resolution [6 December].

Question deferred until Six o'clock, pursuant to Standing Order No. 54(4) and (5) (Consideration of estimates) and Order [29 October 2002].

Academies

[Relevant documents: Fourth Report from the Education and Skills Committee, Session 2003–04, HC 58-I, on Secondary Education: School Admissions; and the Government's response thereto, Cm 6349; and uncorrected oral evidence taken before the Education and Skills Committee on 1st December 2004, from the Rt Hon Charles Clarke MP, Secretary of State for Education and Skills, HC 86-i, on Secondary Education; and the Department for Education and Skills Departmental Report 2004, Cm 6202.]

Motion made, and Question proposed,

That, for the year ending with 31st March 2005, for expenditure by the Department for Education and Skills—

(1) further resources, not exceeding £448,598,000, be authorised for use as set out in HC1234 of Session 2003–04,

(2) a further sum, not exceeding £461,594,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.—*[Jim Fitzpatrick.]*

3.57 pm

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): It is always a privilege to have a debate on the estimates. If one is the Chairmen or a member of a Select Committee, it provides an opportunity to bring some of the deliberations that we conduct across the road—in our case, in Portcullis House—into the very heart of the Chamber. It also a privilege to be the Chairman of a great Select Committee, such as the Education and Skills Committee—[HON. MEMBERS: "Hear, hear"]—with such fine members.

I usually open any speech, as one does regularly, on the role of a Select Committee Chairman by saying that one of the great advantages is travelling all around the country to places where people know a great deal about their sector of education—a lot more than I do—but my Committee and I have expertise and knowledge right across the piece. From early years, lifelong learning and secondary education to higher education, we cover it all. Indeed, there has been a massive increase in our work, given the Children Act 2004, which takes us into totally uncharted territory. That is very exciting; it also gives me the ability to have a broad range. I sometimes say that we have as broad a range as the Secretary of State himself, except that we tend to be in the job longer than he or any Minister does. The average career of a Minister is two years, two months. It was a first when we had an Education Secretary who stayed for the full four years in the last Parliament. It did us a power of good to have that continuity. The Department has a corridor that displays the length of time that former Education Ministers spent in the Department. One wonders how long it took them to get a grasp of the job before they made a reasonable and positive input.

Over the past year, the Committee has considered secondary education across the piece. That has been our main inquiry. We break our big inquiries into smaller ones to keep everyone on their toes and to keep interest going. One of my colleagues, whom I shall not name, chairs another Committee and thinks that the attention span of Members of Parliament on Select Committees is not that good, so we have to give them a healthy and diverse diet. I would not say such a thing. Indeed, I think

[Mr. Barry Sheerman]

that if an election takes place when predicted, we will be like Virgin airlines, with nine aircraft in the air, all of which we have to bring into land safely by the spring.

The Committee has concentrated on what has been going on in schools for 11 to 16-year-olds. The winter supplementary estimates provided an additional £36 million for the academies programme for the current financial year. That is a substantial amount of taxpayers' money. Following the comprehensive spending review, the Minister announced on 30 November capital allocations for academies of £207 million for 2005–06, £365 million for 2006–07 and £467 million in 2007–08. That is an awful lot of money. The Committee has to ask whether that represents a worthwhile investment by the Department for Education and Skills on behalf of the taxpayer.

As I said, the background is that we have been looking in some depth at the four strands of secondary education—diversity of provision, pupil achievement, teacher retention or recruitment and school admissions. On diversity of provision, we considered in particular the Government's current programme for rolling out a large number of specialist schools. The programme started off with a small number of specialist schools, but the ambition rapidly increased for every secondary school to be a specialist school. Although the Committee is not critical of that ambition, it is our job to evaluate the programme on the basis of the message that we regularly get from the Prime Minister and the Secretary of State, which is that the Government's watchword is: policies based on evidence. So policies are not implemented if there is no evidence-base.

We challenged the Government by examining specialist schools. Rather than seeing a systematic evaluation of programmes rolled out into a policy for specialist schools, we found an interesting accretion of policy, going back seven Secretaries of State to Kenneth Baker, now Lord Baker, who instituted the city technology colleges, and Sir Cyril Taylor, who has a greater ability to survive than the vicar of Bray. The schools may have a different name, but he is still influential in their development.

We wanted to distinguish between following a policy based on evidence and a policy inherited from elsewhere. It has been the Government's aim to put in place a structure of secondary education to improve attainment for all pupils. There is nothing wrong with that. We applaud it. Of course, that has been dominated by other watchwords, many of them emanating from No. 10, including autonomy, diversity and—one of the most popular words with all parties—choice. My colleagues and I especially want to consider the implications of the work that we have done on secondary education for the most recent manifestation of specialism—the city academies.

I turn now to the main lever for making almost all secondary schools independent specialist schools with the option to become foundation schools—a Bill to that effect was included in the Queen's Speech. Every school will be able to have a meeting of governors and decide to become a foundation school. Once that resolution is made, it will own the school buildings and will, to all intents and purposes, be autonomous. For some of us, that is a worry because it cuts out the local authority which has traditionally mediated between Government and the delivery of education through schools. That is a big change. Some people have said that the proposed Bill is not very big or important, but everyone in the sector knows that it is very important. I believe that it has already started its progress in the other place.

We have had a foundation hospital initiative in the health sector and now we are to have foundation schools. In some areas, the Government consider educational attainment to be so poor that more is needed than just specialist or foundation schools, and so we have the academy programme. I put it on record today that I am not against academies and my Committee has made no recommendation on them. However, they will be very important and take up a lot of taxpayers' money. If they are set in the context of the overall destination and progress of Government policy on secondary education, they challenge all of us interested in the quality of schools to face up to some of the changes and what they might mean.

Academies were launched in March 2000 by the then Secretary of State, now the Home Secretary, as part of the fresh start initiative, under which failing schools were closed and replaced with new schools. The academies were to be publicly funded independent schools with power to set their own governance arrangements and to disregard certain parts of the national curriculum, so as to innovate both in what was taught and how it was taught. The academies were really the best and finest example of the Government's thinking.

The aim is to have 200 academies, 60 of them in London. All will have independent sponsors, who will contribute £200 million in capital and will be able to decide on the vision and the ethos of the school. The representative of one sponsor came to see me in my office a couple of days ago and I asked him why his organisation wanted to sponsor an academy. He said that he represented one of the largest financial institutions in the country, if not the world, and it knew a good bargain when it saw one. It is a good investment to get that involved and raise one's profile for £2 million. To be fair, that group employs 8,000 people and sees the investment as a way of participating energetically in the school and making a real difference in the quality of the school.

If one studies the problem of underachievement in some of our major cities and towns one can see that, whatever the policy pursued under Administrations of different political persuasions, it is difficult to raise achievement in certain schools or a cluster of schools. The Prime Minister and the Chancellor are both obsessed, as I always say, with education and how to raise standards in such an environment, so I understand why the notion of an academy is attractive to them. It may well be the best way to achieve a high profile and raise standards dramatically.

Mr. David Drew (Stroud) (Lab/Co-op): I do not know whether the Select Committee looked at this, but does my hon. Friend accept that there is a stark difference between education in urban and rural areas? We cannot

pretend that every good school is to be found in rural Britain, and sucking resources into cities may be counter-productive.

Mr. Sheerman: My hon. Friend makes a good point, which I shall deal with later. However, I want to rattle on, as there is a great deal of interest in the topic, but we have only two hours for debate.

The concept of a publicly funded independent school having sponsors and setting up its own governance is an interesting one. Academies have had a slow start. According to the latest figures from the Secretary of State yesterday, there are 17 in existence, but another 35 are planned. The eventual plan is to have 200, 60 of which will be in London. However, 200 academies are the equivalent of 5 per cent. of secondary schools, which is a high percentage, given that the proportion of schoolchildren in independent education is 7 per cent. The number of academies is therefore small but significant. Academies have been subject to a number of criticisms, and I thank my hon. Friend the Minister for School Standards and the Secretary of State for the comprehensive, myth-busting letter that they sent us after the Secretary of State appeared before the Select Committee last Wednesday. We always appreciate fast, informative responses.

It has been suggested that academies will be outside local education authority control. I would be interested to hear the response from my hon. Friend the Minister for School Standards to the argument that they have a more favourable capital funding arrangement than other schools in the locality, which are therefore disadvantaged. While people think it is wonderful to have a beautifully designed new academy, with all its resources and new buildings, they are worried that a school a mile and a half down the road that has been doing well may suddenly be dragged down by the competition with a super-duper, all-singing, all-dancing—literally, in some cases—school.

Helen Jones (Warrington, North) (Lab): Does my hon. Friend agree that while the Government have the laudable aim of raising achievement in deprived areas, it is feared that the independence of academies might conflict with the Government's other laudable aim of making schools work together for the benefit of their area? Does he agree that that problem must be tackled as the academy programme is rolled out?

Mr. Sheerman: My hon. Friend, with whom I have worked closely on the Select Committee, is right.

It is argued that sponsors spend relatively little and have too much control over schools, thus skewing the way in which certain subjects are taught. There is concern that creationism is taught in one or two Anglican schools. The Select Committee visited one Anglican school, and although the ethos is different, we did not find evidence that creationism was being taught as a science subject in the curriculum. We understand that creationism was discussed in liberal studies as something that can be evaluated along with other theories. I do not go along with the tabloid scare stories.

On 1 December, we took evidence from the Secretary of State on secondary education and discussed academies in depth. Following that meeting, the Secretary of State wrote to the Committee seeking to dispel 10 myths about funding, the way in which academies admit pupils and the role of sponsors. His letter addressed our concerns, some of which have been put to rest.

I want to examine how academies fit into the rest of the school system. If their aim is to improve attainment across all schools, planning and co-ordination will be needed to provide appropriate provision across an area. In that context, the Committee has consistently pointed out a great danger. Some time ago, we went to New Zealand, where about 10 years ago a previous Labour Government gave all schools independence, which means that local councils no longer have any remit for education. We have found plenty of evidence that that policy has caused great difficulties, because it means that no intermediary exists between central Government and schools.

When the Committee examines schooling in a particular area, we often find systemic failure—not one or two failing schools, but a cluster of failing schools in an LEA area. LEAs are often responsible for addressing such situations, but I understand that the Government are impatient with their patchy performance. Some LEAs are good, some are excellent, some are pretty awful and some are average, which is true of most human institutions. It irritates Ministers when an LEA does not get its act together over a long period of time.

Although LEAs are examined by an inspectorate, Ofsted, the range of other powers builds quasi-government bureaucracies. For example, the Learning and Skills Council, which has a budget of £9 billion, is the biggest bureaucracy of all. It has an active interest and role in post-16 education. A previous Government made all post-16 schools independent. Such schools own their own buildings and premises, and they operate independently from LEAs. Some people argue that today's problems in the further education sector exist because a systemic answer is not available.

When it comes to addressing our skills needs, how can we lift performance? I spoke to the small business community this morning. How can one get technical colleges to respond with the right kinds of courses, in the right kind of time frame and with the right sorts of modules, if one cannot intervene on the local level?

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): A few moments ago, the hon. Gentleman mentioned clusters of failing schools. Surely the question is why LEAs have allowed such clusters to develop for so many years. LEAs are not the answer.

Mr. Sheerman: The hon. Gentleman has a point. Members of the Committee and I would not suggest that LEAs are the only answer. We should be wary about following the same route as New Zealand and should not throw away something that can be fixed. I hope that the Minister will address that point.

The Government are in two minds. On the one hand, they want independent schools. The new Bill will allow for foundation schools. We will have autonomous schools all over the country, and academies in city centres and town centres that will be even more independent because they have even more control over

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their own curriculum. On the other hand, weakened LEAs will have little power over those clusters. Some Government thinking—Professor Tim Brighouse has been very much involved with it—says that schools should increasingly co-operate as collegiates, working together as networks and clusters of schools, including schools with different specialisms. We applauded that when we spent a week with Tim Brighouse and his team in Birmingham. Of course, he is now an adviser on London education.

Our Committee is worried that those two policies do not marry together—at least, they do not appear to; perhaps the Minister will put our minds at rest. Is it possible to address systemic failure and to encourage collegiate systems and co-operation through clusters of schools, at the same time as giving more independence to schools than ever before? Who will draw these institutions together? I hope that the Minister will answer that when he winds up.

Mr. Kerry Pollard (St. Albans) (Lab): My hon. Friend mentioned colleges of further education. He will know as well as I do that they were given their freedom some years ago. Is he suggesting that that was the right way forward and that they have blossomed as a result? Will not the academies go down the same route?

Mr. Sheerman: If one looked at comments on the FE sector by some of the ministerial team and by David Bell, the chief inspector of schools, one would not be too complacent about post-16 education. The situation is patchy. There are some excellent sixth form colleges, such as Greenhead college and New college in my constituency, but there are real problems in the sector, as David Bell said last week.

I want to conclude by mentioning three questions that are being asked about academies. First, there is the question of sponsors. Some people ask why sponsors are necessary, but the Government want academies to work and sponsors provide the money. I believe that there is a healthy level at which sponsors can operate. However, I am reminded of what a member of our Committee, my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis), said when we discussed specialist schools. In a part of the country that does not have any big business, or indeed has very few private sector businesses at all, raising £50,000 for a specialist school is pretty difficult, and £2 million looks more or less insuperable. It will be less easy to find £2 million in some areas than in an area where one can see the towers of Canary wharf, with all its massive financial institutions, just down the road. Some parts of the country may not be able to find an active sponsor, as opposed to one who gives the money and then walks away.

Secondly—I shall not rehearse this argument—there is the problem of being outside local authority control.

Finally, there is the question of academies being able to have a sixth form. That might sound desirable, but planting one of those in the centre of a town or city without careful consideration of the impact on other sixth form provision in the area could do a great deal of damage, particularly in relation to shortage subjects such as maths, IT or foreign languages. It is difficult to find staff for existing sixth form provision, and spreading the gruel rather thinner may make life extremely difficult. Specialist schools with their specialists are all very good but they need qualified teachers in particular subjects. Having examined teacher recruitment and retention, we found that there was not the crisis that the popular press had claimed. However, we found that there were problems with three or four shortage subjects. Some of those problems are being addressed but there is still a difficulty.

We have reached the stage where, more or less, we know that small sixth forms are a problem. They do not have breadth, diversity and depth. If introducing academies means many small sixth forms again, just when we know that we want to be on course to more substantial sixth forms, there will be a problem.

It has been alleged that capital allocation for schools might not be the best use of the money. We are talking about £1 billion over the next three years as the Government move towards 200 by 2010, set against £6.5 billion in the "Building Schools for the Future" programme over the same period. When we consider the amount of money that the Government are spending on education and on the "Building Schools for the Future" programme —this applies to any Member who has been in the House for as long as I have—we think, "Wow! We have been waiting all these years to have a Government who put this sort of investment into education. It is wonderful." Do not ever think that the Select Committee has always to be critical of the Government. It is a wonderful investment in the education of our children in future. It is fantastic. I will not continue on that theme, although I am sure that the Minister would like me to do so.

We are asking whether it is a good idea to take so much of the overall budget in the "Building Schools for the Future" programme. We hear that the Department is saying, "If there is not an academy in your plans, you will not get the money. You have got to have an academy." That has been described as sending the heavy mob out of the Department and leaning on people. I have not met anyone in the Department who would meet that description. However, we get the idea of the sort of pressure that perhaps the Minister will say something about. Perhaps he thinks it is legitimate pressure to say, "Unless you have an academy you will not get 'Building Schools for the Future' money." I was concerned about that level of coercion.

I refer again to the written statement of 30 November, which states:

> "The Building Schools for the Future plans will be assessed according to rigorous school improvement criteria and funding will not be released until the Government and local people are satisfied that they meet the full potential for transforming standards. This includes considering Academies and other options for new schools in their plans. As we said in the five year strategy, the Government will not stand by and allow local authorities to sustain failure by refusing to engage with Academies where they can meet parental demand for good school places."

I can understand what the Minister is getting at, but there is a balance between having something that the Minister wants to achieve and involving local people who know something about their local education

provision, and who think that what they want to do may not include academies. I want to draw out the Minister a little on that.

In his evaluation letter yesterday, the Secretary of State said:

"There is a five-year PriceWaterhouseCooper study on academies, the second annual report of which is to be delivered this month."

In the statement my right hon. Friend argued that the Government could not wait five years before taking decisions. We understand that. It is a reasonable position, but what encourages the belief that academies are an answer in areas with a long history of poor attainment? In his response, perhaps the Minister will say what he thinks—rather than a bit of hope and a bit of passion—is behind the view that academies will succeed in areas where other programmes have not succeeded.

4.29 pm

Mr. Phil Willis (Harrogate and Knaresborough) (LD): It is a pleasure to follow the hon. Member for Huddersfield (Mr. Sheerman), who chairs the Select Committee. I hope that he receives the expected Christmas present from the Secretary of State after his policy defence.

Liberal Democrat Members are unhappy about granting another £36 million to a programme that constitutes little more than an act of faith by the Minister for School Standards and the Secretary of State. It lacks any sort of evaluation and is untested and untried. It appears to hang together only by an act of faith. Santa Claus might be a mythological figure but, for academy sponsors, he is not only real but bears an uncanny resemblance to the Secretary of State.

As the hon. Member for Huddersfield said, where else, for an outlay of £2 million, can one receive £24 million of capital and have all one's running costs covered in perpetuity? It is the most remarkable offer. The ability to decide the broad curriculum provision for groups of young people over whom one has no other control and with whom one has no other involvement is also thrown in, simply on the basis of being a wealthy individual or corporation. We should examine and challenge that, not simply accept it as an act of faith.

Before reverting to the academy programme, let me briefly consider the Select Committee report on admissions that was published in the summer. It directly relates to academies and admissions. I want to take the unusual step of congratulating the hon. Member for Huddersfield on an exceptionally good and balanced report. Some of the evidence from key practitioners and some recommendations were telling. The fact that they mirrored Liberal Democrat policy in their entirety is purely coincidental. I congratulate my hon. Friend the Member for Chesterfield (Paul Holmes) on having such influence on the Committee and making it see sense. It was interesting to note that the hon. Member for Isle of Wight (Mr. Turner), who is not with us today, was the only dissenting voice in the Committee proceedings.

It was especially telling that although there were high levels of satisfaction for parental preference, that applied especially outside London, which was the big problem. In a future examination of academies, perhaps the hon. Member for Huddersfield will consider whether the programme deals with a London-centric issue rather than a problem that applies throughout the country. There is a danger of taking the genuine problems in London—I would not understate them—and believing that they are translated elsewhere. I hope that the hon. Gentleman will consider that.

We were especially pleased that the Government took from the Select Committee report the proposals on co-ordinated and one-stop admissions policies. That was useful, especially in London but also throughout the country. When the Minister for School Standards sums up, will he assure the House that he will evaluate the first round of admissions to ascertain its effectiveness? Genuine concerns exist, especially in the voluntary-aided sector, that the measure may not be the panacea that many of us believe that it will prove. That is a genuine suggestion, which I hope that the Minister will take up.

We are particularly pleased that the Secretary of State has followed up the Committee's recommendation to give a greater degree of regulation, particularly from the Catholic schools' point of view, and to include the Catholic Education Service and put it on the same footing as the Church of England Education Service. It will be good that that sort of guidance will be available throughout the country, and that both those organisations, which are crucial to the delivery of our education service, will be involved in the admissions process.

The key element in the report relates directly to the academy programme. It is that the Secretary of State refused to accept the Select Committee's core recommendation, which was that statutory powers be given to admissions forums. That is hugely regrettable, because virtually everyone who gave evidence to the Committee, including the chief schools adjudicator, Dr. Philip Hunter, said that that was important. I want to make it clear to the Minister that the Liberal Democrats do not want admission arrangements that stifle diversity or innovation in our schools. We want a principle that, wherever the state funds a school, that school should have to conform to an agreed set of principles through a statutory code of practice. That is a reasonable request.

As the hon. Member for Huddersfield has clearly outlined, under the academy programme, the new Education Bill that is going into the House of Lords either this week or next and under the move to extend foundation status, the aim is to ensure that half of Britain's schools will be state-funded independent schools by the end of the next Parliament. If they were all outside a statutory code of admissions practice, we should have a real problem.

The Minister for School Standards (Mr. David Miliband): I can give the hon. Gentleman an absolute assurance that academies and schools that choose to have foundation status are bound by the code of practice.

Mr. Willis: I accept entirely what the Minister says; of course he would not say anything that was untruthful. However, with all due respect to him, he knows that the Select Committee made it absolutely clear, as did the chief adjudicator, that the code of practice is often

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honoured more in the breach than in anything else. There are huge swaths of schools that ignore the code, certainly in practice, and I do not think that that should be allowed.

Mr. Miliband: Does the hon. Gentleman not accept that, if the code is being breached—he says that this is happening across swaths of the country—there is a system to enable the adjudicator to clamp down on it?

Mr. Willis: According to the evidence taken by the Select Committee, it is quite clear that that is not happening. In fact, whenever the Chairman or other members of the Committee challenged anyone on that issue, there was a feeling that people did not want to upset the apple cart, that the admission arrangements were working and that it would be unhelpful to challenge them. A statutory code of practice would deal with that issue because, by law, it would have to be observed.

The reason that the Secretary of State and the Minister are not keen on a statutory code of practice for admissions is that such a code would allow local authorities, in particular, to plan a universal service. It would enable them to deal with the expansion of school places, the closure of schools and the building of new schools and facilities. The Secretary of State and the Minister deliberately do not want local authorities to be involved in those matters. The reality of the new Education Bill is not only that it introduces the idea of more foundation schools that will be independent state-funded schools; it also virtually removes from local authorities any ability to plan or offer provision within their areas. Members ought seriously to challenge that, and I know that the hon. Member for Huddersfield and his Select Committee are going to look into the matter.

I want to be generous to the Minister and the Secretary of State in regard to the academy programme. I believe that they are absolutely sincere in wanting to provide educational opportunities to children living in some of our poorest communities. The first 17 academies were launched in some of the most deprived areas anywhere in the country, often replacing schools that, at best, had a disappointing record of educational achievement. That is important to say, and it is why I have been supportive of the party stance in areas such as Lambeth, Islington and Southwark, which have Lib Dem councils, and where we have been involved in supporting academies as part of an overall improvement in provision.

The Minister is right that the state of affairs that existed in many of our poorest areas, not only in London but throughout the country, could not continue. As the Home Secretary famously said, we cannot simply allow social deprivation to be an excuse for educational failure. For too long, that has been the case. What we have not recognised is that, sometimes, the hill that needs to be climbed is much higher in those areas, and therefore they need a great deal more support.

I do not attack academies simply for the sake of saying, "This is something new, and therefore we must not have it." But where is the evidence that spending a disproportionate amount of a precious resource on academies—£1 billion on capital in the next three years—will solve the problem without destabilising the remaining education provision in particular areas? The Minister must address that when he sums up.

We would argue that the right approach is to give all schools that are not in special measures, or not showing signs of weakness, the freedoms that academies and foundation schools will have. When the hon. Member for Ashford (Mr. Green) was the Conservative Front-Bench spokesman, he and I proposed an amendment, on the Report stage of the Bill that became the Education Act 2002, which would have done exactly that. It would have given every school and local authority autonomy and freedoms to innovate without having to ask the Secretary of State. Now, unless the Secretary of State chooses such schools, they cannot have such powers. We have an army of brilliant head teachers and teachers, committed governors and committed communities who would like to do far more to improve their school but are physically prevented from doing so by a Secretary of State who says, "I will decide which schools are allowed to have those powers." That is incredibly sad.

I make this offer to the Minister: if he gives me £25 million, the ability to build a new school, select my students, expel those who are difficult, and impose my chosen ethos and curriculum regime, I will deliver results. I have delivered results in schools and in areas that, as he knows only too well, are incredibly deprived and depressed. Head teachers all over the country who watch this debate will be saying, "That is what I am doing. Why do I not get my share of those resources and the freedoms to be able to do things differently?"

Where is the evidence on which the Minister and the Secretary of State based the move to the academy programme? Did it come from the charter schools in the United States, as I suspect? If so, will he produce any evidence that demonstrates that that has improved educational attainment standards in public schools across the United States? There is no evidence of that. There is evidence that there are some brilliant charter schools. There is also evidence that there are some appalling examples of charter schools, which the hon. Member for Bristol, West (Valerie Davey) and I visited some five or six years ago, and in which I would have been ashamed to educate my children. If the Government's evidence for such a model did not come from charter schools, where is the model that suggests that the programme will be successful?

Will the Minister publish the PricewaterhouseCoopers 2003 report, and let us see it? Will he produce the 2004 report, which is now in his office? If he will not, will he tell us why we cannot see those reports? If what is happening in the academy movement is so exciting, let us see what PricewaterhouseCoopers is saying about it, and form some opinions.

How are sponsors chosen and vetted? I have seen no criteria in the plans that have been published so far to determine who is a good sponsor and who is not. Do we just ask "Are you a rich bloke with £2 million? If so, we will slot you into one of the academies", or is it more subtle than that? Will Chris Woodhead and his new organisation, Cognita, with its vast resources, now be

regarded as a suitable sponsor for a group of academies? After all, the last Secretary of State reappointed him as chief inspector of schools.

Are Sunny Varkey and the Gems foundation being actively considered for a group of academies, as I understand that they are? If so, I think Members need to know that we are going down a very different route. It may well be possible to translate the Edison project or the Advantage project in the United States to England, but we should be think carefully first.

Creationists now seem to be perfectly reasonable people to run our schools, which I find staggering. I also find it staggering that the Minister should think that because the people of Doncaster rejected creationism as a theme for their school, we should think them outrageous. Who would not be considered acceptable as a sponsor? David Beckham? Ozzy Osbourne? Ozzy Osbourne would make an interesting sponsor of an academy somewhere, but it would be very tough on the Animal Liberation Front.

My main point, however, concerns the destabilising effect. The Government plan to have 50 academies by 2007, and 200 by 2010. Where have those figures come from? Why that number? How is it being decided where the academies will be? The original premise of the right hon. Member for Sheffield, Brightside (Mr. Blunkett) was that if schools achieved less than 25 per cent. A to C grades over three consecutive years, they would be considered for special treatment. I have no problem with that. I have no problem with identifying real challenges and what should be done about them. But if that is the criterion, it takes no account whatever of all the surrounding schools that may well have been working their backsides off to improve performance and move up. Will the planting of an academy destabilise that?

Then there is the important question of small sixth forms. The Government's new premise is that any 11-to-16 school that wants a sixth form will get one, irrespective of whether that is destabilising. Earlier this week we met a group who wanted to sponsor a host of academies, but said that there must be sixth forms. They want five-to-19 academies, much like the one that is to be set up in Islington.

The point about collaboration is crucial. Under the Government's five-year plan, which covers academies and foundation schools, schools will select students aged 11 and there will be a new wave of highly successful specialist foundation schools. What will happen to the Tomlinson proposals? How do the academies fit in with these proposals? What about the need for collaboration between institutions for 14 to 19-year olds? How do local authorities fit in with these proposals? Without a statutory code of practice for admissions, how can we ensure that such schools actually collaborate? Who will force the academies to join in and support those programmes?

At the end of his speech, the hon. Member for Huddersfield (Mr. Sheerman) raised the interesting issue of local authorities being blackmailed into agreeing to include an academy as part of the "Building Schools for the Future" programme. I asked the Secretary of State the simple parliamentary question whether one needs to have an academy as part of one's "Building Schools for the Future" programme. The Minister's written response was that he would write to me in due course. The "Building Schools for the Future" website states:

> "DFES will expect local authorities to use the LEP model unless they can demonstrate a better value for money and more effective method of delivering the investment made possible by Building Schools for the Future".

Local authorities cannot satisfy that requirement without having an academy, because they cannot build schools themselves. The Minister has specifically told authorities in Newcastle, Sunderland, Middlesbrough, Doncaster, Islington and Southwark that unless they have an academy, they cannot have the money. That is neither right nor fair.

Mr. Miliband: The hon. Gentleman has made a very serious accusation that is completely untrue. I remember answering his and other Members' questions on this issue and I referred them to the very clear statements in the five-year plan and the "Building Schools for the Future" document. The latter states:

> "The Government will expect local projects to provide a proper evaluation of academy options and that such reform is critical in order to demonstrate the expected impact on educational standards of large-scale capital investment".

That remains the position and, if the hon. Gentleman likes, I can quote from the five-year plan. I have asked for the parliamentary question that he says I did not answer to be investigated, but the position is absolutely clear and has been repeated in all our discussions throughout the country.

Mr. Willis: Before signing off a parliamentary question, the Minister should actually look at it, rather than simply writing back to the Member concerned, saying that he will provide an answer in the future, particularly in cases where the policy is clear. That is an arrogant way to deal with such matters. Why is Newcastle being forced to include an academy that it does not want?

Mr. Miliband: My understanding is that the Liberal Democrats won the local election there promising to have an academy.

Mr. Willis: The Minister makes light of this issue, but the reality is that, as Members know full well, no money can be accessed unless an academy is included. It would be a very sad group of local councillors who, given the option of a £100 million-plus building project, did not meet the Government's expectations. Can the Minister point to a single major "Building Schools for the Future" project that does not include an academy? Can he point to a single secondary school negotiation currently taking place that does not include an academy? If he can, he will have a better case.

At most, 5 per cent. of our 3,500 to 4,000 secondary schools might become academies by 2010; the majority will not. The majority of heads and staff working in some of the most deprived areas and difficult of circumstances are delivering brilliant results. They get not a word of praise from the Minister. Unless they are prepared to go down this route, they will not be trusted with the freedoms and flexibility that would enable them to do an even better job for their children. What a wonderful Christmas present from the Minister.

4.54 pm

Valerie Davey (Bristol, West) (Lab): We all recall that when the project was launched it was defined as a radical new approach to bring the cycle of failing schools in inner cities to an end. The project was launched by the then Secretary of State with a vision of excellence and diversity. It was to be a vision of transformation. I want largely to celebrate the project through the eyes of one of the new academies—the Bristol city academy. I want to look at how it emerged and assess its prospects for the future.

The academy lies in the constituency of my right hon. Friend the Member for Bristol, East (Jean Corston) and it was precisely one of the inner city sites that the then Secretary of State had in mind for the project. It had and has an excellent head teacher in Ray Priest, initially head of the St. George community college, and was supported during the early years of the present Government, both as part of an education action zone and as part of the excellence in cities initiative. The idea of collaboration supported the school and saw it develop into an academy.

I congratulate the chairman of governors, the staff and the consortium of sponsors who came on board. Interestingly, the consortium was led by the university of the West of England and Bristol City football club. No one individual came in with a lot of money and his own theory of education. What happened was due to organisations that had already supported the school and its emphasis on sport. Bristol City football club was committed to serve an inner city area; and UWE was interested in raising standards in an inner city area, so it fully collaborated in the project. The academy was born out of collaboration and I trust that it will continue that way. As long as the present head remains there, I have no doubt at all about that. Collaboration with the local education authority, Bristol city council, was also important. The collaborative work goes on and the present head and governors are in place.

The academy is celebrating excellence with diversity. Educational attainment, judged by those gaining five A to C grades in GCSE, is steadily improving. It has gone up from 17 per cent. to 22 per cent. and now stands at 33 per cent. I take note of what other hon. Members have said about sixth forms. Significantly, where last year the academy sent only two students to university, this year it sent 17, including one to Oxbridge. Those young people were still supported by the education action zone. Indeed, the EAZ helped to ensure that all those students took a laptop, or equivalent funding for it, to university with them. The academy has grown and developed out of collaboration, which I believe provides a model for the future.

While this school has succeeded, the LEA has had the difficult task of closing two other schools in Bristol. I am not saying that the closures are the direct result of the academy. Rather, they are the result of the changing demography within Bristol, whereby more people are now living in the inner city. We have succeeded in building on brownfield sites and many more people are moving into areas around the school, which will benefit from it. In other areas, schools have had to shut. Either of those schools could presumably have become a foundation school. Even if they did not, however, it was the LEA that had to take responsibility for shutting them, with all the anguish and concern that that caused to parents and children. We have to have a strong LEA taking strategic decisions, and it should be involved in the strategic decisions of the academies. In my book, the academies should still be within the LEA's remit.

For now, there is a successful academy, and I can do nothing except celebrate what has been achieved. It has, however, been done against a specific background, and I cannot say, for the long term, whether, under a different head and a different management, that school might not, as it becomes more and more popular, select its young people, instead of the local community choosing to go, in a very celebratory way, to a brand new school.

We have to conceptualise what will go on in future, therefore. If we have, as we do now, 16-plus in the hands of the learning and skills councils, if 5 per cent. of academies are independent but publicly funded, and if more and more foundation schools become independent, is it, indeed, the long-term objective of Ministers that all secondary schools will be outside the LEA? That is a question for the long term, but I would like an answer from the Minister. What is the ultimate long-term objective of the policy? Are the Government saying that only an independent sponsor—someone from outside the immediate education sector—is capable of bringing new imagination and creativity to failing inner-city schools?

In LEAs, where things have gone badly wrong, another LEA has come in alongside the LEA to support it in difficult circumstances. I do not want the expertise of LEAs to be taken away to other agencies and sponsoring bodies so that we undermine the democratic accountability of schools. Ultimately, it is only through the collaboration of primary schools with secondary schools, and of secondary schools with secondary schools, that we will get the best attainment for our young people at every level.

We must not forget the extensive parental choice that the Government have developed and encouraged. Parents seeing a new school and all the extra facilities that academies and foundation schools have will of course gravitate towards those schools. As a Labour party member, however, I want to be assured that the fundamental principle for education is that every child matters. If every child matters, we cannot allow some to steam ahead at the expense of others.

Like other hon. Members, I do not damn outright the concept of the kind of mutual approach that I have seen at the Bristol city academy. I can see what has happened, and I can see the value of it, but if every child matters, the two schools that have shut in Bristol needed as much care and protection from the LEA and from the Government as was put in to enhance the achievement of the young people in the constituency of my right hon. Friend the Member for Bristol, East. We must have a broad-based policy. We cannot embark on an expensive project for 5 per cent. of our schools if it will be to the detriment of even another 5 per cent., let alone a larger proportion, which it could well be. I am looking for an in-depth analysis. Like the hon. Member for Harrogate and Knaresborough (Mr. Willis), I want to know why we have not yet received the initial report from

PricewaterhouseCoopers. It may only be short term, but if it is available it should be in the public domain, as should the report that is to be delivered this month.

Let us have transparent government. Let us see what is happening. Let us celebrate—as I do—the Bristol city academy, but let us use that experience as a lesson for the future. Let us understand exactly what the long-term objectives are for the relevance of LEAs in what is a difficult position: transformation—another word used by the former Secretary of State. It is a hugely difficult management skill to get from failing schools to successful schools—to take a changing demographic situation and ensure that schools are available where they are needed. Capital investment is recognised and valuable, but it must be in the right place and at the right time. The wishes of children and their parents must be recognised.

I celebrate what I have seen in the city of Bristol, but I want recognition of the real concerns that are being expressed by the Select Committee and others as we suddenly go from 50 to, perhaps, 200 schools by 2010.

5.6 pm

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): It is a pleasure to follow the hon. Member for Bristol, West (Valerie Davey), a fellow member of the Select Committee. She is right to cite the Bristol city academy, whose results over the past few years have improved from 25 per cent. of pupils achieving five good GCSEs to 33 per cent. She is also right to praise the head, who was named head teacher of the year for the west of England. But she is wrong always to assume that in life there is a zero-sum gain. Some people can gain without it being at the expense of others.

I congratulate the hon. Member for Huddersfield (Mr. Sheerman), the Chairman of the Select Committee, on securing this important debate. It is a pleasure to serve on the Committee under his chairmanship. It is a delight, too, to see the Minister for School Standards on the Treasury Bench and I look forward to his response at the end of the debate. It is also a pleasure to see my hon. Friend the Member for Fareham (Mr. Hoban) on the Opposition Front Bench and, of course, the Liberals are here, too.

The debate about academies and the whole issue of diversity of provision in state education is a huge red herring. There are 3,409 secondary schools in England, of which 12 are currently academies. A further 35 academies are in preparation, with a total of 200 expected by 2010. I am not against academies. They are a worthy attempt to try to raise educational standards in areas where standards have traditionally been unacceptably low. But that is all they amount to, although the Government may be right to begin taking LEAs out of the loop. We should really be focusing on the general level of educational underachievement in the remaining 3,200 secondary schools. Indeed, in the Government's response to the Select Committee report on school admissions, they say that they are concerned to ensure that every school is a good school.

The same is true of specialist schools. Of course, it is nice to have a variety of schools from which to choose. Some schools may specialise in the subject in which one's child excels, but are not such schools a luxury that we should come to only when we have sorted out the basic problems facing our education system? People want a basic high standard of education right across the board. The present situation is rather like a hotel chain boasting that it has swimming pools when its bedrooms do not even have bathrooms, or even beds in some cases. In reality, what choice is there for most children?

In my constituency, all three secondary schools are now specialised—business and enterprise, maths and computing and sport. But what if a child is gifted in foreign languages? Where should he or she go to school in my constituency? In reality, most parents have the choice only of one or two schools and in some instances neither would be the one they really wanted.

Having said that, to the extent that going for specialist status galvanises a school into pushing up standards, it is a good thing, but the idea that diversity itself will push up standards is nonsense. We must raise educational standards throughout the school system. Let us not kid ourselves into believing that they do not need raising. Consider the academy results themselves. In a parliamentary written answer that the Minister for School Standards gave to my hon. Friend the Member for Bridgwater (Mr. Liddell-Grainger), he said that:

"of the three academies with GCSE results in 2003 the number of 5A*-C grades rose to 21 per cent. and 35 per cent. respectively from 7 per cent. and 25 per cent. in 2002".—[*Official Report*, 7 September 2004; Vol. 424, c. 981W.]

However, those figures are still very low in absolute terms. Consider some other results. At Greig city academy, 23 per cent. of pupils achieve five GCSEs. At Unity city academy, the figure is 17 per cent.; at Manchester academy, it is just 9 per cent.; and at the Academy in Peckham, just 12 per cent. In some instances, those schools have shown decreases since they became academies.

The 2003 programme for international student assessment results—the PISA study—are very damning. They show English schools at 11th place in science, 11th in reading and 18th in maths. The more authoritative study is even worse. TIMSS, the third international mathematics and science study, shows Britain at a very poor 20th out of 41 countries in the Organisation for Economic Co-operation and Development. The PISA study is striking not just because of the results, but because of the reason for the OECD's decision to exclude figures from the main tabulated results. The reason the OECD did that was the very low participation rate by schools in England—just 64 per cent. One in three schools refused to take part. The minimum response is 85 per cent., which most countries far exceeded. There was also a low participation rate among students.

All that gives the impression that poorly performing schools were too embarrassed to take part and that schools tried to exclude their poorly performing students to boost their results. That was not a factor in most other countries that took part in the OECD survey. The OECD's press notice says:

"There was a potential non-response bias."

In other words, the results in the appendix to the PISA study probably exaggerate the results in a positive sense. The actual results were probably worse than those published. We faced the same low response rates in the 2000 PISA survey, which Professor Prais of the

[Mr. Nick Gibb]

National Institute of Economic and Social Research believes were a contributing factor in the relatively good results in 2000.

It is also of enormous concern that the PISA study reported that the advantage of being educated in the independent sector was greater in the UK than in any other country, except Uruguay and Brazil. In other words, being educated in the state sector in the UK puts people at a greater disadvantage than in most other countries. PISA went on to say that, even when pupils' family backgrounds were taken into account, the advantage of attending an independent school in the UK was significant.

I shall quote briefly from the PISA report. It states:

"This suggests that private schools may realise a significant part of their advantage not only from the socio-economic advantage that students bring with them but even more so because their combined socio-economic intake allows them to create an environment that is more conducive to learning."

Some Labour colleagues will respond to that by saying that we should smash the private schools and force those children into the state sector, which will provide a better mix of socio-economic backgrounds, thus solving all the problems in our state education system. Again, of course, that is absolute nonsense.

Private education accounts, as hon. Members have said already, for just 7 per cent. of pupils. If that 7 per cent. were put among the 93 per cent., it would have little effect on the overall balance of socio-economic groups. We must focus on the 93 per cent. of pupils who are educated in the state sector. I find the argument about intake astonishing. Are those who use that argument saying that children from families of a low socio-economic group are less intelligent than those from other groups? I do not accept that. Are they saying that such groups behave less well than other socio-economic groups? I do not accept that either. The only potential impact that a school with a high proportion of children from a low socio-economic background can have will be the low expectations that that generates among the teachers, and we must address that.

The letter from the Secretary of State to the Chairman of the Select Committee lists the proportion of pupils who are eligible to receive free school meals. There is no correlation between that eligibility and results. Some 59 per cent. of pupils at the Djanogly city academy in Nottingham are eligible to receive free schools meals and 50 per cent. get five good GCSEs. At the Walsall city academy, where 50.9 per cent. are eligible for free school meals, 47 per cent. achieved five or more GCSEs at A to C. However, the Greig city academy has, at 37 per cent., a much lower proportion of free school meals eligibility, yet only 28 per cent. achieved five good GCSEs.

I accept that at a primary level, a child who comes from a family with books and an environment that values education will have an advantage, but if we ensure that our primary schools teach reading and arithmetic properly, I do not see why even that disadvantage cannot be ironed out over one or two years. It is interesting that advocates of phonics in the teaching of reading—I am sorry to bring this up, but the Minister no doubt expected it—can demonstrate that the focus on synthetic phonics and the use of text that does not necessitate a look and say teaching method are an enormous advantage for children from lower socio-economic groups and from ethnic minorities. The Government would achieve far more if they focused on reading strategies and eliminating the fault lines in the national literacy strategy than they are by focusing on structural issues, such as academies and diversity of schools.

The teaching method used in the national literacy strategy is analytical phonics, which incorporates phonics and whole word sight reading. The alternative, more traditional "c-a-t" method is known as synthetic phonics, as the Minister is no doubt by now fully aware. St. Andrew's university carried out a study of 300 children in primary schools in Clackmannanshire. It showed that the group taught using the traditional synthetic phonics method read words about seven months ahead of the children taught the analytical phonics NLS programme and their spelling was about eight to nine months ahead.

In the 90 per cent. of our secondary schools that are neither private nor academies, 17 per cent. of children are arriving unable to read properly and 37 per cent. cannot write properly. Those children have already missed out on six years of reading and they rarely recover from that in secondary school. Under the synthetic phonics programme, children learn to decode any word by the end of their first term.

The other major problem in our secondary schools is that of mixed ability teaching. The fact that a school is an academy or a specialist school does not have an impact on whether it has mixed ability teaching. I was always told that mixed ability teaching was a thing of the past in our comprehensive schools; it was a 1960s fad that had gone. When I tabled parliamentary questions, however, Ofsted responded that 60 per cent. of lessons in secondary schools still take place in mixed ability classes—71 per cent. in year 7, 60 per cent. in year 8, 54 per cent. in year 9, and 59 per cent. in year 10. An enormous body of academic evidence points to huge increases in educational achievement when streaming and setting takes place.

Mr. Miliband: As usual, the hon. Gentleman makes an intelligent and thoughtful contribution. On setting and mixed ability teaching, does he accept that the average he quotes hides quite a lot? For example, the percentage of schools that use setting in maths is much higher than it is in other subjects. I hope that he accepts that setting in maths is higher than it is in PE or other subjects that make up the average that he quoted.

Mr. Gibb: I accept that for maths. Some 80 per cent. of lessons in maths take place in setting, but that still means that one in five lessons are not setted. The Minister implies that only peripheral subjects are taught in mixed ability classes, but 55 per cent. of English lessons are setted, which means that 45 per cent. are in mixed ability classes. In history, 75 per cent. of lessons take place in mixed ability classes and in geography only 36 per cent. of lessons are in setted classes. He is right in precisely what he says, but he is wrong to imply that mixed ability classes are confined to non-core subjects because they are not.

My concern about the drive towards diversity, limited as it is, is that it seems to be the only area of education policy that politicians dare to enter. Structure has been for many years the sole area of education reform that politicians feel safe engaging in. They will not try to reform teaching methods, classroom configuration or teacher training methods, which seem to have become no-go areas for Ministers—of Administrations of both parties. I am especially surprised, and a little disappointed, that this Labour Administration has continued the focus on structure, because Labour's 1997 manifesto made it clear that it would stop doing so. It stated:

"We reject the Tories' obsession with school structures".

Since 1997, the debate has continued to focus on structures and until the Government begin to address the real causes—whatever their assessment of those real causes is—of an underperforming secondary state system, we will continue to see embarrassing international surveys and further botched attempts to conceal what is happening in our state schools.

5.21 pm

Paul Holmes (Chesterfield) (LD): The Government tell us repeatedly that, especially for education, they believe in evidence-based policy making. The Education and Skills Committee has repeatedly asked where it can find the evidence for most of the Government's proposals, although yesterday morning—in a refreshing change—we received a lot of well thought out evidence on how the national literacy strategy had come about. That was a unique experience.

Last week, when the Secretary of State gave evidence before the Committee, the hon. Member for Warrington, North (Helen Jones) asked him about the evidence that led to the introduction of city academies. His long reply did not answer the question at all, so later in the meeting I repeated the question—on what basis did the Government intend to create 200 schools, almost totally funded by the taxpayer but handed over to rich private individuals. Again, I did not receive an answer.

The benefit of city academies is supposed to be that their additional status and the extra money that is provided to them will lead to improvements. The average cost of building an academy is £25 million, twice the cost of building a new comprehensive school. However, if the benefit is the extra money and status, they could be given to state-run schools under state head teachers. Indeed, programmes such as the fresh start initiative did exactly that. Perhaps the benefit of academies is the freedom they have to innovate, which the Department's website makes much of. However, it was the Conservative Government who introduced the straitjacket of the national curriculum and it has been continued by the present Government. They could take the straitjacket off. Why cannot the Government give head teachers within the state system the freedom to innovate? Why does it have to be given only to private institutions?

The benefit of academies may be the ability to select 10 per cent. of pupils by aptitude—the Orwellian newspeak used by the Government for ability. But why cannot that freedom be given to state schools, as it has been given to specialist schools? All the benefits of the academy programme that the Secretary of State told us about last week could be and are delivered by the state system. Those benefits are obviously not the real reasons for introducing academies.

What is unique about academies is that they will have individual private sponsors who will take them over, largely at taxpayers' expense. Do those sponsors have to have an educational vision? The Department's website makes no reference to that: it appears to be enough simply to have £2 million to spend. What is the educational vision of a car salesman, a fashion designer, a car importer, a construction firm or the head of a recruiting agency? We do not know. All those people may have an educational vision, but no one has told us about it yet.

Unlike my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis), I was not a head teacher in an inner-city school in Leeds, but I was a teacher for 22 years and I am a stakeholder—horrible word—in the system, with two of my three children at the local comprehensive school in Chesterfield. I have an educational vision and I know what I would like to do in schools. I have a lot of educational experience, but I do not have £2 million to buy into the system and run my own school.

The Government propose to hand over 200 of our schools, funded almost entirely by the taxpayer, to rich individuals who will be able to do what they like. What is the problem with that? Many concerns have been expressed. The Government's least favourite teachers' union, the NUT, produced a detailed briefing last year, which stated:

"Academy status has the capacity to undermine local communities of schools and the effectiveness of local authorities' support. Sponsorship has the capacity... to undermine democratic accountability and curriculum entitlement".

The report comments that neighbouring schools could be left to foot the bill for the new academies, after it emerged that the Government want local authorities to use money earmarked for school refurbishment to expand the academies programme.

Academies are independent schools, and therefore outside the responsibility of the local education authority. They have the potential to disrupt fair and efficient admissions arrangements operated by authorities, as the Select Committee said in its critical report on admissions policies. Although academies are represented on local admissions forums, they are responsible for their own admissions arrangements. The admissions proposals for Sandwell academy are rigid in their categorisation of pupils according to ability bands. Such policies will lead to children being denied places in their neighbourhood academy because such schools select a proportion of their intake.

Concerns have been expressed about academies targeting pupils in their recruitment drives. In Bristol, for example, the NUT said that when the St. George community college was due to reopen as an academy glossy leaflets advertising the new school were distributed in the more affluent areas of the city. The Greig academy in Haringey, which experienced difficulties recruiting pupils, targeted the leafy suburbs rather than the neighbourhood of Tottenham, but we have been told that academies are purely there to benefit the deprived inner cities. The NUT is not the Government's favourite union, but the Association of

[Paul Holmes]

Teachers and Lecturers, a much more moderate union, which I joined in 1978, said:

"The academy programme is an untried and untested experiment—the 12 city academies that have already been established have not had the time to demonstrate that their provision has raised standards of attainment for pupils in deprived communities.

There is emerging evidence that academies operate selection practices that result in an atypical intake in terms of the communities that they should serve. There is emerging evidence that academies select their pupils (rather than parents and their children selecting academies.) Such selection practices put further pressure on neighbouring schools . . . There is emerging evidence that some city academies exclude a disproportionate number of pupils".

We have some evidence on expulsion. In 2003–04, the King's academy in Middlesbrough expelled 28 pupils permanently—10 times the English average. In the same year, the other academy in the city expelled 14 pupils, which is also above the average. The two academies therefore expelled 42 pupils, while the other five secondary schools in Middlesbrough expelled a total of 10 pupils.

Mr. Miliband: I am sure that the hon. Gentleman has done his research and, as he said, 28 pupils were expelled from the King's academy in 2003–04. Does he accept that in the previous year, its predecessor sent 38 pupils to the referral unit run by Middlesbrough council?

Paul Holmes: I accept the figure, because it was given to the Select Committee last week. However, sending pupils to a pupil referral unit is not necessarily the same as permanent expulsion, as the Minister well knows.

To add insult to injury, when a state school expels a pupil, the money attached to that pupil rightly goes back to the LEA, which must provide a teaching alternative such as a pupil referral unit. The academies, however, hang on to the money. Not only are the two academies in Middlesbrough dumping their 42 problem pupils on the system but they keep the money.

Concerns about teaching creationism in science lessons or explaining that God saved us in the second world war in history lessons have been aired before. Bob Edminster, who is to sponsor two more city academies, defended the Vardy schools' teaching of creationism:

"If you tell people they are descended from monkeys how can you expect them to behave like anything other than monkeys?"

Such people should not be given control of two tax-funded state schools. Faithworks is a Christian consultancy that seeks to help Church groups to set up more academies, and provides advice on the way in which organisations can get round anti-discrimination laws that protect gay people. I thought that we had got rid of section 28, but perhaps it will return via the back door.

Business sponsors may get something back too. This summer, *The Times Educational Supplement* pointed out that the West London academy, Ealing, paid £108,000 to businesses and a charity with major connections to Alec Reed of Reed Executive, who sponsors the West London academy. The King's academy, Middlesbrough, paid £290,000 to organisations and individuals connected with Sir Peter Vardy, its sponsor. Both academies admitted that none of the work for which those payments were made had been put out to tender, which is a legal requirement in state schools.

In conclusion, the Minister said last year that every town should consider whether it needs an academy, but I disagree, because setting up one independent school funded by the taxpayer but placed outside the system would be to the detriment of any town. Parents want good, local community schools; they do not want a minority of well-funded, star-rated schools outside the system, which will soon reach the point at which they are selecting pupils, rather than pupils are selecting them.

5.30 pm

Mr. Mark Hoban (Fareham) (Con): The debate has been interesting, and the majority of contributors have adopted a sceptical tone towards the Government's policy on city academies.

The hon. Member for Huddersfield (Mr. Sheerman) said that the Government's policy is about autonomy, diversity and choice, although I was not sure from his remarks whether he is for or against that. That sense intensified when he said that he is not against academies—it was not clear from his speech whether he is in favour of academies. The hon. Member for Bristol, West (Valerie Davey) and he both asked whether academies contradict the Government's policy of collaboration. In my experience, people who run academies see their role as working with, not against, local schools. Yesterday, I heard that message clearly, when I visited the City of London academy, Bermondsey. In Shropshire, the Thomas Telford school has used its resources to part-fund two other academies in the area.

The contribution from the hon. Member for Huddersfield was characterised by scepticism, but the hon. Member for Harrogate and Knaresborough (Mr. Willis) abandoned that tone and spoke against city academies—apart from when Liberal councils call for them to form part of the Liberal manifesto. He rightly raised the combined admissions code and its effects. Having talked to a wide range of schools and organisations in the school sector, I get the sense that the combined code is not working well. In some ways, it diminishes choice with regard to voluntary aided schools in particular and grammar schools in part. Schools that act as their own admissions bodies have certainly experienced an increase in the number of applications that they have had to process this year. In some cases, the number of applications has doubled or trebled, because they have had to process applications not only from applicants who have put them first, but those in which parents have rated them as their second or third preference.

The hon. Member for Bristol, West was in a typically celebratory mood about the academy in Bristol. The increase in the number of children who go on to university since the academy has been set up is interesting, and it should be commended and celebrated. She also said that one cannot allow some to steam ahead at the expense of others. If one encourages excellence, however, it helps to drive up standards in other schools. Rather than establishing equality of misery, we should aim for the best for all schools and make sure that, where possible, every school achieves it.

In a typically thoughtful contribution, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibb) highlighted the need to expand and improve standards in not only the 5 per cent. of schools that will become city academies, but all schools. He returned to the theme of setting and phonics. The best way to bring about setting and phonics in our schools is to give parents control and make schools accountable to parents rather than politicians. He commented on the relationship between independent schools and performance. Where schools are accountable to parents and responsible for meeting children's aspirations, better performance is achieved and, perhaps, more traditional methods are used.

The hon. Member for Chesterfield (Paul Holmes) continued the hostility towards academies. He criticised the academy in Sandwell for its approach to banding, but had it not taken that approach, he and others would accuse it of creaming off the best. One cannot have it both ways. I know that it is Liberal party policy to try to do so wherever possible, but there are times when one has to be consistent.

Yesterday, I visited the City of London academy in Bermondsey—an excellent school that will make a great contribution towards raising standards in the area. It is an example of a city academy that has been opened to fill a gap in existing schools provision. I have also been to the Greig city academy in Haringey and the Walsall city academy, which are funded by the Mercers Company—the latter academy is also funded by Thomas Telford school. Those are examples of academies that are not funded by businesses, fat cats or entrepreneurs but by people who have a strong educational vision and a commitment to education that has existed, particularly in the case of the Mercers, for many years.

Unlike most Members who spoke, I support the concept of city academies. I welcome the support that they get from their sponsors in terms of finance, education expertise, and the drive to ensure the delivery of improvements in school standards. I also believe that it is right to give schools more freedom and flexibility in organising the school day and introducing innovative approaches to the curriculum and changes to the staffing structure. Those are freedoms that all schools should have, not only city academies.

I welcome the way in which city academies are able to develop their own governance arrangements. It was interesting to talk to someone who has been a governor of a maintained school and has also been involved in the governance of a city academy. His strong message, based on his experience, was that those who are involved in the governance of city academies feel that they have responsibility for what happens in the academy as well as ownership of the problems and solutions. As a governor of a maintained school, he did not feel that he necessarily had the same clarity and focus of responsibility.

Academies have been successful. The detailed rebuttal that the Secretary of State issued yesterday demonstrated some of their successes. He said in his letter:

"Academies are ... popular with parents and pupils and invariably receive far more applications than their predecessor schools, and some are already heavily oversubscribed."

He points out:

"The quality of teaching at the City of London Academy, Southwark is rated by Ofsted as 100 per cent. good".

That shows some of the strengths that academies can provide. Results have improved in seven of the 12 academies that were open at the start of this year. The Secretary of State refers to the Walsall city academy, where attendance rates for pupils who had also been at the predecessor school have increased by 10 per cent. Certainly, the pupils to whom I spoke, especially those who had been to the predecessor school, recognised the improvement in education opportunities that the academy had brought.

Why do so many people oppose city academies? Is it because they have raised the level of attainment of their pupils where so many others have failed? Is it because they show that it is not only the educational establishment that can make a contribution to raising standards in our schools? Or is it because they break the monopoly of LEA provision? We need to focus on what works for our children and raises standards in our schools, not on the arguments of the past.

I shall come to my criticisms of city academies in a moment, but I want first to raise a separate issue. It is highly appropriate that the Paymaster General is in her place. When I was at the City of London academy yesterday, I was told that it is required as part of its funding agreement to have a strong community emphasis, and required under a section 106 agreement to provide community facilities. There is a snag about that. Under the VAT rules for charities, for a school to qualify for zero-rated status in order to recover the VAT on its buildings, more than 90 per cent. of the usage of the facilities must be for charitable purposes. If a school chooses, for example, to rent out its sports hall for use by a community group, and that accounts for more than 10 per cent. of the use of the facility, the school will lose its zero rating. It will then have to pay VAT on the building cost of the school. I understand that the matter has been raised with the Secretary of State and that he will discuss it with the Treasury. Perhaps the Paymaster General will take advantage of the next six minutes to resolve the issue, which restricts the use to which city academies can be put to benefit communities.

We have talked about the freedoms that academies have but let us not forget that they are not a new idea. They are the lineal descendants of the city technology colleges that were set up by Kenneth Baker. Although academies have greater freedoms than foundation schools and mainstream schools, there are some freedoms that they lack in comparison with CTCs.

The first concern that academies have raised with me is that some of the funding for them, particularly standards fund funding, comes through LEAs, not direct from the Government. CTCs receive all their funding directly from the Government. Academies find, especially if LEAs are not very supportive of them—in his evidence to the Select Committee, the Secretary of State highlighted the fact that some LEAs are not as welcoming to academies as others—that there may be delays in receiving standards fund money. They have to go cap in hand to the LEAs for their share of the money. I would welcome all moneys for city academies going directly to them rather than being channelled by the LEA.

[Mr. Mark Hoban]

Secondly, those who have experience of both CTCs and academies recognise that CTCs have much greater flexibility over staffing, remuneration and rewarding excellent performance. The academies would welcome the opportunity to receive that freedom as well.

The criticism that I have is that we have not simply two-tier schools with two-tier freedoms but multi-tier freedoms. CTCs have more freedom than academies; academies have more freedoms than voluntary aided schools; and foundation schools have more freedoms than community schools. I believe that all schools should have the freedoms that CTCs enjoy. All schools should have greater freedom to innovate, to create new staffing structures that are right for their schools and the needs of their pupils. They should be able to decide the organisation of the school day best to meet the needs of their pupils. They should be able to develop stronger partnerships with the type of organisations that act as sponsors. They should have the freedom to set their own admissions policies.

One of the success factors behind academies, as I discovered from conversations with those involved in them, is that professionals have been set free. They have had the opportunity to reach the cutting edge of academic performance. That is one of the reasons why academies are successful and will become even more successful. Professionals have been set free to develop solutions that meet the needs of their pupils.

We need also to ensure that academies are not established as a result of bullying, cajoling or persuading LEAs, or because gaps are identified in the structure of schools. Under the right to supply, we will give a range of organisations the opportunity to establish new schools where there is parental demand. We will not be dependent on Government diktat to persuade LEAs to have city academies. We want schools that have those freedoms to be able to involve the private sector, to involve voluntary groups, to involve organisations such as the Mercers that have a long tradition in education and to involve organisations that have a different and positive vision about how we will raise education standards.

Some of those organisations will adopt the methods outlined by my hon. Friend the Member for Bognor Regis and Littlehampton. They will offer what parents want by setting parents free, setting professionals free, giving parents the right to choose the best school for their children and ensuring that more organisations are able to fund a greater diversity and choice in our schools, thus raising standards in all our schools. City academies are part of the answer, but I believe that we need to give all schools the same freedoms that they enjoy.

5.44 pm

The Minister for School Standards (Mr. David Miliband): I am delighted that we are holding the debate, because it provides an excellent opportunity to bring to a wider audience not only the progress that is being made in English schools but some of the challenges for the future. It also gives me the chance to thank the Select Committee and its Chairman for their hard work on a huge range of policies. My hon. Friend the Member for Huddersfield (Mr. Sheerman) was the first man to turn me down for a job, but I have not held that against him for too long. The work of his Committee, notably on key stage 3, teacher recruitment, assessment for learning and recently on specialist schools, has been invaluable.

I was glad that the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) said that the 93 per cent. of children in state schools and the quality of the education that they receive constitute the important issue. He knows that secondary education in this country is undergoing great change. There are 210,000 teachers in secondary education—20,000 more than there were seven years ago. They are backed by 80,000 support staff—almost double the number in 1997. They are all working together under the terms of the radical agreement on remodelling the school work force.

Nearly 2,000 secondary schools have a specialism. Funding in secondary schools is, on average, £1,000 per pupil per year higher than it was. Several hon. Members have referred to the "Building Schools for the Future" programme, which will mean that the capital spend in 2007–08 reaches £6.5 billion.

Although it has not been mentioned in the debate, it is important to note that more than 250,000 youngsters in the 11 to 19-year-old sector are on the modern apprenticeships programme. It did not get coverage today but it is important. Further education colleges serve hundreds of thousands of young people and we shall doubtless discuss them on other occasions. It is worth pointing out for the record that 13,000 pupils are now in pupil referral units throughout the country, not 4,000, as the press reported recently.

I hope that hon. Members accept that Ofsted recognises the improvements in standards that the test results show. Ofsted stated that leadership and management, which the hon. Member for Harrogate and Knaresborough (Mr. Willis) mentioned, is good or better in 82 per cent. of secondary schools—up from 56 per cent. in 1996–97. Ofsted also said that the quality of teaching was good or better in 78 per cent. of secondary schools—up from 59 per cent. in 1996–97.

We believe that results are improving because of the hard work of teachers and pupils. Standards are rising in an exam system that an independent report characterised last week as the best in the world. I hope that, in the summer, all politicians will take a vow of support for the young people who sit their exams rather than damning them.

Mr. Gibb: I take it that the independent report to which the Minister refers is not the 2003 programme for international student assessment—PISA—survey?

Mr. Miliband: The independent review group that Mike Tomlinson recommended in his review of A-levels in 2003 was led by the head of the Organisation for Economic Co-operation and Development, which also publishes PISA. Perhaps that is the ground for the hon. Gentleman's confusion.

In the last part of our debate, I hope that we can dwell not on the story of improvement, which is significant, but on the fact that there are still some areas of the country where attainment is not as we would want it. Needless to say, I am proud that schools in the most

challenging circumstances have increased their GCSE performance at a greater rate than the national average. I am proud that, for the first time, achievement in GCSE exams in London is higher than the national average. If we had promised that seven years ago, we would have been laughed out of court. However, significant challenges remain and, even with rising standards, we need to tackle them.

We can do that by replacing or federating the worst schools; devolving extra money through programmes such as excellence in cities to change the structure and culture in low-performing urban areas; increasing the number of specialist schools, which use their specialist expertise to create a centre of excellence as a lever for improvement in a school and an area; and getting the best schools to lead the rest with our aspiration of 600 leading schools helping four or five partners each by 2008. We should view the academies programme in that context, because academies are destined to play their biggest role in our disadvantaged areas.

My hon. Friend the Member for Bristol, West (Valerie Davey) made an important speech that reflected her constituency experience of the Bristol academy. She asked whether academies were the only answer for low-performing schools. The answer to that is no. There remain 450 schools in which fewer than 30 per cent. of pupils get five A to C grades. That figure contrasts with almost 900 in 1997. Although reducing that figure has been a magnificent achievement, there are 450 schools too many where fewer than 30 per cent. of pupils get five A to C grades. An academy is not the single transferable answer to the challenges of all the schools, but it will be the answer for approximately half—up to 200—of them.

Academies operate on a simple set of values. Children with least parental support and least family history of educational success need the most radical educational intervention if they are to get the start in life that they deserve. The Government are determined not to let those children fall further behind. We all know the history of intervention in those schools—a new block, a new head, a new parents' centre, a new link with business: all those initiatives are, in and of themselves, worth while, but on their own, they do not get to the root of educational underperformance. They can do that only if they are all put in place together.

Many hon. Members have asked for the evidence for the need for the academies programme. It exists in this country and others, where ad hoc initiatives have not got to the root of underperformance, but where a cohesive approach that addresses issues of leadership, capital, governance, innovation and teaching quality at the same time does address those significant challenges.

It is important that we put it on record that academies are independent schools in the state sector funded by the Government. They are all-ability schools for local children. They have the flexibility to develop a broad curriculum built on, not instead of, the core subjects of the national curriculum. As I will demonstrate, they work as part of the family of local schools. They have a special relationship with sponsors drawn from the private and charitable sectors, some with extensive educational experience, including in existing state and private schools. They are built to meet the demands of teaching and learning in the 21st century, as all secondary schools will be under the "Building Schools for the Future" programme.

There are currently 17 open academies, and 36 further partnerships working to establish academies. My hon. Friend the Member for Huddersfield said that we had made a slow start, but I would describe it as careful and deliberate, to ensure that the academy programme is built on secure foundations. No one should expect instant results from the academies programme; not every academy will achieve instant success. However, the early test and exam results from the open academies are very encouraging—more so than I would have expected a year or two ago. Of the 12 academies operating at the start of this year, seven achieved increases in the percentage of children getting five A* to C grades at GCSE since 2002. At the Bexley business academy, one of the most notable successes, that rate has increased from about 4 per cent. three years ago to 36 per cent. in 2004. At the Capital city academy, the figure has doubled in the same period. The hon. Member for Bognor Regis and Littlehampton said that these figures are still too low, and of course he is right. I can assure him, however, that if he visits any of these academies, he will meet teachers and pupils who are determined to raise them further.

Paul Holmes: Will the Minister tell us how the success rate of the academies in their first two years of operation compares with that of a similar group of schools—fresh start schools, perhaps—over the past few years?

Mr. Miliband: I should be happy to write to the hon. Gentleman with the details, but the answer is that it is better. That is because we have taken a whole-school approach to improvement.

The academies are bringing pride to pupils and hope to communities. That is why parents want to send their children to them, and many are oversubscribed. In regard to further evaluation, I have no objection to publishing the PricewaterhouseCoopers report, although it has not arrived yet. I look forward to it. Last year's report was simply an exercise involving setting out what the reports were going to do in future years. The first report of substance on the academies programme is now due, and I have no objection to publishing it. This is a five-year research programme, and PWC itself says that the definitive results will come in five years' time.

As well as describing what academies are, we should also explain what they are not. There are stories being peddled about academies that are, frankly, a series of myths. When I listened to the hon. Members for Harrogate and Knaresborough (Mr. Willis) and for Chesterfield (Paul Holmes), I thought that they must be living in the world of "Alice in Wonderland", rather than the real world. It transpired that what they feared above all was not that the academies would fail but that they would succeed. All they could talk about was the danger that would arise if we had successful academies. Let us go through the myths that they peddled. They said that academies received more funding than other schools, but actually that is not true. In recurrent terms, they are funded at a comparable rate—

Mr. Willis: Not once did I or my hon. Friend say that. The only issue that we raised was that of capital.

Mr. Miliband: It certainly is an "Alice in Wonderland" world where capital does not count as money. If the hon. Gentleman looks at the record, it will be absolutely clear that he complained about the £25 million that was being spent. In recurrent terms, academies are funded at a rate comparable with other maintained schools, their building plans are based on the same cost benchmarks as all other schools whose buildings are approved by the Department for Education and Skills, and they are receiving an initial substantial capital investment in their building, which is simply part of the "Building Schools for the Future" programme.

I was asked by the hon. Gentleman how many projects in that programme include an academy—13 of the first 15 projects include an academy.

Mr. Willis: I rest my case.

Mr. Miliband: Well, I would say that I rest mine, which is that local authorities and local people recognise the potential of academies to contribute to educational transformation. Academies do not make a monetary profit for their private sponsors. Procurement and payment for services must be in line with legal requirements and conditions attached to Government grant. Sponsors are involved for philanthropic purposes, and we should welcome them.

Furthermore, academies are not selective schools. The Education Act 2002 makes it absolutely clear that the school

"provides education for pupils of different abilities who are wholly or mainly drawn from the area in which the school is situated."

Academies are required to follow the school admissions code of practice, and to comply with admissions law, which does not allow them to hand-pick pupils. The data on free school meals percentages in the academy programme show that they are way above the national average in all but one case. On a related point, academies do not have special privileges to exclude pupils—my exchange with the hon. Member for Chesterfield made that clear or at least demonstrated that any suggestion that the school that he mentioned was engaging in underhand practice was wrong. They work by the same rules as other schools.

Although academies are taking on some of the toughest schools in the country, their record over the last three years is worth examining. In relation to fixed-term exclusions, the academies' total of 832 in 2003–04 is a significant reduction on the 1,271 in the previous year. We have dealt with the King's academy in Middlesbrough, but the Manchester academy reduced exclusions in its first year by more than 80 per cent., and the Walsall academy, which the hon. Member for Fareham (Mr. Hoban) has visited, has improved attendance for students from the predecessor school by more than 10 per cent. in the first half of the school year.

The hon. Member for Harrogate and Knaresborough accused me of refusing to answer a question, and claimed that I was not answering him properly and simply fobbing him off. He tabled a question on 29 November for an answer on 2 December. A named-day reply was sent and the full answer has gone today. My reply simply said that we would get to the bottom of the issue and write to him with the full details. I certainly was not fobbing him off, and as I said in the debate, we have stuck rigorously to the words of the "Building Schools for the Future" prospectus in February 2003, repeated in the five-year plan.

A final myth is peddled about academies: that they are somehow a cancerous growth in the middle of a local system of education, not just inhibiting collaboration but destroying it. Let me take the example of sixth form provision. If the hon. Gentleman considers the funding agreement for the Manchester academy, he will see that collaboration on 14 to 19 provision with other local providers, be they schools, work-based learning or further education colleges, is written into it. It is also alleged that somehow LEAs are being forced out of the programme. Every academy is put to the Department with LEA support, and that is written into the legislation. In relation to the "Building Schools for the Future" programme, that is a massive vote of confidence in the ability of local government to help to lead reform in the strategic way that was mentioned.

As for the demand that we make sure that all projects in "Building Schools for the Future" have quality at their heart, imagine the row that there would be if we said that there were no quality thresholds for distributing £2.2 billion of public money a year. It is absolutely right that we have those quality thresholds, and I am happy to defend them.

Now is not the occasion to debate the Conservative party's proposals for abolishing LEAs or abolishing the proximity rule in relation to admissions. I look forward to doing that during the general election.

Our manifesto in 1997 said:

"Education will be our number one priority",

and it has remained so. The five-year-olds who entered primary school in September 1997 achieved the highest standards of any generation of 11-year-olds. Today, they are in year 8, the second year of secondary education. Every English secondary school is on the road to developing a centre of curriculum excellence, every English secondary school is benefiting from the key stage 3 programme and from massive investment in buildings and technology, and every school is benefiting from the work force agreement. Not every school will become an academy, but for those in greatest need, it is right that we make the greatest effort. Academies make that effort, and I hope that the whole House will support pupils, parents, governors and sponsors in that project.

It being Six o'clock, MR. DEPUTY SPEAKER *proceeded to put forthwith the deferred Questions relating to Estimates which he was directed to put at that hour, pursuant to Standing Order No. 54 (Consideration of estimates) and Order [29 October 2002].*

VOTE ON ACCOUNT

Resolved,

Department for Work and Pensions

That, for the year ending with 31st March 2006, for expenditure by the Department for Work and Pensions—

(1) resources, not exceeding £26,303,662,000, be authorised on account, for use as set out in HC 1235 of Session 2003–04, and

(2) a sum, not exceeding £26,318,077,000, be granted to Her Majesty out of the Consolidated Fund, on account, to meet the costs as so set out.

SUPPLEMENTARY ESTIMATES 2004–05

Resolved,

Department for Education and Skills

That, for the year ending with 31st March 2005, for expenditure by the Department for Education and Skills—

(1) further resources, not exceeding £448,598,000, be authorised for use as set out in HC1234 of Session 2003–04,

(2) a further sum, not exceeding £461,594,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.

It being after Six o'clock, MR. DEPUTY SPEAKER *put the Questions required to be put, pursuant to Standing Order No. 55(2) (Questions on Voting of estimates, &c).*

SUPPLEMENTARY ESTIMATES 2004–05

Resolved,

That, for the year ending with 31st March 2005—

(1) further resources, not exceeding £6,294,293,000, be authorised, for use for defence and civil services as set out in HC 1234 of Session 2003–04,

(2) a further sum, not exceeding £7,160,331,000, be granted to Her Majesty out of the Consolidated Fund, to meet the costs of defence and civil services as so set out, and

(3) limits as so set out be set on appropriations in aid.

ESTIMATES, 2005–06 (VOTE ON ACCOUNT)

Resolved,

That, for the year ending with 31st March 2006—

(1) resources, not exceeding £131,777,005,000, be authorised, on account, for use for defence and civil services as set out in HC 1235, HC 1236, HC 1237 and HC 1238, of Session 2003–04, and

(2) a sum, not exceeding £123,221,531,000, be granted to Her Majesty out of the Consolidated Fund, on account, to meet the costs of defence and civil services as so set out.

Ordered,

That a Bill be brought in on the foregoing resolutions; And that the Chairman of Ways and Means, Mr. Chancellor of the Exchequer, Mr. Paul Boateng, Stephen Timms, John Healey and Dawn Primarolo do prepare and bring it in.

CONSOLIDATED FUND BILL

Dawn Primarolo accordingly presented a Bill to authorise the use of resources for the service of the years ending with 31st March 2005 and 31st March 2006 and to apply certain sums out of the Consolidated Fund to the service of the years ending with 31st March 2005 and 31st March 2006: And the same was read the first time; and ordered to be read a Second time on Monday next, and to be printed [Bill 12].

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

ROAD TRAFFIC

That the draft Motor Vehicles (Wearing of Seat Belts) (Amendment) Regulations 2005, which were laid before this House on 8th November, in the last Session of Parliament, be approved.

ELECTRICITY

That the draft Electricity and Gas (Energy Efficiency Obligations) Order 2004, which was laid before this House on 10th November, in the last Session of Parliament, be approved.

INTERNATIONAL IMMUNITIES AND PRIVILEGES

That the draft International Criminal Court (Immunities and Privileges) Order 2004, which was laid before this House on 24th November, be approved.—*[Margaret Moran.]*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

That this House takes note of European Union Document No. 13244/04 and Addenda 1 and 2 on Turkey's progress towards accession to the European Union; and endorses the Commission's conclusion that Turkey has sufficiently fulfilled the Copenhagen political criteria and its recommendation that accession negotiations should be opened.—*[Margaret Moran.]*

Question agreed to.

Allotments

Motion made, and Question proposed, That this House do now adjourn.— *[Margaret Moran.]*

6.2 pm

Mr. Ben Chapman (Wirral, South) (Lab): I am delighted to have secured a debate on the provision and promotion of allotments. It is a long time since I tended my own allotment at Kidbrooke gardens and allotment society in south-east London, and I did so neither assiduously nor well; but this weekend, in my constituency and throughout the country, legions of dedicated vegetable growers—and, in some cases, fruit and flower growers—will be taking out their garden tools at the crack of dawn, ready to set foot on their own patches of land. It can be back-breaking work, but the rewards are worth it, not least taking home the day's produce to be cooked for dinner that night.

I believe that allotments are a great untapped resource. They have a long history, extending well back into the 19th century. Their origins lie in attempts to alleviate poverty in rural areas. Today, in contrast, they are largely an urban feature. Before the advent of legislation, sites were provided in parts of the country, less from necessity than as a leisure activity, for what were then known as the labouring classes. In terms of leisure activity we are coming full circle, but between times allotments proved a useful and significant national asset, playing a vital subsistence role in two world wars. I believe it is time to reassess their importance, and to that extent signs are hopeful.

The Independent carried an article in April hailing the revival of the city allotment as a new generation of women, young professionals and people from ethnic minorities embraced the obvious benefits of "grow your own" to challenge the stereotypical assumption that allotments were the exclusive preserve of white retired men. There is some basis for that stereotype, in that it often holds true. But the trend is for the social mix to change and to widen—shades of "The Good Life", perhaps.

The last time a comprehensive survey was carried out, the estimated total number of plots was just under 300,000. That was in 1997, so it is clear that there is a lack of up-to-date figures; however, the Office of the Deputy Prime Minister is working on that problem. For the moment, assessing the national trend in site numbers is somewhat difficult, but it would appear that their decline has halted and that the numbers have levelled out. It is surely important to establish reliable indicators. Some 342 plots are available to local residents in my own constituency, for example, and they are well used. In Wirral as a whole, there are waiting lists for most sites and, in a sense, this is pleasing. But we must remember that legislation covering the provision of sites, some of which dates back to 1908, makes it incumbent on most local authorities to ensure adequate provision in accordance with local demand, an issue to which I shall return.

Given that allotments are most often sited in urban areas, they have long provided a tempting target for developers and sometimes, I am afraid, for local authorities. Despite stringent legislative restrictions on the uses to which allotment land can be put, there continues to be pressure. For example, as I speak, the National Society of Allotment and Leisure Gardeners is making representations to the Government office for the south-east regarding what it views as Horsham district council's deliberate announcing of an allotment site as surplus to requirements, despite demonstrable local demand for such provision. It is not for me to comment on that case, but the threat of development can loom large over any allotment site. It is unfortunate that statistics on the loss of statutory provision are unavailable.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I draw my hon. Friend's attention to the allotments in Fazakerley in my constituency, with which he will not be familiar. Despite existing legislation, the local council is slowly but surely degrading the allotment society's autonomy and its ability to run the allotments in a proper manner, and interfering in a cavalier fashion with the way in which the allotment holders organise themselves. The intention is probably to put pressure on those allotments, so that the council can sell the land for other uses.

Mr. Chapman: I suspect that that is a Liberal Democrat approach to the issue, and it is not one that I would support. What I do support, however, is the point that underpins my hon. Friend's intervention, which is precisely in line with my argument.

It is self-evident that allotments are intrinsically a good thing. If there are any disadvantages, they are not apparent to me. Allotments enable those with only limited expertise to cultivate and maintain a vegetable patch consisting, if they wish, of organic vegetables. Such vegetables are not only healthy and good to eat but extremely cost-efficient. While the vegetables on offer in supermarkets might look better, many of them are not as good and are certainly pricier. All the benefits of allotments are well established and continue to hold good. The popularity of organic fruit and vegetables is testament to the demand for such food. The allotments in Plymyard Hall, Teehay lane, Beaconsfield, Carlett park, Forward road and Mayer park, some of which I have seen at first hand, are an extremely valuable asset in my constituency.

In a modern context, the benefits of allotments are brought sharply into focus by the problem of obesity, which is affecting an increasing number of people. Merely meeting existing local demand for allotments is necessary, but perhaps not sufficient. Such demand needs not only to be managed but actively created. What better way to tackle sedentary lifestyles than through the promotion of allotments? Doing so would encourage the consumption of more fruit and vegetables and the exercise and taking of fresh air that their cultivation undoubtedly involves.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I hope that, in making those remarks, my hon. Friend did not have in mind our hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle), who, I should say, is well known for being very nifty with a spade.

Mr. Chapman: At least my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle) knows when to

stop digging. *[Laughter.]* Now I have completely lost where I was. I would not like to suggest that my hon. Friend was in any sense other than appropriately built.

I am glad to say that living healthily does not have to involve an hour's slog at the gym every night or even a particularly zealous forbearance in respect of what we can eat and drink. It may be as simple as building exercise with a purpose into one's daily life. I personally bike to the House, but that is my way of doing things. Allotments are certainly one way of staying healthy and moderate but regular exercise is something that I am sure the Government would want to encourage. The campaign to introduce "five a day" fruits and vegetables has been successful and eating healthily is now accepted as a desirable norm.

Allotments should gain a similar level of attention as that campaign, but not everyone gives allotments the respect that they deserve. Plymyard Hall allotments in my constituency have been subject to vicious and seemingly incomprehensible attacks from vandals. I have been witness to the effect that that can have, with greenhouses smashed, shed doors kicked in, plots trampled on and produce destroyed. It is difficult to overstate the distress caused to allotment holders. The police now have the powers to deal with that sort of menace through antisocial behaviour orders, but they have to be lucky enough to catch the offenders in the act. Unfortunately, the eyes of the police cannot be everywhere at once.

In the case of Plymyard Hall allotments, vandalism has declined markedly since the closure of the local off-licence and the adoption of a zero tolerance approach by the local inspector, both of which are heartening developments. In respect of physical security, however, funding is necessary. Fences, closed circuit television and even trespass signs would all serve as a deterrent to those intent on causing damage. That last measure would require relatively small amounts of money, but would make a huge difference.

We must do all that we can to make allotments accessible, both practically and financially. Formerly, it was specified that new plots had to be within three-quarters of a mile of a home owner who had requested them, but that is no longer enforced and it should not automatically be viewed as a bad thing. Location does matter. Allotments are by their nature integral parts of the community and, as such, need to be sited within it. A community will not flourish if its facilities are subject to uncertainty of tenancy. Threats hanging over allotments—as, potentially, in Walton—to move them to alternative sites are all too common.

Rents need to be set at reasonable levels and the Allotment Act 1950 requires that they are, but what is considered "reasonable" may not be the same as it was 50-odd years ago. Even so, owning an allotment is good value, generally speaking. Compared with other methods of cultivation and, of course, purchasing vegetables from a shop, allotments are, so to speak, dirt cheap. In my constituency, a plot can be rented for £25 a year against the council's upkeep costs of £31 and there are discounts on top of that for the elderly and unemployed.

Affordability is something that local authorities should stress. My constituency local authority has been commended by the National Society of Allotment and Leisure Gardeners for its good work, winning the best-run allotments award twice in a row. It is sadly not always representative of the national picture. There are cases where rent is charged, on the basis of the council's estimate of its value, at 10 times the national average. It is surely not right that allotments should be a profitable enterprise for councils.

There are, of course, problems with funding at a local level, but it is also apparent that local authorities are unwilling to channel what little they have available through allotments. Compared to other leisure activities, they are inexpensive. I understand that, yard for yard, parks can cost up to three times more than allotments to maintain. Professor David Crouch, in his submission to the 1998 Environment Committee report on allotments, made the following observation:

"Can allotments and other open spaces be regarded as comparable? Allotments include the labour of allotment holders, substantial productivity for local populations, including food, physical and mental health, exercise, amenity, festivals, sustainability and recycling, social service rehabilitation and very strongly inter-ethnic community building and disability restoration and schools-schemes, so doubling their use, as intensive use for food, and for the wider community, which already their amenity provides."

All that added value should not be overlooked. Allotments are not just about people growing vegetables. Some things that the professor listed already take place in city farms and community gardens, but those are not the same things as allotments. Allotment societies have two concerns. City farms and community gardens should be seen as a supplement to, not a replacement for, proper allotment provision. The special protection afforded to allotments is, in that respect, something of a mixed blessing, for it affords councils very little room to be imaginative.

An allotment site can be granted non-statutory status only with the permission of the Secretary of State, and while he or she may be loth to do that, reluctance may be diminished if what is proposed is, for example, a community garden. The rub is that once the statutory provision is removed, only PPG17 stands as a last line of defence to prevent future appropriation for development. That is not to say that I have any lack of faith in local authorities. That is not the case, but allotments can be unnecessarily vulnerable.

Allotments need investment if they are to be made more attractive, and that is rarely forthcoming. Money can be found, it seems, but only for the more eye-catching, non-allotment initiatives. A derelict site in Leicester, for example, was the beneficiary of a £53,000 investment to facilitate a city farm. That is to be welcomed, but it is difficult to envisage the same funding being given to enhance allotment facilities. There is no reason why allotments should not receive similar provision, with communities working in partnership with local authorities to build up and promote their use. That need not be an expensive exercise. It could be as simple as paying for more prominent signs to advertise their existence.

Allotments are a national treasure. Their nature has led some to play down the need for a central role. I disagree. A whole host of areas would benefit from greater leadership from the centre. We need to educate our young people about the benefits of allotments and give them basic skills. We need protection from

[Mr. Chapman]

antisocial behaviour. We need to encourage further a diverse social mix of allotment owners, which means that there has to be more room for councillors to use their imagination while still protecting statutory provision.

That may require some legislative consolidation. The Government have acknowledged the need for that in their response to the Environment, Food and Rural Affairs Committee's report. Legislation needs to be overhauled for development, so that allotments are part of, not ancillary to, a coherent strategy for communities. We need to ensure greater security of tenure, while providing the capital, ideas and leadership to promote allotments to a new generation. The two things are mutually dependent.

If I were permitted a wish list, it would run as follows. First, I seek greater protection from development. Secondly, I want an image change, possibly including a new name; "allotment" has a dated ring to it, worth while and valid though allotments are. Thirdly, I seek better security measures. Fourthly, I want a big push on promotion. Fifthly, we need more investment in current plots, not least in toilet facilities; while the men who run allotments might not be so delicate, if we are to encourage women to participate, we need proper toilet provision. Sixthly, we need more plots. All that need not cost much but could bring considerable benefits to our allotment holders and potential allotment holders and to our leisure and fitness.

6.18 pm

Paul Clark (Gillingham) (Lab): I congratulate my hon. Friend the Member for Wirral, South (Mr. Chapman) on securing today's debate. The Government entirely agree that allotments provide an asset in a whole range of areas of our lives. They are not just valuable green spaces. It is our objective to ensure that they are properly protected, promoted and cared for. They cover a number of facets of life. They improve the quality of life by promoting healthy food, exercise and community interaction, as my hon. Friend said.

Allotments are an important part of our wider, cleaner, safer, greener agenda, which, as my hon. Friend is aware, is being led by the Office of the Deputy Prime Minister, through public service agreement 8, which is about delivering improvements in the quality of our environment—not only in the built environment, but in deprived areas and other parts of the country. Measurable improvements should be found by 2008; there is a time scale for improvements to bring about cleaner, safer, greener public spaces.

Before I deal with the promotion of allotments and the protection of such facilities, and the issues raised by my hon. Friend about the Plymyard site, I want to record our congratulations to his local authority on winning the best-run allotment award for two years in succession. I am sure that that is in no little part due to his diligence in arguing the case for allotments with the authority. One reason why the local authority may have received that award was the action it took on the problems of antisocial behaviour at the Plymyard site to which my hon. Friend referred—greenhouse windows were smashed, shed doors were damaged and plots were trampled on. Initiated by the local authority, which brought together plot holders, the police and the community patrols, an action plan was drawn up.

Local action is needed to deal with antisocial behaviour generally. In that case, a lead was given by the allotment authority—the local authority—and through co-operative working a solution was found. We are pleased that things have improved at the Plymyard site. Dealing with such issues, as well as promoting, developing and maintaining allotment sites for the wider community, needs local initiatives, although I shall come to what central Government can do, and have done, on various options to promote allotments. Invariably, however, the tools for dealing with many of the problems that people face, especially of security at allotment sites, are to be found at local level.

Some of the problems are low level—a bit of graffiti; occasionally, a broken shed window—but some are far more significant, such as the trampling of produce that has taken a long time to grow, with a lot of tender care and the early morning rising to which my hon. Friend referred. It is disheartening for allotment holders when their tools are stolen. A situation can build up where people who might have taken on a tenancy do not do so because they are worried about security.

Local authorities have a responsibility to provide adequate security. In 2001, we worked with the Local Government Association and others to publish "Growing in the Community—a Good Practice Guide for the Management of Allotments", which was aimed at local authorities and others who manage allotments, so that they take responsibility for maintaining boundaries in good order and ensuring the provision of adequate security measures.

As with many things, there are rights as well as responsibilities. Plot holders have responsibilities, too, and we issued a guide for them on the steps they should take. They often construct their own sheds, so they should obviously take responsibility for ensuring that sheds are secure and locked. In addition, some tenancy agreements specify plot holders' responsibilities.

I suspect that one of the best ways to deal with security is to have better provision and greater use of sites, so we need to consider how to promote allotments and how to engage with the local community to show the benefits of allotments, which were so ably described by my hon. Friend.

We need to look at some of the root causes of some of the security problems. We can help to reduce some of the activity that causes so much concern and upset, perhaps by promoting allotments more vigorously and positively. That can be done through some of the traditional ways of advertising—posters, adverts, postcard drops—and by opening up allotment sites, using open-site policies to try to encourage other people to consider the available options.

I noted clearly that my hon. Friend said that he felt that alternatives, such as city farms and community gardens, should not supplement good allotment provision. Although I suspect that many people would not disagree with that view, we must consider the issues as they stand. Reference was rightly made to the new survey that is being undertaken through the Office of the Deputy Prime Minister, and we hope that the decline has been stopped and that we will see an increase.

Certainly, some encouraging facts and figures have come from various surveys. For example, an increasing number of people under the age of 50, women and ethnic minorities are becoming involved in allotments.

Clearly, we hope that we have stemmed some of the decline, but we must recognise that, in some places, many plots will not be used. We should not deter finding ways to encourage people to go to those places for a loosely related activity, so that they can see what is going on and become involved in some of the benefits. For example, part of a former allotment site could be sold for use as a community garden. We could therefore find that far more people become involved in allotment provision and the benefits that come from it.

Huw Irranca-Davies (Ogmore) (Lab): Where a progressive allotment society is working with the community and has identified plots that are available to satisfy the demand in the community, will my hon. Friend encourage the local authority to work very closely with the allotment society? In my case, Alan Rees, who is the chairman of the allotment society in Maesteg, is doing wonderful work with the community and school children, trying to encourage them to use allotments.

Paul Clark: Absolutely. We would positively encourage such work because it is only by working closely together and in genuine partnership that people can start to open up some of those possibilities. In fact, numerous examples abound showing the different approaches that can be taken to involve school pupils with disabilities. One of the things that the allotment initiative can do is involve people from across the community—from whatever age group or ethnic minority, as well as those with disabilities—and that can produce genuine community cohesion where it did not exist previously, but that takes work. Positive action needs to be taken by people who have an interest, particularly local authorities, which are invariably allotment authorities.

In terms of disposals—unfortunately, my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) has left the Chamber—the Government aim to ensure that allotments are protected, promoted and cared for. We protect statutory allotments from disposal in section 8 of the Allotments Act 1925. If a local authority wishes to dispose of statutory allotments, consent from the Secretary of State is required. Consent decisions for the disposal of statutory allotments are made against a set number of criteria, aimed at ensuring that allotments that are needed are not disposed of. One thing introduced into the criteria is the need to ensure that allotment sites are properly and adequately advertised, so that they are not left to wither on the vine. They must also be promoted, and there may be a waiting list to consider. All those things need to be taken into account.

I am well aware of the case in Horsham, but I shall not comment on it. No doubt my hon. Friend the Member for Wirral, South is aware that that would be wrong. However, from the PSA, the guides that we have published and our publications on growth areas, such as "Creating Sustainable Communities: Greening the Gateway", it is clear that our programme is not just about putting a roof over people's heads or getting them a job, but about leisure and recreational and healthy living, something to which allotments can contribute.

On diversity, invariably there is the stereotype of grey-haired gentlemen over 50 on allotment sites. The picture is changing, however. More than half the owners of the Sturminster road allotments in Bristol are women. I take my hon. Friend's comments about the proper provision of facilities. I suspect that with more people becoming interested in gardening, the popularity of allotments will increase.

I hope that my hon. Friend recognises that we are concerned about allotments and their security and promotion, but we would positively encourage allotment authorities to promote them keenly for reasons of healthy living and exercise, for the production of food and for the provision of open space. To help with this—

The motion having been made after Six o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-eight minutes to Seven o'clock.

House of Commons

Monday 13 December 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Labour Statistics (Nottingham, North)

1. **Mr. Graham Allen** (Nottingham, North) (Lab): How many young people were unemployed and claiming benefit in Nottingham, North on 1 December (a) 1997 and (b) 2004. [203844]

The Minister for Work (Jane Kennedy): As at October 2004, there were 745 unemployed young people in my hon. Friend's constituency. This represents a decrease of 22 per cent. since October 1997.The number in long-term unemployment there is now 395, which is down from 1,165 in 1997.

Mr. Allen: I thank my right hon. Friend for those statistics. Will she also bear in mind the fact that, behind the statistics, there are people such as Clare Robertson, my constituent from Bulwell, who had no hope of getting the kind of job in administration that she wanted? She was given training through the gateway programme, and given advice by the job adviser. She was also given a subsidy to ensure that a local employer took her on to do the job that she wanted. I understand that, today, Clare has a full-time job as a result of all that. This is surely the best investment that we can make in our individuals. Will my right hon. Friend ensure that, as long as we are in government, we never throw that investment away, as the Conservatives would?

Jane Kennedy: In 1993, the number of jobless young people not in full-time education stood at 1,570,000. That is more than 450,000 more than today, yet we are criticised for the 150,000 under-25s who have been unemployed for more than six months, as defined by the International Labour Organisation. However, many of those young people will, like my hon. Friend's constituents, participate in the new deal, and I agree with him that it is certainly one of the best investments of taxpayers' money that one could wish for.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): Whereas it is true that the number of young people on jobseeker's allowance in Nottingham, North has fallen, they now represent a bigger proportion than they did in 1997. Then, 26 per cent. were on jobseeker's allowance; now, the figure is 34 per cent. Does the Minister accept that more could still be done to support young people in getting into the labour market? Will she also look at the lessons that could be derived from the Joseph Rowntree Foundation's report, which identified four wards in Nottingham as still being subjected to great poverty? Will she use mechanisms such as the social fund and jobseeker's allowance to give young people more support through their lives?

Jane Kennedy: That is a very thoughtful question. The hon. Gentleman is right to say that the Rowntree Foundation's report pointed that out. However, it also complimented the work that we have done to tackle poverty. I accept that youth unemployment remains too high, and that we have more to do in that regard. That is why there was a range of measures in the pre-Budget report last week, including a concentration on skills, so that more young people who are in unwaged full-time training can pick up financial assistance in the same way as others get the education maintenance allowance.

Pensions

2. **Mr. Derek Wyatt** (Sittingbourne and Sheppey) (Lab): What funding additional to the £400 million already announced will be available to former employees of ASW Sheerness, whose occupational pension scheme is in administration. [203845]

3. **Mr. Bill Tynan** (Hamilton, South) (Lab): When he expects individuals who lost pension entitlement owing to scheme closures will benefit from the financial assistance scheme. [203846]

The Secretary of State for Work and Pensions (Alan Johnson): We are keen that the industry should have the opportunity to offer support to the financial assistance scheme, either by voluntary financial contributions or assistance in kind. In April, we will set up the body to administer the FAS and, following the formal consultation, we will lay regulations before Parliament, and make payments as soon as practicable thereafter.

Mr. Wyatt: I thank the Secretary of State for that answer. Will he clarify one issue? There is to be a review of the scheme after three years. If there is insufficient money in the scheme by then, will the review allow money additional to the £400 million to be paid in?

Alan Johnson: We have announced that £400 million will be the amount of money available over 20 years. The review will take place after three years, when we shall look at how the scheme is operating. We have made no commitment to increase the funding at that stage.

Mr. Tynan: My right hon. Friend will be aware of the continuing enormous concern as to whether the £400 million will be enough. I was contacted this week by one of my constituents, who has been told that he will receive £8,600 from his wound-up scheme. He asked me whether the £400 million will be used to make up the one third that he will not get from his scheme, as he hopes. We know that there is going to be a certain amount of money in the scheme's funds. Will my right hon. Friend

tell us whether that £400 million will be enough, or whether there will be a shortfall because of the amount of people needing to receive money?

Alan Johnson: We calculated back in June and we published a statement to say that we believed from the information we had that about 65,000 people needed assistance with schemes that had become insolvent. We made our assessment on that basis. Obviously, we need much more information, but let me make this absolutely clear once again: we have not said that we will be able to match the assistance—the compensation available—in the pension protection fund, nor do we accept any liability for what has happened in the past.

We have said that we should be able to provide some assistance, particularly to those people who have lost the most and are in the worst position in terms of being closer to retirement and who cannot make up that money because of that proximity. So we have made it absolutely clear that we do not in any way pledge to make every single amount lost from these schemes. We also said in our statement of 2 December that we will have a de minimis £10 below which we will not offer compensation.

Mr. Nigel Waterson (Eastbourne) (Con): Has the Secretary of State seen that the US parent company blames his pension legislation for the most unfortunate breakdown of negotiations over the Turner and Newell pension scheme? Does he accept the view of industry experts that that very collapse could swamp both the FAS and the PPF? Is it not high time that he admitted what everyone else already knows—that the FAS is not remotely adequate for the task it faces?

Alan Johnson: Well, I have heard a few good jokes over the Christmas period, but I have not heard that one before. It is a real cracker—our pension protection fund is responsible for Federal-Mogul's problems with Turner and Newell. I do not accept that at all, although Conservative Members may be more gullible than we are on these Benches.

The situation with Federal-Mogul is very serious. That company is not in insolvency and we expect that it can meet its commitments. Indeed, negotiations are going on now. We think that the amount in the FAS will give proper compensation. I question the assertion made by the hon. Member for Eastbourne (Mr. Waterson) that, somehow, the Opposition could do better than this, because from what I see—£35 billion spending cuts and, I presume, 100,000 staff to go from the Department for Work and Pensions—I doubt whether they would have the money even to administer the FAS, let alone—

Mr. Speaker: Order. I think we will leave that one.

Paul Holmes (Chesterfield) (LD): Those facing financial devastation as a result of losing their occupational pensions through no fault of their own include constituents of mine who work for Chesterfield Cylinders, Dema Glass and Coalite. They soon saw that the £400 million in the FAS was a cruel con trick; it was far too little to provide the compensation needed. Ministers seem to accept this, because they have said that they hope that industry will make up the shortfall. If, as it appears from the Secretary of State's earlier answer, industry has not provided any money to make up the shortfall, are the Government prepared to see these people face a bleak old age, or will they make up the difference?

Alan Johnson: The hon. Member for Northavon (Mr. Webb) has put on a bit of weight since we last saw him—it is pleasant to have the hon. Member for Chesterfield (Paul Holmes) stepping in. I do not accept the hon. Gentleman's point that this is a cruel deception. Most people thought it extraordinary that a Government would provide such assistance in retrospect. Certainly in view of the experience under previous Governments, no matter what we are considering, it is very rare for such a thing to happen and it is very unlikely that it would have happened under the previous Government. We think that the money available is sufficient. We have also said right from the start that we would welcome a financial contribution from the industry. It is fair to say that we have not been swamped with money, but we live in hope.

There is also the money that is still in some of those schemes and the deemed buy-back arrangements that could add extra money to it, but £400 million is a significant contribution for the Government to make, giving some financial assistance with the real problems that the hon. Gentleman raises on behalf of his constituents.

Mr. Geoffrey Robinson (Coventry, North-West) (Lab): I agree with my right hon. Friend in dismissing the hypocritical and nonsensical remarks from the Opposition. In respect of Federal-Mogul, can he confirm if not today, then in the near future, that if indeed the Americans have resiled and remain in the position of repudiating the undertakings they gave to Members of all parties in the House some weeks ago, and that if the pension fund were to go into wind-up—a second order would be necessary to dispose of the assets, which could not come into operation until April next year—that pension fund would then benefit from the PPF arrangements and that, largely, the commitments could be met in that way?

Alan Johnson: I confirm that in the scenario that my hon. Friend paints that would be the situation; it would qualify for the PPF. It is also relevant to point out that there would be a substantial amount of money anyway, to assist us with that situation. Also, the money paid out from the PPF—if it came to that, and let us hope it does not—would not be paid out for several years. So the PPF is adequately placed to meet any commitment, including one from Turner and Newell.

Mr. Patrick McLoughlin (West Derbyshire) (Con): The Secretary of State said a few moments ago that he lived in hope. My constituents live in England, and they want to know what has happened over the past few weeks to the Turner and Newell pension fund, which they thought was sorted out, but which they now find has a great question mark hanging over it? Never mind living in hope—what hope is there for them?

Alan Johnson: The hon. Gentleman and I have clashed on various occasions, but in a good-natured way. I cannot understand a question that seems to place the onus in these negotiations on those on the Government Front Bench, the Opposition Front Bench or any other person in the House: The responsibility for the situation in relation to Turner and Newell and Federal-Mogul, which is of huge concern to his constituents and those of others around the House, is a matter for the company, its trade unions and its shareholders. It is up to them to find a solution to the problem, and I very much hope that he will join me in urging them to redouble their efforts to do so.

Mr. Frank Field (Birkenhead) (Lab): The Secretary of State keeps talking about the Government having put up £400 million. May I remind him that it is my constituents who are putting up that money, and they think that it is a very generous settlement? But as they and practically everyone else in the House do not believe that the £400 million will be adequate, who in the Government is blocking the suggestion, which is supported on both sides of the House, that the Government use some of the unclaimed assets to meet the bill, so that people have their pensions met in full?

Alan Johnson: I agree with my right hon. Friend that we should always be careful about talking about Government money—of course it is taxpayers' money. I also agree with him completely that his constituents and mine think it a very generous settlement. In terms of what we do with so-called orphan funds, we want to reunite those unclaimed assets with their rightful owners. It is a mistake to base policy on a financial assistance scheme of taking money when we do not know how much is there—I have heard estimates varying from £170,000 to billions of pounds—or on seeking to take money from accounts over which we have no control and which are owned by other people. The £400 million settlement, which is generous, as he recognises, gives far more confidence to the people affected than the suggestion that we can somehow match that from orphan funds.

Mr. David Watts (St. Helens, North) (Lab): Has my right hon. Friend had the chance to study my early-day motion 359, which calls on the pension industry to make a contribution? Does he agree that there is a moral obligation on the pension industry to make a substantial contribution to this fund?

Alan Johnson: I have studied my hon. Friend's early-day motion in great depth—I did very little else over the weekend—and know it word for word. It is an important early-day motion, as it matches what we would like, which is a contribution from the industry. We live in hope, as the hon. Member for West Derbyshire (Mr. McLoughlin) reminded me, and now that the FAS is on the statute book, and as we get closer to finalisation, I still hope that we will see contributions coming from that quarter.

Fuel Poverty

4. **Iain Wright** (Hartlepool) (Lab): What estimate he has made of the number of pensioners in Hartlepool living in households suffering from fuel poverty; and how this number has changed since 1997. [203849]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. Chris Pond): I think that this is the first opportunity that my hon. Friend has had to ask an oral question in the House. May I say how well he did it? He will be aware that we halved the number of households in fuel poverty by 2001. We have an ambition, as far as it is practical, to eliminate fuel poverty by 2010. No figures are available for Hartlepool or other constituencies separately, but I would expect that the improvement in his constituency would be along those lines.

Iain Wright: I welcome the Minister's comments, which have taken away my voice. That halving is astonishing and welcome. The evidence reinforces the belief of many that this Government have done more than any other for the poorest pensioners in the country. But will he agree that fuel poverty is still not zero; and what steps has he taken to ensure that that figure is achieved by 2010, and preferably before?

Mr. Pond: I thank my hon. Friend for that question. He will be aware that by Christmas, 18,000 of his constituents will have received the winter fuel payment of up to £300, and 3,000 will receive the additional payments of up to £400. That will make a major contribution to ensuring that no pensioner in Hartlepool must choose between keeping warm and other items of expenditure. Our fuel poverty strategy, which we have recently republished as an action programme, is making sure not only that we deal with the issue of poverty, through winter fuel payments and pension credit, but that we put an emphasis through Warm Front on energy efficiency and working with energy suppliers to ensure that no vulnerable households find themselves unable to meet their fuel costs.

Dr. Brian Iddon (Bolton, South-East) (Lab): The Government have indeed done a good job on fuel poverty so far, but there are darks clouds on the horizon, given increasing utility prices. A 12 per cent. gas price increase, for example, is likely to return half a million people to fuel poverty. Have the Government considered imposing a windfall tax on utility companies to protect the fuel poor at least until we persuade the Europeans to liberalise their energy markets?

Mr. Pond: Our fuel action plan was based on the expected increase in utility prices in the near future, but we will keep it under review to minimise the impact of any further increases on vulnerable households, through energy efficiency programmes and whatever other measures are necessary for us to stay on track for our target of eliminating fuel poverty by 2010, as far as is practicable. As for my hon. Friend's windfall tax proposal, we will take it as one of the earliest representations for the Budget.

Female Pensioners

5. **Ms Dari Taylor** (Stockton, South) (Lab): How his Department's policies have affected female pensioners since 1997. [203852]

7. **James Purnell** (Stalybridge and Hyde) (Lab): What the effect of his Department's policies on female pensioners has been since 1997. [203854]

The Minister for Pensions (Malcolm Wicks): Since coming to office in 1997 we have taken significant action to improve the pensions of women, and we are continuing to do so. We are tackling the legacy of past inequalities in society and the pension system through pension credit and other measures. As a result, men and women receive approximately the same amount from the state pension system.

As the Pensions Commission recognised,

"a number of recent changes in the state system will improve the future position of female pensioners".

We are not complacent, however. We intend to continue to make progress, and have undertaken to publish a report on women and pensions next year.

Ms Taylor: Does my hon. Friend acknowledge that if the basic state pension were the prime source of income for women in retirement, that would be disastrous for them? More than 85 per cent. of women gain little from it, if anything, and more than 60 per cent. have no entitlement to an income from it. Will my hon. Friend acknowledge that such an arrangement would be a disaster, and in so doing acknowledge that the Conservative party's policy is an absolute nonsense?

Mr. Speaker: Order. The Minister need not bother to do that.

Malcolm Wicks: I will not be seduced, as a politician, into being political about this, but I do acknowledge that gender differences and assumptions about gender in the past—some have now been rectified for a younger group of women—have caused a big difference in terms of access to the full basic state pension. That is why we are not tempted to put all the extra resources into a link between earnings and the basic state pension, which would be good news for many men but not such good news for women.

One of the successes of pension credit is the high take-up of the guarantee. I am pleased to say that 320,000 more pensioners—by definition, the poorest—receive the guarantee element than did so in April 2003. Whereas under the Conservatives the guarantee level was a miserly £69 a week for a single person, from next April it will be £109 a week. That is the difference—not just words, but £40 a week—between what the Conservatives did and what a Labour Government are delivering.

James Purnell: I thank my hon. Friend for visiting my constituency recently to see the efforts made by Tameside to raise the level of take-up of the guarantee. Does he agree that integrating all the different agencies dealing with housing benefit and the Pension Service is the way to get people to sign up, and will he spread that knowledge throughout the system?

Malcolm Wicks: I thank my hon. Friend for inviting me to visit Tameside. I was very impressed to see what a progressive local authority can do to deliver benefit entitlements to people in need. As my hon. Friend knows, we developed joint teams as part of our link-age project. Social services departments worked with local branches of the Pension Service, joined in some areas by primary care trusts or voluntary bodies such as Age Concern. That is how we deliver a welfare state locally, based on the needs of elderly people. In the past we have tended to expect elderly people to discover an often complex local welfare state, but Tameside is showing the way ahead. We intend to roll out its scheme throughout the country during the next year or two.

Annabelle Ewing (Perth) (SNP): The Minister will be aware that less than half of women pensioners in Scotland are entitled to the full basic state pension and that, after seven years of Labour Government, one in five pensioners in Scotland still lives in poverty. In light of the same, will he undertake to make representations to the Chancellor of the Exchequer to introduce in his Budget a citizens pension, thus ending the Government's discredited means-testing?

Malcolm Wicks: There is a rich debate about the future and we are all engaged in it, but given the gender differences when it comes to national insurance and access to the basic state pension, which my hon. Friend the Member for Stockton, South (Ms Taylor) pointed out, I wonder whether the hon. Lady would welcome the impact that pension credit is having on poorer pensioners in Scotland. Two groups that overlap—the older elderly, often over-80, and women—are benefiting from that selective approach to delivering social policy. I am sure that, in a more moderate moment, she would want to welcome that.

Mr. David Willetts (Havant) (Con): May I draw the Minister of State's attention to the proposals that we have made today for giving women a better deal from the contributory state pension? The Secretary of State was on the radio at lunchtime saying that it was an absolutely brilliant idea with which he totally agreed—

The Secretary of State for Work and Pensions (Alan Johnson) *indicated dissent.*

Mr. Willetts: Well, at least he said that he would consider it. I invite the Minister of State to go a little further and to recognise that the problem that people have been talking about—the fact that women do not have full entitlement to the basic state pension under current contribution rules—could be tackled by the practical proposals that we have made today.

Malcolm Wicks: Although I have not had the privilege yet of reading the hon. Gentleman's speech, I understand that he was predicting what a future Labour party manifesto may say, so having lost the job to write his own, he is drafting part of ours. We are in favour in the Department of a flexible labour market.

As I say, there is a rich debate going on about the future state pension. I seriously welcome the hon. Gentleman's contribution to that debate, but we need to be careful about different cohorts and groups. What is right for the elderly person, often the elderly lady over 80, will not necessarily be right for her daughter, let alone her grand-daughter. More workers today, including young workers, are members of occupational pension schemes. We welcome today's publication of the report by the Employer Task Force on Pensions. We need to have a combination of occupational pensions, others savings and state pensions, so that today's young will have incomes in retirement above means-tested levels.

Mr. Willetts: The speech was to Labour's think tank, the Institute for Public Policy Research, so I thought the least I could do was to announce what would be in Labour's next manifesto. If the Minister of State is being so open-minded, does he accept that there is a problem with the way in which the pension credit treats women pensioners? Does he accept that the savings credit rules, which assume that people have a full pension from the basic state system, in practice penalise women? Does he further accept that it is bad enough that many people find themselves facing a withdrawal rate of 40p in the £1 under pension credit, but many women pensioners, because of the way in which the savings credit works, find themselves facing a loss of £1 of benefit for every £1 they have saved? Will he therefore include in his review the effect of the Government's own means-tested benefits on women?

Malcolm Wicks: The hon. Gentleman has made a serious point about quite an intricate but important matter: the guarantee and what we say about savings. Will he acknowledge—not now, because he cannot come back at me—the fact that 320,000 extra pensioners, those most in need, are now getting the guarantee compared with only a while ago, and that that is a major step forward? In terms of his honesty, it has obviously done him some good going to the IPPR. I think what he is saying is that it was surely wrong that, under a previous Government, every extra £1 of savings, or work or occupational pensions was knocked off the income support system, pound for pound. I repeat that, in those days, the guarantee was £69 a week. In spring next year—I think that it will be a good spring in terms of weather of differing kinds—we will be giving £40 more a week to single pensioners. That is the difference between us. He does a good lecture but the delivery of his party is pretty poor.

Pension Credit

6. **Mr. Huw Edwards** (Monmouth) (Lab): How many pensioners in Wales receive pension credit. [203853]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle): As at 31 October, more than 154,000 pensioner households were receiving pension credit in Wales, with an average weekly award of almost £42 a week. In Monmouth, more than 3,000 households were receiving an average of almost £42 a week extra as a result of pension credit.

Mr. Edwards: I welcome that answer. Does my hon. Friend agree that the 154,000 households in Wales, including the 3,000 in Monmouth, will find pension credit an incredibly valuable resource, but does she acknowledge that perhaps a third of the poorest pensioners who may be entitled to the credit do not get it? What is being done to improve take-up?

Maria Eagle: I acknowledge that some pensioners who are entitled to the credit have not yet taken it up, but we are doing a lot of work to try to improve the situation. I do not agree that it is necessarily the poorest pensioners who have not taken it up; in many instances, it is those who would receive only a small extra amount and have judged that it is not worth their while to claim it. We are none the less redoubling our efforts in the Department to re-contact people we think most likely to be entitled who have not applied, and our local service is working in all communities to try to improve take-up. In my hon. Friend's constituency there were 235 home visits in October, and since April there have been 1,482 home visits in south-west Wales. We are out there, day in, day out, trying to encourage pensioners to take up their entitlement.

Mr. Nigel Evans (Ribble Valley) (Con) *rose—*

Mr. Speaker: Is it about Wales?

Mr. Evans: It has been a short 12 years, Mr. Speaker.

Many pensioners from Wales who might have been eligible for pension credit have moved overseas, for all sorts of reasons, perhaps to live with their families, in countries where, unfortunately, the uprating of pensions does not apply. Can the Minister now have another look at those pensioners from Wales, and indeed the rest of the United Kingdom, who may be eligible but live in one of the 145 countries where the pension simply has not been uprated?

Maria Eagle: The hon. Gentleman knows perfectly well that there are different agreements with different countries, and there are ongoing court cases in respect of this matter. I would be interested to know if that was a pledge from the Back Benches of the Conservative party, even if it relates only to Wales, because we will add it to the extra cost of a Tory Government.

Incapacity Benefit

8. **Mr. Andrew Rosindell** (Romford) (Con): If he will make a statement on his plans for incapacity benefit reform. [203855]

The Secretary of State for Work and Pensions (Alan Johnson): Nine out of 10 people expect to work again when they first claim incapacity benefits. The pathways to work project is helping them to realise that aim.

As my right hon. Friend the Chancellor of the Exchequer announced on 2 December, we will extend the pathways to work pilots to an additional 14 Jobcentre Plus districts from October 2005. This will mean that our pathways approach will cover about a third of the country and be available to about 900,000 people on incapacity benefits.

Mr. Rosindell: I thank the Secretary of State for that comprehensive reply, but am I not right in believing that since 1997 there has been a 53 per cent. increase in the number of people claiming incapacity benefit on grounds of mental health or behavioural difficulties, which is nearly two out of every five claimants? Is not the truth that this rise is absolutely out of control?

Alan Johnson: The answer to both questions is no. The hon. Gentleman should refrain from believing everything he reads in the press. First, the number of people coming on to incapacity benefits has fallen by a third; had it continued on the same trend as under the Conservative Government it would now be more than 4 million rather than 2.7 million. Secondly, on this so-called explosion in the number claiming on mental health grounds, there were 210,000 in 1997, and there are now 230,000—hardly an explosion. The same press report, which talked about 500,000 men who may have swapped their income because it was so profitable to go on to incapacity benefit—that is, 3,500 a year—came from a Bank of England survey, which clearly stated that it was about what happened in the late 80s and early 90s in the context of massive economic decline. It said:

"it seems unlikely that this 1990s' experience will be repeated".

Mr. Stephen Hepburn (Jarrow) (Lab): What is the Secretary of State going to do to improve the standard of medical examination? Doctors are paid an absolute fortune to disbar genuine claimants from their rightful benefits on often very dubious grounds.

Alan Johnson: I have not heard that particular criticism before, but I am willing to look at any cases that my hon. Friend might want to raise with us. The personal capability assessment is one of the most stringent gateways to incapacity benefit in the world, as judged by the Organisation for Economic Co-operation and Development. Indeed, in terms of the medical profession's work, the problem lies not with the PCA but at the turnstile, as it were, in that the sick-note culture is putting many people off working when it would be better for their health to stay at work. My right hon. Friend the Chancellor of the Exchequer announced an extension of the existing trials to enable rehabilitation and to allow Employment Service people to get involved in GPs' surgeries, in order to ensure that people do not go down the incapacity benefit route. We should bear it in mind that the record shows that those who are on incapacity benefit for a year will remain on it for eight years, and that those who are on it for two years will die on it.

Mr. Paul Goodman (Wycombe) (Con): The figures quoted by my hon. Friend the Member for Romford (Mr. Rosindell) were official figures, not press figures, and according to them incapacity benefit claims made on mental health and behavioural grounds now number more than 1 million for the first time. But regardless of that, if the Secretary of State believes that these claims are under control, can he tell us when they will stabilise or fall?

Alan Johnson: They have already fallen for the first time. According to the most recent labour market statistics, there has been a very small fall of 4,000. *[Interruption.]* The hon. Gentleman shakes his head but they are the statistics. Of course, we want to go much further, but I should make the rather obvious point that we are still dealing with the problems arising from the Conservative Government's policy of transferring people from unemployment benefit to incapacity benefit; indeed, my hon. Friends still have to deal with such problems day in, day out in their constituencies. That policy left us with 2.6 million people on incapacity benefit when we took office.

The hon. Member for Wycombe (Mr. Goodman) is of course right to say that this issue needs to be tackled, and it is being tackled effectively for the first time through pathways to work, which is enabling the Government to give a helping hand to those who really want to re-engage with society, but who did not have the necessary help and financial support in the past.

Kevin Brennan (Cardiff, West) (Lab): Many people on incapacity benefit are not capable of holding down conventional full-time jobs but are nevertheless keen to work, and they might be able to hold down part-time jobs if the right opportunities are provided. What are the Government doing to help such people?

Alan Johnson: My hon. Friend will have been pleased to hear the Chancellor announcing in the pre-Budget report that we will look at the rules on permitted work. That will go a long way towards helping my hon. Friend's constituents and others who are in that situation.

Private Pensions

9. **Tim Loughton** (East Worthing and Shoreham) (Con): What plans he has to encourage an increase in private pension provision. [203856]

The Minister for Pensions (Malcolm Wicks): For most people, a good occupational private pension will be a key part of a comfortable retirement. We are therefore keen to increase private pension provision, which is why we introduced stakeholder pensions and why we are taking forward our radical programme of pension reform. The Pensions Act 2004 will make it easier for employers to run pension schemes, and along with our programme of informed choice, it will help people to plan for and save for their retirement. The Turner commission is advising us on the future of pensions, and under the terms of the 2004 Act the pension regulator plays a crucial part in providing security and integrity. I am pleased to announce that David Norgrove has been appointed chairman of the new pensions regulator. He will take up his post in January.

Tim Loughton: Given that one of the Government's excuses back in 1997 for their £5 billion annual raid on pensions was the strong rise in the UK stock market under the previous, Conservative Government—since when the UK market has been one of the worst performing major markets in the world—does the Minister not feel duty bound to take rather more seriously the plight of private pension holders facing a £100 billion black hole? I am thinking not least of constituents of mine approaching retirement with

Turner and Newell pensions, whose enormous prospective shortfalls will not be remotely covered by the Government's compensation scheme.

Malcolm Wicks: As the Secretary of State said, we are looking at the matter of Turner and Newell very carefully. We have the institutions, the financial assistance scheme and, more importantly, the PPF in place, should any further action on any scheme be required. On the abolition of payable tax credits, the hon. Gentleman is making a very partisan point. It was an essential part of a package of corporation tax reforms that included both the main and small companies. *[Interruption.]* While the Secretary of State is enjoying the heckling coming from the hon. Member for East Worthing and Shoreham (Tim Loughton), the question is whether the Conservative party would abolish the policy—

The Secretary of State for Work and Pensions (Alan Johnson): The shadow Secretary of State!

Malcolm Wicks: Indeed, I am sorry. When the shadow Secretary of State was asked at the end of 2002 whether he would change the policy, he replied:

"Actually, I don't think we'll be doing that. Helping pension funds doesn't mean going back to the same system we had before, you know."

Well, Mr. Speaker, now we know.

Rob Marris (Wolverhampton, South-West) (Lab): May I suggest to my hon. Friend that the way to increase private pension provision is to continue doing what the Government have been doing, which is to bolster confidence in the private pension system? Given that £14 billion a year goes on tax relief and that Department for Work and Pensions research shows that it has no effect on bolstering those pensions, I seek my hon. Friend's reassurance that tax relief for private pensions will not be increased and that the Government will continue to bolster confidence and to bolster the state system.

Malcolm Wicks: As my hon. Friend knows, issues of tax incentives are a matter for the Chancellor. There are certainly some major tax incentives in the system to encourage people to invest in occupational schemes. Our priority is to ensure that the many millions of people who are not in decent work or occupational pensions have the opportunity of being so, and we would like it to be on a voluntary basis. The Employer Task Force on Pensions has made some interesting recommendations, but whether or not compulsion is necessary is a matter that we have asked the Turner commission to review for us. We will look at its recommendations and make a judgment in due course.

State Second Pension

10. **Mrs. Anne Campbell** (Cambridge) (Lab): If he will make a statement on the impact of the state second pension on women. [203857]

The Minister for Pensions (Malcolm Wicks): For the first time we now have a system that helps more women to build up a decent second pension. State second pension provides an additional pension for low earners, including carers and disabled people—the very people who were excluded from the previous state earnings-related pensions scheme. State second pension will lift the incomes of a generation of future female pensioners. The latest data from the Family Resources Survey show that around 12.2 million women of working age are now accumulating the state second pension, compared to 13.4 million men.

Mrs. Campbell: I thank my hon. Friend for that reply. Does he agree that being in work is absolutely crucial to future pensions provision? Does he further agree that scrapping the new deal for lone parents, which has helped hundreds of lone parents in my constituency, will have a catastrophic effect on future pension provision for many women?

Malcolm Wicks: Yes, indeed. My hon. Friend's question reminds us that what we are doing in respect of employment policy and our success in moving back towards full employment will have a crucial impact on pensions for women as well as men. The impact of giving women the opportunity to have successful careers and of providing help with child care shows that those policies are as much pension policies as the formal pension policies that we tend to discuss at Question Time.

Miss Anne McIntosh (Vale of York) (Con): What assessment has the Minister made of the recent TUC report, particularly on the implications for women who work part time and earn substantially less—22 per cent. less—than men? About 15 per cent. of the unskilled workers among the women work force are not part of an occupational pension scheme. What are the Government going to do for them?

Malcolm Wicks: That is one of the difficulties that we face, but I hope that the hon. Lady would acknowledge that the Government have done a good deal to enhance the status of the part-time worker, who is as important to a modern economy as the full-time worker. That is why we have given new rights to part-time members of the work force to be members of occupational pension schemes, which is a great step forward. As I said earlier, I am not complacent about these matters. We will consider the TUC report—I spoke at its conference—and we hope to move forward in the future.

Chris McCafferty (Calder Valley) (Lab): Does my hon. Friend agree with the Pensions Policy Institute, which has said that that the average woman will lose out under the Conservatives' proposed policy? Can he comment on what the effect on women pensioners would be of the Tory party's plans to abolish the second state pension?

Mr. Speaker: Order. That is not the Minister's responsibility.

Helen Jackson (Sheffield, Hillsborough) (Lab): Does my hon. Friend agree that it is important for every individual, male and female, to think about making a contribution to their income in retirement throughout their working lives? Will he ensure that the state second

pension has the flexibility necessary to make it easy for women in part-time jobs and in a variety of jobs through their working lives to build up a contributory pension that is tailored to their needs?

Malcolm Wicks: We need to recognise that much of the useful work or activity in society takes place outside the formal labour market. The history of pension policy since the second world war is Governments—I must point out that that means Labour Governments—recognising that caring for children is important and should be credited into a basic state pension. This Labour Government have recognised that the balance of care is almost shifting towards caring for elderly relatives and that is why we are crediting that into the new state second pension. Progress has been made, and that will show up in the average basic state pensions that people retire on in the middle decades of this century. However, we need to do more.

Child Support Agency

11. **Mr. David Heath** (Somerton and Frome) (LD): If he will make a statement on the operation of IT systems in the Child Support Agency. [203858]

The Secretary of State for Work and Pensions (Alan Johnson): We have acknowledged problems with the CS2 IT system. The agency is working with EDS to resolve those problems. Work to stabilise the system is under way and that has already brought about improvements. We expect the remedial work to be complete in spring 2005.

We want people who are still on the old scheme to experience the advantages of the reforms as soon as possible, but we are determined not to repeat the mistakes of 1993 when the old scheme was brought in far too quickly.

Mr. Heath: The Government's record in procuring, and suppliers such as EDS in supplying, major IT schemes is appalling, so we are all looking forward to the ID scheme system. I understand what the Secretary of State is saying about stocktaking before moving to a clear timetable for migration, but does he believe that his Department is in any way vulnerable to legal challenge by those who are put at a financial disadvantage compared with others in exactly the same circumstances who are on the new scheme? Does he propose to do anything about that inequity or is the game plan simply to wait for those children to grow up and the problem to solve itself?

Alan Johnson: I am not sure whether the hon. Gentleman was able to join us last week for the interesting debate on that issue on estimates day, opened by the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood). First, there is no legal liability. The two systems are in separate legislation, so there is no legal redress against the Government for not being transferred from system 1 to system 2. Secondly, system 1 has advantages, as I pointed out in the debate. If the parent with care—usually a woman—gets a job, she qualifies for £5 a week arrears, which is £1,000, as opposed to the £10 disregard under system 2. The hon. Member for Somerton and Frome (Mr. Heath) reminds me of a point that I did not pick up in that debate, which is the suggestion that somehow we want to sit around until the kids on the original system grow up—that might be something that we could recommend to some Opposition Members—and let the problem wither on the vine. That suggestion is beneath the Liberal Democrats—

Mr. Dennis Skinner (Bolsover) (Lab): Nothing is beneath them.

Alan Johnson: I am told that nothing is beneath them. I assure hon. Members, especially the hon. Member for Roxburgh and Berwickshire, who did not raise this issue but has a close interest in it, that nothing could be further from our thoughts. We want people to swap to CS2. It had the support of the whole House, not least because it is simpler and gives the £10 disregard, and we are determined to switch to it as quickly as possible, commensurate with avoiding the problems that we have faced previously. I am happy to give that assurance on record to the House.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Nevertheless, does not my right hon. Friend see a slight irony in the fact that, at a time when many DWP employees in my constituency are being forcibly removed from Crewe to Chester, adding an hour and a half to their working day, only the availability of civil servants who could continue the payment of benefits by writing everything out by hand saved my constituents from considerable inconvenience?

Alan Johnson: I think that my hon. Friend is talking about the problem we experienced a couple of weeks ago when 80 per cent. of our desktop computers closed down. Although that did not affect benefit recipients, because the mainframe computers were unaffected, it affected our staff, who had to work really hard to ensure that more damage was not done. My hon. Friend may be interested to know that EDS has told us that it was responsible for what happened a couple of weeks ago. The company has given us a report on how it happened and I have shared that with the Opposition. I record my thanks to our staff for ensuring that what could have made a much more profound difference to our customers did not, and that we actually recovered the situation.

Mr. Tim Boswell (Daventry) (Con): The Secretary of State will recall that for the past couple of years I have been away shadowing different portfolios. I left with the memory in my ears of his predecessors, the right hon. Members for Edinburgh, Central (Mr. Darling) and for Oxford, East (Mr. Smith), saying that there was no intention to move the CSA system until the thing was working properly, that it would be robust and that until it was robust it would not be introduced for new cases, let alone for existing ones. The House will have noticed that the present Secretary of State is saying exactly the same thing and giving a timetable of spring next year—I wonder why.

What will the Secretary of State say to the many thousands of cases—that means people—who are suffering because their assessments have been frozen in

the present system? Are they not reasonable in concluding that this is all talk? They want a bit of action and accountability.

Alan Johnson: The hon. Gentleman has been shadowing other Ministers, including me in a previous life; it is good to have Johnson and Boswell reunited once again across the Dispatch Box.

The hon. Gentleman is absolutely right about previous statements. As we said in the debate last week, no Government are blameless on those IT failures. He would be the last person to suggest that the Government of whom he was a distinguished member—in the Department of Trade and Industry—did not run into similar problems. One has only to say the word "Horizon" to make them come over all pale and quivering. Previous Secretaries of State twice put off the introduction of CS2. It was due to be implemented in—I think—October 2001. It was put back by my right hon. Friend the Member for Edinburgh, Central and put back again by my predecessor, my right hon. Friend the Member for Oxford, East. As we said in the debate, there was not exactly a rush to get CS2 started; in fact, there were serious concerns. In the end, we were assured that the system would work well and properly, but it did not and we are still feeling the effects.

Finally, I did not say that we would go live in spring next year. In the debate last week, I said that spring 2005—April 2005, to be precise—is when the last piece of kit will be put in by EDS, which should rectify the horrendous problems that our staff have been facing with that particular system.

Lone Parent Benefits

13. **Mr. Harry Barnes** (North-East Derbyshire) (Lab): What assessment he has made of the likely impact on the living standards of lone parents of the continuation of current uprating policies for income support and child tax credit by 2010. [203860]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. Chris Pond): Since 1997, incomes for lone parents in receipt of benefit have risen by more than prices or the cost of living. In April 2005, the child allowance rate in income support for a child up to 11 years old will have been increased by 127 per cent. since 1997. Child rates in income support and jobseeker's allowance are also being increased above inflation in April 2005 in line with child tax credit upratings.

Mr. Barnes: The Government are committed to increasing the child element of child tax credit in line with earnings, but will not that be pulled down in future where lone parents are dependent on income support? The rate is below that of the retail prices index and is based on the Rossi index, which excludes housing, so by 2010 there may be problems.

Mr. Pond: As I have already said, the child rates in income support are also being increased above inflation. The living standards of lone parents and their children depend not only on the level of benefit or, indeed, tax credit but on our ability to help those parents into work. In deciding the increases in the different elements of both income support and tax credits we must find a way of maximising our ability to meet the target of halving, then eliminating, child poverty, and also helping lone parents and others into work. That is sometimes a difficult balance.

New Deal for Lone Parents

14. **Mr. Jim Cunningham** (Coventry, South) (Lab): What assessment he has made of the impact of the new deal for lone parents. [203861]

The Minister for Work (Jane Kennedy): The success of the new deal for lone parents has been a major contributory factor in the increase in lone parent employment in every region, the reduction in the number of children in workless households and the reduction in child poverty. My hon. Friend might like to know that in Coventry, South, 840 lone parents have participated in the new deal for lone parents, 400 of whom have found work.

Mr. Cunningham: I thank my right hon. Friend for her answer. Clearly, the new deal for lone parents is working, but how many trained personal advisers are employed in the scheme?

Jane Kennedy: I do not have the figures to hand, but I can find them and write to my hon. Friend after questions and once I have had a chance to look at *Hansard*. However, he may be interested to hear about one lone parent who became involved in the new deal through her work-focused interview. She had previously worked in a factory but, after some discussion, she decided that she was not keen to go back to that employment. Lacking formal qualifications and self-confidence, she felt that there was very little that she could do but, after her experience on the new deal, she has now gained qualifications in literacy and numeracy that have enabled her to accept work as a receptionist.

Mr. Desmond Swayne (New Forest, West) (Con): Question no. 13, Mr. Speaker.

Means Testing

15. **Mr. Swayne:** What plans he has to reduce the numbers of pensioners on means-tested benefits. [203862]

The Minister for Pensions (Malcolm Wicks): The hon. Gentleman's question is about the future of means testing, but we make no apology for the pension credit, given the fact that, as we heard earlier, it focuses extra resources on people without occupational pensions or a full basic state pension. Such people are often in their 80s, and two thirds of pension credit recipients are women. In future, we hope that people can retire on incomes from occupational pensions, savings and state pensions that would put most of them far above means-tested levels.

Mr. Swayne: I apologise, Mr. Speaker. I believe that I said "Question no. 13", but I meant to say "Question no. 15". Clearly, however, the answer was the same.

Does the Minister acknowledge that, notwithstanding the Government's efforts to improve take-up, 1.5 million people entitled to pension credit are still not receiving it? Would it not be better to allow the state pension to rise by linking it to the level of earnings, as the number of people requiring means-tested benefits would fall accordingly?

Malcolm Wicks: Despite what the hon. Gentleman said, he got the number wrong and I got it right, which will be the theme of our little dialogue. If we put all our resources into raising the basic state pension in line with earnings, over time it would cost a considerable amount. In the immediate period—and I think that that is the policy of Her Majesty's loyal Opposition—it would be better news for men than for women, and for people on the full basic state pension. It would be poorer news for people on only a partial basic state pension, which is why we are focusing our attention on pension credit.

I do not quite understand what the hon. Gentleman's policies are. I enjoy tramping through the New Forest, and often come across wild creatures, ponies and deer. I have never met him there, but no doubt I shall do so at some stage. Neither have I met all the 3,615—I repeat, 3,615—pensioner households in New Forest, West who receive pension credit. The hon. Gentleman probably knows them all by name, but when he meets them does he tell them that they are victims of a terrible extension—

Mr. Speaker: Order.

Carers

16. **Mr. Bill O'Brien** (Normanton) (Lab): If he will make a statement on the support given by his Department to elderly people caring for older members of the family. [203864]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle): The Government want all pensioners to have a decent and secure income in retirement and to share fairly in the rising prosperity of the nation. Our first priority was to tackle poverty among pensioners. That is why we introduced pension credit, which is providing over £40 a week on average to more than 3 million people and has helped move 1.8 million pensioners out of poverty. We have also changed the rules for carer's allowance so that older carers can claim it and can have access to the additional amount for carers, worth an extra £25.55 a week, paid with pension credit, housing benefit and council tax benefit.

Mr. O'Brien: An ever-increasing number of elderly people are looking after elderly relatives or other elderly people. When they reach a certain age, their benefit can drop, which creates problems for the carer and the person being cared for. If we are to encourage members of the family to look after their parents and relatives, we must ensure that there is no reduction in their income. Some of these people also experience difficulties in receiving attendance allowance. Will my hon. Friend make sure that that situation is not allowed to develop, and will she introduce practices to ensure that people receive the proper reward for looking after elderly people?

Maria Eagle: To be brief, I think my hon. Friend is referring to the way the overlapping benefit rule operates between carer's allowance and state pension. People's income is never reduced, but when those who qualify for carer's allowance get to state retirement age and start receiving their state pension, they cannot receive both, because technically those two benefits overlap. Nobody's income should go down, even though the overlapping benefit rule applies to carer's allowance and the state pension. There is the carer's premium in the income-related benefits—it is the additional amount in pension credit—which gives poorer pensioners an extra £25.55 a week, so it is still worth claiming carer's allowance if the person being cared for is in receipt of attendance allowance.

Points of Order

3.31 pm

Mr. Julian Brazier (Canterbury) (Con): On a point of order, Mr. Speaker. Have you received notice of the parliamentary statement that has been widely trailed in the media today on huge cuts in the Territorial Army, at a time when we have hundreds of territorials serving in Iraq and Afghanistan, and they represent the only framework for expansion that the country has for its very small Regular Army? Those cuts are viewed with considerable concern in the country.

Mr. Mark Francois (Rayleigh) (Con): Further to that point of order—

Mr. Speaker: Let me answer the point of order. I have had no notice. The Minister would normally notify me in the morning, and there has been no notice.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): On a point of order, Mr. Speaker. I should like to have given you notice of the point of order. My constituent, Captain Strong, has been unable to get a British passport because he has not been in this country for five years, as he has been serving valiantly in Her Majesty's armed forces abroad. I tabled a question on the subject to the Home Office in good time before the Queen's Speech. The Home Office avoided answering the question because of the new rule that Departments are not obliged to answer questions that fall at the end of a Session. I retabled the question on 29 November—a fortnight ago—and it has still not been answered. I am tabling a pursuant question today. How long can the Home Office go on avoiding answering this difficult question?

Mr. Speaker: The hon. Gentleman has followed the proper procedure for trying to get answers out of Ministers, which is to ask the question twice. I will look into the matter. Hon. Members should have questions answered in a reasonable time.

Mr. Francois: Further to the point of order raised by my hon. Friend the Member for Canterbury (Mr. Brazier), I have checked the Order Paper and we do not, unfortunately, have Defence questions before the House rises for the Christmas recess. Given the reports that are circulating in the press and causing considerable uncertainty in the Territorial community, it would be pernicious if the TA were punished for the chaos that exists in the Ministry of Defence. Is there anything you can do to bring a Minister to the Dispatch Box to clarify the matter and, hopefully, to save the Territorial Army from what appears to be in prospect?

Mr. Speaker: Before we break up, we have the Christmas Adjournment debate. On that day, hon. Members may bring up any subject they wish. That is an opportunity, and there are others: the hon. Gentleman could table a written question and also, perhaps, try for an Adjournment debate.

Mr. John Bercow (Buckingham) (Con): On a point of order, Mr Speaker. I seek your guidance. As you know, we are about to have an important debate in Opposition time on the crucial issue of school discipline, and it is disappointing, to put it no more strongly, that the Secretary of State does not appear to have the self-discipline to be present for the debate. I have just been advised by the Under-Secretary of State for Education and Skills, the hon. Member for Enfield, Southgate (Mr. Twigg), in response to a sedentary question from me, that he does not know where his boss is. Is it in order that the Secretary of State should show such abject contempt for the House as to fail even to turn up to debate an issue of this importance? It sets a very bad precedent.

Mr. Speaker: I do not know why the hon. Gentleman is disappointed. I am not disappointed, and the Under-Secretary is here, so we can look forward to a good day.

BILL PRESENTED

Child Benefit

Mr. Chancellor of the Exchequer, supported by Mr. Secretary Clarke, Mr. Paul Boateng, Mr. Secretary Johnson, Dawn Primarolo, Mr. Stephen Timms and John Healey, presented, under Standing Order No. 50 (Procedure upon bills whose main object is to create a charge upon the public revenue), a Bill to make provision for and in connection with altering the descriptions of persons in respect of whom a person may be entitled to child benefit: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 13].

Opposition Day

[1ST Allotted Day]

School Discipline

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Prime Minister.

3.36 pm

Mr. Tim Collins (Westmorland and Lonsdale) (Con): I beg to move,

That this House notes that the vast majority of pupils are well behaved and eager to learn but is concerned that their ability to do so is increasingly undermined by a disruptive minority; regrets the fact that an assault takes place on a teacher every seven minutes, as reported by teaching unions; further notes that incidents involving poor behaviour, intimidation, violence, guns and drugs in schools are all increasing; deplores the announcement by the Government that it will force every state school, irrespective of the wishes of its head teacher, to take a share of pupils with disruptive or even violent backgrounds; believes that head teachers should be given, unequivocally, the final say on expulsions by abolishing independent appeals panels; calls for a six fold increase in the number of places to be provided for high quality, intensive but separate education of those whose behavioural difficulties make them unsuitable for inclusion in mainstream schools; is confident that the ability of teachers to exercise discipline would be greatly enhanced by protecting them from the fear of false allegations of abuse, and urges swift legislation to guarantee anonymity for teachers facing accusations at least up to the point where a formal criminal charge is brought; recognises that teachers, parents and pupils all, overwhelmingly, want to see stronger action on discipline and have the right to expect it; and consequently, further believes that it is time for the rights of the majority of pupils, parents and teachers to be given greater weight.

There can be few more important subjects than the topic before the House today, and therefore I should like to add my expression of sorrow to those that have already been voiced at the absence of the Secretary of State today.

What is the essential pre-requisite for high-quality education? Getting resources, teachers, training, the curriculum, buildings and facilities right are all vital, but none can have effect unless learning can take place in a disciplined environment. As the Opposition motion makes clear, the vast majority of pupils are well behaved and eager to learn. Many schools have few, if any, serious discipline problems. Unfortunately, however, there are plenty that do.

The Guardian reported last year that 31 per cent. of teachers leaving the profession cite poor pupil behaviour as the reason. The National Association of Schoolmasters Union of Women Teachers reports that a teacher is assaulted every seven minutes in one of our schools. The Metropolitan Police Commissioner has recommended that metal detectors should be installed outside schools, a suggestion that it is predicted the Home Secretary will adopt on Wednesday. What was once a symbol of social decay confined to the worst excesses of inner-city America could soon become a daily part of life for many children in this country.

The Times Educational Supplement in August this year reported that the first termly exclusions survey of local education authorities by the Office for National Statistics showed that in just one term in 2003 no fewer than 17,424 pupils were suspended for violent behaviour. Sometimes these acts of violence can be genuinely horrific.

We think of Luke Walmsley, the 14-year-old stabbed to death in one of our schools a year ago, whose parents, with great courage, have come to London today to lobby for changes in the laws concerning knives. We think of the 15-year-old who died at school only last month, apparently after a fight with a pupil; of the 13-year-old left drenched in blood after being stabbed at her desk at school, also last month; of the pupil who was shot in the head at school in October; of the 12-year-old rushed to hospital after being stabbed on a flight of stairs at a school in September. Those may be the most extreme and shocking cases, but they are by no means entirely unrepresentative.

The ONS survey showed that in just one term in 2003, there were 288 permanent exclusions and 4,000 temporary ones for physical assaults on an adult, with a further 336 permanent and 12,800 temporary exclusions for assaults on fellow pupils.

Mr. Nigel Evans (Ribble Valley) (Con): My hon. Friend has mentioned a number of cases at one end of the scale, but would he also agree that at the other end of the scale pupils bullying pupils should also be taken extremely seriously, and where it is deemed sufficiently serious, pupils should also be excluded if they persist in bullying other pupils?

Mr. Collins: I agree with my hon. Friend, who has raised a serious problem. He is right to say that head teachers must have the unlimited right to exclude pupils and that they should be encouraged to exclude pupils who engage in organised, systematic bullying.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The hon. Gentleman has just said that head teachers should be given absolute authority to exclude pupils. If one head teacher has a low threshold for exclusion and is allowed to exercise that right untrammelled, they can offload every child who exhibits any problems on to other secondary schools in the area.

Mr. Collins: The hon. Lady has come to the heart of one of the profound differences between her party and mine. Her comment evidences a lack of trust in the professionals. We believe that if head teachers are allowed to take those decisions, they will not abuse that right and will use exclusion as a last resort, not a first resort. We have many of the problems that face us today precisely because the Government do not trust head teachers to take those decisions.

Rob Marris (Wolverhampton, South-West) (Lab): The hon. Gentleman has put his name to the motion, which states that

"head teachers should be given, unequivocally, the final say on expulsions by abolishing independent appeals panels".

When we discussed changes to asylum and immigration policy, the Conservative party rightly opposed getting rid of all the levels of appeal, so why is he suggesting getting rid of a level of appeal for schools? Under that

policy, such matters would end up in the courts rather than with the local education authority, which would make the situation worse.

Mr. Collins: I invite the hon. Gentleman to consider whether the independent judgment of head teachers should be trusted in a way in which employees of the present Home Office should not.

The Times Educational Supplement reported that teaching unions thought that the figures might be underestimates, since schools may have failed to report the full figures for fear of being labelled "failing". In other words, the numbers involved in acts of violence may be greater than the statistics that I quoted earlier. The Government may say that they have set a target to reduce permanent exclusions, which have been reduced by some 3,000 since 1997. However, given the steady rise in incidents of violence and indiscipline in schools and the number of teachers who cite poor behaviour as a major contributor to their stress, it cannot be argued that exclusions are falling because behaviour is improving. On the contrary, the Government have introduced a target to reduce the number of punishments handed out, rather than the number of offences committed. It is like the Home Office aiming to reduce the number of arrests rather than the number of crimes.

That is simply the wrong way to go about things. The Prime Minister, the Home Secretary and many senior members of the Government have rightly discussed the need to implement zero-tolerance policies to tackle yobbishness among young people. They have spoken persuasively about the way in which small acts of rule infringement escalate into far more serious issues if society sends out the message that it either does not care about those rules or is incapable of enforcing them, and they are entirely right. What is strange, however, is to take the view that zero tolerance is the right approach towards young people out on the street, but the wrong approach when they are in school. Indeed, zero tolerance is arguably more important in schools, given that by definition those who are shaped by the prevailing attitude towards rules are at the most impressionable stages of their lives.

The first part of the distinctive Conservative approach towards restoring discipline is to restore to heads the absolute and final authority to expel pupils whose poor behaviour makes them unfit to be part of that community. There should be no targets for the number of exclusions and no pressure, implicit or explicit, to go for a softer option. We do not believe that heads would use expulsion as anything other than a last resort, but if they need to use it, they must be able to use it without fear or favour.

Chris Bryant (Rhondda) (Lab): If the hon. Gentleman's proposal were to come to pass, would the number of exclusions in England increase or decrease, and by how much?

Mr. Collins: Certainly in the short term, I would expect the number of exclusions to increase, which is why—I shall come on to this point later in my remarks—we have allocated significant public spending to multiply by six the number of places in what the Government currently call pupil referral units, which we would call "turnaround schools". We take the view that the subject is serious and that head teachers should be given greater freedom. If that means that more are excluded, more provision needs to be made for them.

A recent poll showed that 74 per cent. of the public—

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will my hon. Friend give way?

Mr. Collins: If I may just finish this point, I will by all means give way. My hon. Friend may be anticipating me, but I shall explain why he and I should be confident that we have the public on our side on this.

A recent poll shows that 74 per cent. of the public and 79 per cent. of teachers agree with us that independent appeals panels should be abolished and should lose the powers granted them by the School Standards and Framework Act 1998 to overrule heads and force them to take back disruptive pupils.

Mr. McLoughlin: My hon. Friend referred to the expectation that exclusions may increase in the short term once this policy has been put into effect. Does not he agree that although that may be the case in the short term, in the longer term parents and pupils will be given the message that if children do not behave, they will be removed from school, which will mean that fewer people are referred to turnaround schools?

Mr. Collins: I am extremely grateful to my hon. Friend, who is, after all, making precisely the point that the Prime Minister, the Home Secretary and others make when they advocate zero tolerance in other contexts—namely, that securing more arrests, more convictions and possibly more people being sent to prison in the short term sends a clear signal that society will take rule-breaking and lawbreaking seriously, which results in better behaviour and less crime in the long term. In the context of schools, the zero-tolerance approach would mean that in the medium to long term there would be fewer disciplinary offences. As my hon. Friend will agree, one cannot take the view that there are an acceptable number of people breaking the rules. We will deal with those people severely to ensure that we reduce the incidence of indiscipline over the medium to long term.

Several of us were intrigued by various parts of the Government's amendment, particularly the section—for which, no doubt, Labour Members will be invited to vote this evening—that says that the House supports

"the Government's reform of exclusions to strengthen the power of headteachers".

That is an interesting interpretation of the Government's record since 1997, given that it was they who introduced the School Standards and Framework Act 1998, which gave independent appeals panels the power to overrule head teachers and to force them to take back disruptive pupils. That did not strengthen the power of head teachers—it removed and undermined it. Indeed, there has been at least one case in which an appeals panel forced a school to take back a pupil who had violently attacked a teacher. It is impossible to imagine a scenario that is more likely to demonstrate the impotence of authority or to lead to further, ever more

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severe, acts of indiscipline. Conservatives will therefore scrap those panels outright; I do not believe that many teachers will mourn their passing.

Rob Marris: The Government amendment goes on to say that the House

"deplores attempts to destroy that system, which would expose headteachers to litigation".

If the independent appeals panels were abolished, head teachers would face being taken to court under judicial review. That is the very power that his party rightly said should not be removed in asylum and immigration cases, and I am glad to say that the Government backed off on that. Is he saying unequivocally, to use the word in his motion, that judicial review would not even be allowed in these cases and that the decision of the head teacher would be final, with no legal redress whatsoever?

Mr. Collins: Of course, there is a theoretical possibility of judicial review, in common with all other decisions taken by public bodies. However, we intend to take steps that will make it extremely unlikely that parents will choose to take that route. Parents who choose to sue schools will not have access to legal aid or to no win, no fee arrangements. It will take only one or two cases to go against parents, so that they have to face the entirety of the costs—not only their own but of the school in defending itself—for them to realise that they do not wish to follow that procedure. That will give heads an enormously strengthened role.

Of course, our approach of giving head teachers the final say and encouraging zero-tolerance policies is in even starker contrast with the latest evolution in Government policy. The Secretary of State announced last month that he intends to require every state school, irrespective of the wishes of its head or governors, to take its share of pupils with a disruptive, or even violent past. That means that even schools that were oases of calm and good order until now might not be so in future.

We believe that we are considering a fundamental issue of principle: do we take the view that violence and disruptive behaviour is such an ingrained and unshakeable factor in school life that it is only fair to spread the misery around evenly; or do we believe that it is not inevitable, acceptable or tolerable, and that heads who are determined to stamp it out completely in their schools deserve not to be undermined or second-guessed but given full backing?

Of course, a strategy of exclusion alone cannot be the be-all and end-all of enforcing discipline. At least two other elements are needed. First, early intervention to help where possible avoids problems later in life. That will not work in every case but it is important to try, and the Government are to be commended for their commitment to early-years education. Conservatives will shortly set out how we hope to build on that.

Secondly, those who are excluded cannot simply be left to their own devices. Half of those sent to pupil referral units spend less than 20 hours a week there. Both the quantity and quality of the provision need to improve. The number of places at PRUs is insufficient and, therefore, the Leader of the Opposition and I recently announced that the next Conservative Government will make spending on separate specialist centres for excluded pupils—turn-around schools—our top spending priority. We will allocate at least £200 million extra a year to it. That sum could fund a sixfold increase in the number of places, or a smaller increase in the number of places but more investment per pupil.

It is in the interests of everyone who is involved in education—teachers, parents and pupils alike—for the issue of disruptive pupils to be tackled vigorously and for the rights of the 29 pupils out of 30 who wish to learn to be given higher priority than the one in the 30 who wishes to disrupt.

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): The hon. Gentleman repeats the motion's words about a sixfold increase in the number of places. There are currently 13,000 places in pupil referral units. Does the Conservative party propose that we should have 78,000 places in such units instead? If so, the cost would be considerably higher than £200 million. It would be at least £500 million and probably more.

Mr. Collins: The Under-Secretary cites a different figure from that previously published by the Government, on which we based our calculation of an increase from 4,000 to 24,000 pupils. The figure of £200 million is the sum that we have available for spending. Even on the figures that the Under-Secretary cited, it would provide for a substantial increase in places. We will review the figure, for which I have received the agreement of the shadow Chancellor. It could be reviewed upwards, but not downwards in school spending. It would be a substantial increase on any basis.

Mr. David Rendel (Newbury) (LD): If the hon. Gentleman wants an increase in specialist schools for those who are having difficulties emotionally and behaviourally, why is the Tory county council in Dorset currently planning to close Penwithen school, which it had previously described as a centre of excellence?

Mr. Collins: It is always amusing to be challenged by a Liberal Democrat about consistency and policy. I shall not go further.

I have one other important policy matter, which is directly relevant to discipline, to discuss this afternoon. It is the sensitive issue of how best to balance the competing rights and interests of those involved when an allegation is made that a teacher has abused a pupil in his or her care.

The issue was brought to life for me when a constituent, who has given permission for me to raise his case today, came to see me at an advice surgery. David Sowerbutts is a retired head teacher. He had a blemish-free 28-year career. His life was shattered after a woman, now in her 30s, claimed that he had assaulted her when he was a deputy head teacher in the 1970s.

When the case came to court, clear evidence was brought forward to clear Mr Sowerbutts, and the case was comprehensively thrown out. However, in the meantime, my constituent was branded a paedophile, spat at in the street, had his home vandalised and, worst

of all, received a series of terrifying death threat calls telling him every day for a week to kill himself or get ready to be murdered.

My constituent is now trying to put his life back together. Sadly, however, that option is not open to the family of Alastair Wilbee, a head teacher on the Isle of Wight who hanged himself after being accused of sexually abusing a boy. The coroner in that case called for legislation to grant the same statutory right to anonymity for teachers accused of abuse that the law already gives to children making such an accusation.

The same call was made as recently as last Friday by Christopher Ifould, a former deputy head, who was cleared unanimously by a jury after being tried on a charge of sexually assaulting a pupil. I shall quote his words, which appeared in last Saturday's *Daily Mail*, and other papers. He said:

"Nobody should have to go through what I and my family, friends and colleagues have endured. Teachers are increasingly vulnerable to false and malicious allegations. It is all too easy for disgruntled pupils, and those in pursuit of compensation, to make false allegations. The scales have tipped too far in favour of complainants."

He went on:

"More must be done to protect the reputations of good teachers. In particular, I call upon the Government to protect the anonymity of teachers accused of abuse".

I could quote many more such examples.

Chris Bryant: The hon. Gentleman is making an important point. I happen to believe that a similar argument could be made in regard to the youth service, in which exactly the same problems can arise in relation to informal teaching arrangements. However, everyone in a community such as the one that I represent would know that an allegation had been made, whether or not it had appeared in the newspapers, because that is the nature of our community. How would the hon. Gentleman deal with that problem?

Mr. Collins: Of course, the hon. Gentleman is right to suggest that no law can deliver perfection, but a law of this nature could make matters better than they are at the moment. Teachers and their union representatives are emphatic that legislation would help. The hon. Gentleman is right to say that it would not solve every aspect of the problem; no law ever can. But it would make things better, and, for that reason, it is legitimate for the House to consider the wishes of teachers on this matter.

Mr. John Bercow (Buckingham) (Con): I congratulate my hon. Friend on demonstrating—if demonstration were needed—that we are committed to the reintroduction into education not of the three R's, but of the six R's: reading, writing, arithmetic, right, wrong, and respect for legitimate authority in the classroom. Does he agree, however, that if we are to ensure that such measures are practically effective and not weakened or thwarted in Government, it will be necessary to act against that consistent and inveterate clique of left-wing officials in the Department for Education and Skills whose activities have done too much damage to the life chances of too many state school pupils for far too long?

Mr. Collins: I can certainly tell my hon. Friend that it is the intention of the next Conservative Government to free our schools from political interference, from left or right, by making it possible for them to take many more decisions for themselves and not be subject to interference from officials of whatever political orientation.

I could have quoted many more examples of the difficulties being experienced by teachers facing accusations of abuse. Ninety per cent. of those accused are never formally charged with an offence, and most of those who are so charged are subsequently acquitted. Indeed, according to figures from the National Association of Schoolmasters Union of Women Teachers, only 69 of the 1,782 accusations of abuse made against members of that union in the past decade resulted in a conviction. In the meantime, however, many such teachers go through what they describe as a period of pure personal and professional hell so traumatic that many who are accused never go back to teaching, even though their name is subsequently entirely cleared. That is why the teaching unions have called for a statutory right of anonymity for teachers. The Conservatives believe that that call is reasonable, and we back it.

The link to discipline is also clear. As one teacher put it to me, "How can I enforce discipline in a classroom if I know that if I antagonise any one of the pupils, and they choose to use the word 'abuse', my entire personal and professional life could be over?" That is why anonymity is important.

Let us be clear about what this does and does not involve. No one is calling for a return to the past, when allegations of abuse were simply ignored or brushed aside. Teachers are not asking for immunity from prosecution or investigation, or even that they should not be suspended if a credible allegation is made. On the contrary, all such claims should be thoroughly investigated. However, teachers are very understandably of the view that they are treated now as though they are guilty until proven innocent, when it should be the reverse. The pendulum has swung too far. No doubt in past children's complaints were not given sufficient weight. Today, it is the right of teachers to basic justice, protection from false or malicious allegations and the presumption of innocence that needs to be given more weight.

In fairness, the Government have said that they recognise that there is a real problem with the current situation. Indeed, they spent several months earlier this year consulting and considering what to do. Unfortunately, their final conclusions have been greeted with some disappointment. I accept that the Government will seek to speed up the time scale for investigations and trials and that they have secured guidelines from the Association of Chief Police Officers, and reached a voluntary agreement with the media, to limit the publication of the names of teachers in such circumstances. Those measures will undoubtedly improve matters and thus are welcome, but the police are already not supposed to provide such names during an investigation and the press have long undertaken to be responsible, yet names of teachers still keep being reported.

Those measures do not add up to what is being sought—the same legal right to anonymity for the accused teacher as for his or her accuser. So, let me make

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this offer across the Dispatch Box: should the Government choose to introduce a short Bill—it would need to be of no more than one or two clauses—simply to cover this point, the Opposition undertake to help to give it swift passage through both Houses of Parliament. Even in the short period before the expected election, such a Bill would have time to get on to the statute book. However, should Ministers choose to decline this offer, Conservatives undertake to include such a measure in the teacher protection Bill, which we are pledged to introduce in our first Queen's Speech.

Rob Marris: Will the hon. Gentleman give way?

Mr. Collins: I have given way twice to the hon. Gentleman, so, if he will forgive me, I shall make progress.

This morning, on Radio 4's "Today" programme, a teacher named Richard Anderson appeared. He is the teacher whose case has been widely publicised after huge numbers of present and past pupils backed him when he was suspended after a bag he threw towards a disruptive pupil hit that child. Mr. Anderson said this morning:

"There is a detailed and specific child protection act but there is nothing in place for teachers. The teachers do need a charter of their own . . . that protects teachers just as much as children.

There are increased pressures on teachers and they are finding it very difficult to survive with so few sanctions at their disposal."

That teacher is right. Teaching unions are right. Discipline matters, so protecting teachers matters. If the Government will not take action to do that before the election, Conservatives in office will do so after it.

4.3 pm

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the high priority the Government gives to improving behaviour and discipline in schools; supports Government measures to promote positive behaviour by empowering headteachers to deal with badly behaved pupils; celebrates the success that is evident, including attendance being at its highest ever level and Ofsted reporting behaviour satisfactory or better in 99 per cent. of primary schools and 95 per cent. of secondary schools; affirms the Government's commitment to tackle problems that remain; further supports the Government's reform of exclusions to strengthen the power of headteachers; deplores attempts to destroy that system, which would expose headteachers to litigation; welcomes the fact that headteachers, local education authorities and staff are endorsing Government plans for Foundation Partnerships which help schools co-operate to put pupils back on the right track; notes that capacity of pupil referral units has almost doubled under this Government to 13,000 places; considers that to multiply this capacity by six would not represent cost-effective spending on behaviour; deplores the suggestion that privatised borstals are the answer to every problem; endorses the action that the Government is taking to keep drugs and knives out of schools; further endorses the Government's drive to ensure that parents play their part in ensuring that children attend school regularly and behave well; further supports the Government's reforms for dealing with allegations against teachers swiftly and fairly; and agrees with the Government that no pupil has the right to disrupt the education of others and that every pupil, not just the few, should have the opportunity to succeed in life and to contribute."

We take the issue of behaviour and discipline in schools extremely seriously. For that reason, I very much welcome today's opportunity to set out the progress that we are making and the challenges that we continue to face. Discipline in schools matters for many of the reasons that the hon. Member for Westmorland and Lonsdale (Mr. Collins) set out. It matters for obvious educational reasons in the school; it matters because ill-discipline and bullying can affect the confidence and self-esteem of children, and their safety; and it matters because improving behaviour and tackling ill-discipline in schools will reduce criminal and antisocial behaviour later on, with a wide community benefit.

That is why we have invested significantly in improving behaviour, with a programme over the last three years of £470 million to improve behaviour both universally and through targeted support for schools, where the challenges are at their greatest. It is why we believe that every child has the right to the best possible education, the right to enjoy their learning in a positive environment, the right to achieve, and the right to make the very best of their life—every child, not just the few.

I shall address the points raised in the motion in turn. In a sense, the motion starts with the areas of consensus:

"That this House notes that the vast majority of pupils are well-behaved and eager to learn but is concerned that their ability to do so is increasingly undermined by a disruptive minority".

Of course I agree that the vast majority of pupils are well behaved and eager to learn. The vast majority of learners behave well almost all the time. They benefit from engaging teaching, and from the encouragement and support that they get from teachers and other members of our staff. They also benefit from this Government's massive investment in support for positive behaviour.

When I go to schools and meet pupils, I am impressed with what I see, as, I am sure, are Members in all parts of the House. Last month, I had the opportunity to attend the Diana awards, at which I met a young woman who had set up a bereavement counselling service in her school, and a young man who is leading the anti-bullying peer support network in his school. More recently, I went to Deptford Green school in south London, where I met pupils involved in the school council, which is ensuring that the voice of pupils is properly heard at all levels within the school.

Dr. Starkey: Does my hon. Friend accept that children are often led to become disruptive because they are having extreme difficulty in coping with the teaching in the classroom? In those circumstances, investment in classroom assistants or support mechanisms for those children is a more useful tactic than immediately excluding them from school and further disrupting their education before they are allocated to another school.

Mr. Twigg: I thank my hon. Friend. She is absolutely right. The investment in classroom assistants and other adults working in schools—I shall refer later to the role of learning mentors—plays a vital part in enabling schools to promote the very best behaviour.

We must, however, accept that there is a disruptive minority, as the motion correctly states. A central plank of our policy is to tackle disruption and to promote

good behaviour. Contrary to what the motion says, there are some signs that behaviour overall is improving: the 25 per cent. reduction in exclusions since 1997 is something to be proud of. If we examine the evidence from Ofsted, we see that behaviour is regarded as satisfactory or better in well over 90 per cent. of schools inspected. Of course, we all know that good attendance reflects an improving climate of good discipline in schools.

Truancy is a big challenge. We were disappointed by a small increase in unauthorised absence in the past year, but that was combined with a larger decrease in authorised absence. As a result, school attendance is at its highest since records began. When we came to power in 1997, school attendance stood at 92.77 per cent. The latest figures, published provisionally in September, showed an increase to 93.43 per cent.—

Mr. Bercow: Revolutionary.

Mr. Twigg: Expressed in percentage terms, it does not sound dramatic, but when expressed in terms of the number of pupils, I am sure that even the hon. Member for Buckingham (Mr. Bercow) would accept that an additional 17,000 pupils in school each day this year, compared with the previous year, is to be celebrated. The fact that there are over 40,000 more pupils each day in school, compared with 1996–97, is real evidence of improvement, which I would hope that all parts of the House would celebrate.

Mr. Andrew Turner (Isle of Wight) (Con): Is the Minister using the aggregate figures for authorised and unauthorised absence, or merely those for unauthorised absence?

Mr. Twigg: I am using the aggregate figure for authorised and/or unauthorised absence. At the beginning, I acknowledged the weakness in my case by saying that, in the past year, unauthorised absence had marginally increased, although authorised absence had fallen much more dramatically than the overall figure showed. That resulted, as I said, in school attendance being the highest on record. Part of the reason for that shift is the fact that schools are increasingly reluctant to authorise certain forms of absence that they authorised in the past—for example, term-time holidays. We still have a long way to go on truancy, and I do not underestimate the challenge, but I think we can be positive about a 25 per cent. fall in exclusions, behaviour said to be satisfactory or better in well over 95 per cent. of schools inspected by Ofsted, and school attendance at its highest-ever level.

Mr. Mark Francois (Rayleigh) (Con): The Minister obviously visits a number of schools. Indeed, we all do so, in our role as constituency Members. I have never yet met a head teacher who made the decision to exclude a pupil lightly, but I am sure the Minister would agree that a disruptive pupil takes up a disproportionate amount of the time of both classroom teacher and head. When will the Government start thinking about the 29 children in the class who suffer because of a disruptive pupil, instead of always seeking to defend the disruptive pupil to the disbenefit of all the well-behaved children?

Mr. Twigg: With respect, this Government think about all 30 pupils, but it is vital that we address the needs of those 29. I shall say something shortly about measures that we have taken and are taking, some of which are criticised in the Opposition motion.

We are the first Government to operate national truancy sweeps. A record 146 local education authorities—almost all of them—recently participated in the latest round of sweeps, which ended on 3 December. Earlier sweeps have stopped more than 25,000 truants. In particular, truancy has been tackled successfully in schools supported by the behaviour improvement programme. The amount of time lost to truancy in those schools has fallen by an average of 63 days for each school. They are bucking the trend in that there has been both a fall in their authorised absence figures, matching what is happening in the country as a whole, and a fall—including in the past year—in their unauthorised absence figures.

I believe that our drive to improve behaviour is earning respect. For example, we conduct regular stakeholder surveys. In the most recent, head teachers were asked to describe the pattern of behaviour: was it improving, worsening or staying about the same? The result showed a significant improvement in the optimism of head teachers, 41 per cent. of whom said that behaviour was improving. Three years ago the figure was 34 per cent. The number saying that behaviour was getting worse fell, albeit slightly, from 15 per cent. to 13 per cent. Although it is clearly not acceptable for 13 per cent. of heads to regard behaviour as worsening, I believe that, seen in the round, the figures show that the terms used in the motion cannot be justified.

Mr. Francois: In the real world, how many head teachers does the Minister think would be willing to admit in a questionnaire that behaviour was getting worse at their own schools?

Mr. Twigg: In my experience of working with head teachers, they are never reluctant to talk about the challenging as well as the positive aspects—and quite right too. That is reflected in the response from the 13 per cent., and borne out by other surveys of head teachers.

Many behaviour problems in schools have their origins in incidents of bullying. The Government have led an unprecedented drive against bullying. I pay particular tribute to my hon. Friend the Under-Secretary of State for Education and Skills, who has taken personal charge of the programme—including the establishment of the anti-bullying alliance and the anti-bullying charter, which has been endorsed by all the professional associations and by key voluntary sector organisations and children's charities. We believe that the recent anti-bullying week and the wider work of the alliance are critical to providing a real, concerted drive to give support and confidence to those who face bullying in our schools.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): I apologise to the Minister and to the Conservative Front-Bench spokesman, the hon. Member for Westmorland and Lonsdale (Mr. Collins), for not being here for the beginning of the debate.

[Mr. Phil Willis]

We support what the Minister is doing on bullying and we commend the Government for that, but Bullying Online, which for a decade has been at the vanguard of dealing with bullying in schools and is the most respected group in the country, is being denied access to the alliance because it will not sign a code of conduct that says that it must not criticise Government officials. Surely that is unacceptable. There should not be a gagging order on any organisation, certainly not a well respected organisation such as Bullying Online. That is bullying.

Mr. Twigg: I am happy to look into the hon. Gentleman's specific suggestion. I am acutely aware of Bullying Online's concern because I have received a considerable number of letters from colleagues on both sides of the House about it. We are putting substantial additional resources into supporting anti-bullying work, including that by a wide range of respected voluntary organisations. I am happy to look into his specific suggestion and to respond to him.

Mr. Bercow: It is always a pleasure to joust with the Minister. If he will escape just for a moment from his statistical snowstorm, will he tell the House what objection ethically or intellectually he has to the idea that the ultimate arbiter of whether a child stays in the school or not should be the head teacher of that school?

Mr. Twigg: The hon. Gentleman anticipates the part of my speech that I will come to in a moment. I decided to structure my speech around the motion. The ultimate arbiter is the head teacher, but any system beyond that will have some right of appeal. My hon. Friend the Member for Wolverhampton, South-West (Rob Marris) emphasised the fact that, without an appeal panel system in place, there is the danger of an increase in litigation, with parents going to the courts. I will come to that when I address that part of the motion.

Dr. Starkey: Does the Minister accept that, although many of us, as constituency MPs, would wish for the most part to support the head teachers of our various schools, parents in my constituency have approached me—not all of them had children in the state sector; one in particular complained about the private sector—because, apparently, head teachers have acted arbitrarily and the rights of pupils and their parents have been compromised. It is essential that we strike a balance. Although head teachers for the most part make the correct judgment, they are not infallible. They are not God.

Mr. Willis: Some of us were.

Mr. Twigg: My hon. Friend makes her point powerfully. She is right. I will not enter into a debate about the God-like qualities of the hon. Member for Harrogate and Knaresborough (Mr. Willis). I shall move instead to the second part of the motion, which

"regrets the fact that an assault takes place on a teacher every seven minutes, as reported by teaching unions".

Clearly, any assault on a teacher is unacceptable and everything must be done to prevent that from happening and to ensure appropriate punishment if it does happen. The allegation is based on a 2002 survey by the National Association of Schoolmasters Union of Women Teachers. Of the 287 members who took part, 212 reported verbal abuse. Of course, no member of staff should be expected to suffer verbal abuse, but all of us in the House would accept that verbal abuse is not the same as physical assault. Indeed, Chris Keates, general secretary of the NASUWT, said in response to the tragic death of David Sandham:

"It must be remembered that schools place a high priority on maintaining high standards of pupil behaviour and that compared with the growing incidence of violence on the streets, they remain relatively safe havens of peace and security."

It is incumbent on all of us to remind ourselves of that fact, which in no way lessens the tragedy if there is an assault on a teacher, be it physical or verbal. We must not be complacent.

Mr. Collins: The Minister is right to say that it is important to give an accurate and balanced sense of what is going on, but he said that the NASUWT figures related to only 60 or 70 assaults on teachers—I think that that is what he implied—so would he not also put that in the context of the more recent statistics from the Office for National Statistics showing that in a single term in 2003 more than 4,000 pupils were excluded either temporarily or permanently for violent assaults on adults, almost all of them teachers? It is important to stress that side of it, too.

Mr. Twigg: The hon. Gentleman is absolutely right. It is a serious challenge that we must face together. I referred to the survey for the sole reason that it is the one that he has chosen to refer to in the motion. In no sense was I seeking to suggest that there is not a big challenge here. We must work both to ensure that schools and their head teachers are in a position to deal with these incidents when they happen and, more optimistically, to bring about a position in which they do not happen in the first place.

That is one of the reasons why we have established the behaviour improvement programme, focusing on some of the schools that face the severest challenges, schools that are now often achieving against serious odds. I will not go into detail about some of the programme's provisions—extra learning mentors, learning support units, behaviour and education support teams, and police in schools—benefiting about 1,500 schools that face especially serious behaviour challenges and being extended to a further 500 next year.

Dr. John Pugh (Southport) (LD): Does the Minister acknowledge that where schools learn from best practice the need for exclusions goes dramatically down?

Mr. Twigg: Absolutely. That is the emerging evidence from the behaviour improvement programme, which is resulting not only in improved attendance but in a reduction in exclusions.

The National Union of Teachers—we are all fond of quoting the teaching unions—says:

"The biggest problem in schools is low level disruption and cheek, not physical violence."

That is in some ways a more difficult challenge, which we seek to deal with through the behaviour improvement programme. In secondary schools and now in some primary schools we are offering materials and extra expert support to tackle the behaviour issues that schools themselves tell us are their top priority.

Schools can deal with the great majority of behaviour and attendance problems themselves, through good teaching, good policies and procedures, and creating a positive ethos. Our key stage 3 and primary strategies are giving schools the tools to improve all those.

The next part of the motion says that the House

"further notes that incidents involving poor behaviour, intimidation, violence, guns and drugs in schools are all increasing",

That is a sweeping statement, and the reality is more complex. I certainly recognise that there are some serious challenges and too many problems, and we need to take a very strong line on drugs, guns and knives in our schools, and of course heads need the powers to tackle them.

The Offensive Weapons Act 1996 makes it a criminal offence to carry offensive weapons on school premises. It is a crime to carry an illegal knife, or any other offensive weapon, in a public place, including in a school. Any pupil can be arrested if found with an illegal knife in school. Police have powers to enter and search on reasonable suspicion. The Secretary of State in his speech last month to head teachers said that we are supporting the Home Office in its review of the age at which knives can be legally purchased.

We are also working with the head teacher associations and others on the powers that heads have to undertake searches. We are encouraging local partnerships of heads, police and crime reduction partners to deal with issues about knives in their local area. We have proposed a new power for head teachers to search pupils who refuse to turn out their pockets, where the head suspects that a knife is being carried.

Any tragedy reminds us that schools need support to avoid such tragedies happening again. International research indicates that the most effective way of reducing the risk of such tragedies is to increase school security, and to help ensure a climate in schools in which pupils share information and act on it to prevent possible incidents of violence.

We need to support schools with, for example, additional funds for security improvements. We are committed to backing the authority of head teachers when pupils' behaviour warrants exclusion. We have made it clear that heads can permanently exclude pupils who are very disruptive or violent, even where this is a first or "one-off" offence. The hon. Member for Westmorland and Lonsdale referred to the wording of our amendment, which mentions the strengthening of guidance. We have changed the guidance for exclusion appeal panels to make it clear that an exclusion should not normally be overturned in a range of circumstances, including where there has been violence or the threat of violence. For less extreme offences, head teachers may exclude pupils for a fixed period or impose detention. We expect head teachers to follow the best available practice in promoting good behaviour.

Mr. Collins: Is the Minister therefore saying that the Government should be given credit for amending regulations that they themselves introduced and subsequently found to be unworkable?

Mr. Twigg: Absolutely. I am always in favour of learning from our mistakes. If the Conservatives had done so once or twice when in government, they might be in a stronger position today.

On violence, the hon. Member for Westmorland and Lonsdale cited certain research referred to in the motion and I cited other research. A range of information is available on violence, particularly that suffered by teachers. Unfortunately, we do not have data covering the number of assaults on teachers and other staff, but we do have the Health and Safety Executive's figures on serious injuries to primary and secondary teachers in Great Britain caused by physical violence. In 1997–98, there were 119 such injuries. In 2000–01, that figure rose to 135, and it fell to 110 in 2001–02, the latest year for which we have fully verified HSE figures. That demonstrates that the number of such injuries is not necessarily increasing; however, we do face a very significant problem and challenge in this regard.

In partnership with the teacher unions, the Department is running a project to identify best practice in schools on violence avoidance and conflict resolution. As my colleagues will know, we are also working with the Home Office in support of the safer schools partnerships programme, which has led to the basing of more than 400 police officers in schools to reduce criminality and victimisation, and to improve the safety of staff and pupils. We are also supporting Skillsforce, an increase in the funding for which I was delighted to announce last week. There is powerful evidence that it has made a real difference by increasing the motivation of children and young people, and by reducing exclusion in those schools that form part of this programme.

The motion

"deplores the announcement by the Government that it will force every state school, irrespective of the wishes of its head teacher, to take a share of pupils with disruptive or even violent backgrounds".

However, this announcement is not about forcing head teachers to take disruptive pupils; it is about ensuring that when previously excluded pupils are ready to be re-integrated in schools, they are not sent to just one or two schools in a given locality. Both head teachers and school staff fully support the Government's proposal, which will help schools to co-operate in putting pupils back on the right track.

I shall follow the practice of the hon. Member for Westmorland and Lonsdale and quote from the various organisations involved. On the day that we announced this package, a representative of the Secondary Heads Association said:

"I welcome today's package of measures, which demonstrates strong government support for head teachers in dealing with discipline problems."

[Mr. Twigg]

The National Association of Head Teachers said:

"We endorse the need for limits to be placed on the number of excluded pupils who are dumped on schools because they have spare places. Too often this has a bad impact on a small number of schools in each local education authority. Schools around the country are already working together . . . There is absolutely no reason why this co-operation should not apply nationwide."

Mr. Willis: Does the Minister agree that, with the odd exception, most children show signs of increasingly poor and violent behaviour before the point at which they need to be excluded? Does he further agree that if we are to deal with that problem, we need a system of managed transfer between organisations so that kids do not drop off the end of the cliff, then needing massive intervention? Is it not the Government's own policy, particularly in the five-year plan, to create more stand-alone, autonomous, state-funded private schools, which goes against the grain of getting schools to co-operate in order to deal with the problem?

Mr. Twigg: I agree with the hon. Gentleman on the first point and, not surprisingly, disagree with him on the second. A range of measures is available in respect of managed moves and schools working together. What the five-year strategy says is that we want schools to have their own identity, ethos and autonomy, while at the same time we want schools to work together to promote solutions to precisely some of the challenges that we are addressing in today's debate—foundation partnerships, for example. In a few moments I shall refer briefly to a specific example.

Mr. Andrew Turner: The Minister quoted the National Association of Head Teachers, but he quoted only its applause for the good bit of the Government's promise—that bad pupils should not be poured into part-empty schools. However, I did not hear him quote anything about the bad bit of the Government's threat—that bad pupils would be put into good schools even though they were full. Can the Minister confirm that it is not his policy that a child who has been excluded from one school can be forced into another full school against the wishes of the head teacher?

Mr. Twigg: Let me be absolutely clear: we cannot have it both ways. We need a position under which there is justice for the whole system. In fact, both the National Association of Head Teachers and the Secondary Heads Association worked closely together with us on this policy. We have not dreamt it up either on our own or with those two organisations. It is based on existing examples of good practice in many parts of the country. We are not saying that schools should be forced to take pupils who are clearly unsuitable for mainstream school education and we are not saying that grammar schools should have to take pupils who do not demonstrate the necessary academic aptitude. The guidance issued is based on best practice that already exists in a number of areas, including Stoke, Surrey and Kent, where the heads already share the admissions of pupils who are ready to return to mainstream schooling. They strongly support this approach. I am very disappointed to see the Conservatives condemn in their motion today a policy that is already working well in Conservative-run local education authorities such as Kent and Surrey, and is supported by both head teacher associations. I believe that our policy is based on common sense and clear evidence.

Dr. Starkey: Is the Minister as disturbed as I am by the nomenclature used by the hon. Member for Isle of Wight (Mr. Turner) when he referred to pupils who had been excluded but were deemed to be sufficiently rehabilitated as to be able to return to mainstream schooling as "bad pupils"? Is the Minister disturbed by the implication that such pupils cannot be rehabilitated and are therefore irredeemably damned as "bad pupils" who should presumably be excluded from the system for ever?

Mr. Twigg: I think that we all have to be careful about the language we use in these discussions because we are talking about the lives of children and the important impact that these decisions have on school communities.

I shall now move on to that part of the motion whereby the House is said to believe

"that head teachers should be given, unequivocally, the final say on expulsions by abolishing independent appeals panels".

Some of the issues have already been rehearsed in interventions on the opening speech of the hon. Member for Westmorland and Lonsdale and earlier in my speech. We are seeking to ensure that heads have the powers they need to exclude when necessary, but without killing off the appeals system, which provides safeguards to protect schools from needless and time-consuming litigation, as well as ensuring that fairness is transparent.

It is well known that the previous Conservative Government introduced appeal panels in the first place. We have passed a number of reforms to the way in which those panels operate and I believe that they are a necessary safeguard for pupils and parents, that they conform to the interests of natural justice and comply with human rights legislation. Abolishing them would inevitably lead to a sharp increase in legal action by parents against schools. That would mean head teachers spending time in court, and it would be costly, both in time and money.

Dr. Pugh: Does the Minister agree that under the Conservative policy, legal aid would not be available and only the rich could take action, so there would not be much legal action from parents of poor children?

Mr. Twigg: There are things that can be said in opposition that are unlikely to become practice in the unlikely event of the Opposition coming to power in the immediate future.

I shall share with the House the statistics for independent appeal panels. In 2002–03, the latest year for which figures are available, independent appeal panels reinstated 149 out of 9,290 permanently excluded pupils, or less than 2 per cent. It cannot therefore be seriously argued that the abolition of independent appeal panels will make a big difference to the numbers of pupils excluded from school.

We have heard a call for a sixfold increase in the number of places to be provided for high-quality, intensive but separate education of those whose

behavioural difficulties make them unsuitable for inclusion in mainstream schools. We heard clarification from the hon. Member for Westmorland and Lonsdale that that increase was based on a previous figure, so the sixfold increase would not take us from the 13,000 places that are available now to 78,000, which would cost around £650 million, but would mean an increase to 24,000, which is a more modest increase than that set out in the motion today.

I would argue that preventive work by schools to improve behaviour is the better solution for the vast majority of pupils rather than taking them away from their schools.

Rob Marris: Does my hon. Friend share my bemusement at the Conservatives' proposals for turnaround academies or schools? In my constituency, we have the funding and the land set aside for a skateboard park, but we cannot get community agreement because of the worries about young people gathering. How on earth will the Opposition be able to propose that a turnaround school be built in any neighbourhood without provoking huge opposition? Or will we have another fantasy island for those pupils?

Mr. Twigg: Perhaps they want an island for the bad pupils. My hon. Friend raises a serious point. The estimated cost of the proposals is based simply on the revenue costs of pupil referral units. However, what would be the capital costs for turnaround schools? Is it suggested that the turnaround schools would be in new buildings, which would be hugely contentious, or would an existing school in each community be turned into a turnaround school? The policy that we have been pursuing is seeking to improve all schools so that we do not have sink schools. Do the Tories propose a sink school in every neighbourhood as a priority for Government policy?

I do not know where the Opposition have got the 24,000 figure from, but we have been able to increase the capacity of pupil referral units. Indeed, we have almost doubled the number of places to 13,000, but we recognise that alternative provision is not simply confined to those units. For many children, work-based training or further education colleges—and some of the work done by the voluntary sector, such as the Prince's Trust and Skillsforce—can provide more appropriate ways to improve behaviour and therefore discipline. I am not persuaded that we need a further large expansion in pupil referral units. Indeed, the Ofsted report that was published last week raised some serious issues, but they were primarily issues of quality and were connected to the running of the system, not the number of places available.

Pupil referral units are important, but they are only one part of the solution. We need to support schools in preventing exclusion through the use of learning support units within schools. There are now more than 1,000 of those units. They are typically based in schools and provide short-term teaching and support programmes for pupils who are disaffected, at risk of exclusion, or vulnerable for other reasons. The programmes are tailored to the needs of each pupil. The aim is to keep pupils in school and working while their problems are addressed, but to prevent them from disrupting the education of other children in the classroom. LSUs support whole-school approaches to behaviour and learning and teaching, and are a source of expertise in strategies for promoting positive behaviour.

I welcome the report issued by Ofsted last Friday. Next month, we shall issue guidance on the quality of alternative provision to make it clear that the needs of each pupil have to be assessed and addressed. That will mean a range of approaches; yes, pupil referral units, but also the voluntary sector, Skillsforce, further education and work-based learning, depending on the needs of the particular child or young person.

I want to turn to an important issue: the ability of teachers to exercise discipline and protection for them from the fear of false allegations of abuse. The motion urges swift legislation, as the hon. Member for Westmorland and Lonsdale set out in his speech. We share the belief in all parts of the House that someone who is under investigation by the police, but who has not been charged with a criminal offence, should not be identified in the press, and I pay tribute to the considered way in which the hon. Gentleman has raised that issue, both in this debate and at Education and Skills questions last month. As he knows, we are not persuaded that new legislation is required to achieve those aims. My hon. Friend the Member for Rhondda (Chris Bryant) set out some of the challenges that we should face if we legislated in the way that has been suggested.

We were all moved by the examples given by the hon. Member for Westmorland and Lonsdale and by some of the other examples that have appeared in reports today and over recent years. We have a system of press self-regulation, overseen by the Press Complaints Commission, which provides safeguards against the publication of inaccurate or misleading information. As the hon. Gentleman rightly said, the PCC has issued further guidance about identifying people accused of crime, and the Association of Chief Police Officers' advice to police forces makes it clear that anyone under investigation, who has not been charged, should not be named, and their details should not be provided to the press. We have to balance a number of competing rights and pressures: the protection of teachers and staff, and of the child, quite rightly; as well as the right to privacy of people who are accused but not charged versus the freedom of the press. My sense is that there is much justice in what the hon. Member for Westmorland and Lonsdale said, but that many of his arguments would apply equally well to other public service professionals, such as the youth service workers in the example given by my hon. Friend the Member for Rhondda, social workers or people working in residential care homes. That highlights some of the practical difficulties that might occur in legislating as the hon. Member for Westmorland and Lonsdale proposed.

Chris Bryant: In many care homes, one of the advantages of some publicity when a case comes to court is that other people who have been seriously abused in the past can come forward and find justice and retribution. Does my hon. Friend think that there is a way in which that could be achieved without legislation?

Mr. Twigg: In a sense, that is what we are all grappling with in the debate—whether legislation is required, or whether the various existing codes, advice and guidance from both the PCC and ACPO are sufficient. We all need to watch the matter closely, but the Government are not persuaded, at this point, of the case for legislation. As the hon. Member for Westmorland and Lonsdale rightly accepted, we have recognised that part of the problem is to do with the delays that often exist in the system. Not only may teachers face an allegation that turns out to be false, but the system itself is ill-equipped and ill-prepared to deal with that allegation efficiently. We have analysed about 1,600 cases over the past year. Most of them were resolved quite quickly but an unacceptably high number—although not quite as high as the number I quoted on the "Today" programme—take longer: 22 per cent. take up to three months, while about one in 10 takes as long as a year. We are currently consulting teacher unions and others about how we can put in place an effective system so that if an allegation is made, it is dealt with speedily and efficiently, which is in the best interests of the accused and the accuser.

To conclude, the motion says that

"it is time for the rights of the majority of pupils, parents and teachers to be given greater weight."

Of course, all pupils have rights as well as responsibilities. They have a responsibility to behave well, both for their own sake and for the sake of others in the school; to respect other pupils and authority, which is why we are investing in 10,000 learning mentors and, as I have said, doubled the capacity of pupil referral units. However, we do not want to abandon anyone, because that blights their future and creates problems for the communities in which they live. I do not believe that costly privatised borstals are the answer to any or every problem. It is far better to support collaboration among schools to offer any learner a second chance once their behaviour problems have been dealt with.

Parents play a crucial role in children's learning and behaviour. They have rights, as the motion says, but they also have duties. Local education authorities and schools employ a range of informal and supportive strategies to help parents tackle their children's behaviour. A small minority of parents, however, are unwilling do so, which is why we have introduced a number of measures, including parenting orders and the new penalty notice scheme, to reduce truancy. We take behaviour and discipline seriously, which is why we have put significant resources into that programme. We have invested in this area in a way that no Government have done before. The real challenge for all of us is to promote respect and discipline—respect for one another but also respect for authority, as the hon. Member for Buckingham rightly said when he talked about the six R's. We want every child to have the very best chance. Good progress has been made, but many challenges remain.

Rob Marris: I do not want to destroy my hon. Friend's momentum, but will he advert briefly to the curriculum, as it affects pupil behaviour? The Under-Secretary of State for Education and Skills, my hon. Friend the Member for Bury, South (Mr. Lewis) has talked about things that 14-year-olds might study within a school context but not necessarily at school. We should be talking about prevention as well as cure, and the curriculum has a role to play in prevention.

Mr. Twigg: My hon. Friend is right, and I am confident that the Under-Secretary of State for Education and Skills my hon. Friend the Member for Bury, South (Mr. Lewis) will respond to that point in his winding-up speech.

The Opposition's proposals are ill-considered and costly, and would undermine the progress that has been made. For those reasons, I urge the House to reject the motion and support the Government amendment.

4.48 pm

Dr. John Pugh (Southport) (LD): This is a timely debate, because across the land schools are about to reach the end of the longest term of the year. Teachers are tired, and are clinging to the ropes. Pupils are more fractious, and problems are more evident. Everyone is focused on the last day of term and Christmas, and I am sure that we can all empathise with an experience that has been part of the natural history of British schooling for at least a century. However, there is a new phenomenon—blaming the Government for the problem of indiscipline. What people see of Parliament, especially Prime Minister's questions, on television does not encourage them to believe that we have a natural answer to unruly behaviour.

Historically, bad behaviour has been considered the fault of pupils and, if not controlled effectively, schools. However, if it is true that we live in a nanny state, we have probably reached the point where nanny is held responsible for the behaviour of all her charges, especially when the Government try to micro-manage the entire educational process. However, in the Government's defence, it is worth making the point that such indiscipline as there is may in part be a product of complex cultural changes for which the Government cannot be held entirely responsible and which, in a democratic society, they are not completely empowered to address.

Chris Bryant: Does the hon. Gentleman agree that one issue that has not been addressed so far this afternoon is the extent to which parents provide parameters for their children? One of the difficulties is that however much discipline may be enforced in a school and a disciplined environment achieved in which children may learn, it is difficult to maintain that the next day if no parameters are set for them when they go home.

Dr. Pugh: It is an axiom in educational circles that, for good behaviour and good performance in school, parental support is crucial.

Indiscipline comes in two variants: the general indiscipline of whole classes and, at times, whole schools; and the seriously disturbed and disturbing behaviour of a small minority of damaged young people, often with a dysfunctional family life behind them. Both problems need addressing; although both can occur together, they are different. General indiscipline in a school is treatable, in part, as the Minister said, by spreading good practice. That can

work anywhere and there is a known recipe. We all know schools in our own constituencies that had problems, the problems were dealt with and discipline is now good.

Counteracting indiscipline is not rocket science. It involves a range of specific actions: setting high standards; consistent and fair enforcement of those standards; and stamping out minor offences so that the major ones that lead to expulsion do not occur. I have taught in a secondary modern school, a dockland comprehensive and an independent school, and I found in all of them the recognition that clarity and consistency about educational standards and sensible enforcement is the secret. It is the main factor in good discipline in any school at any time and in any place.

The recipe for good discipline involves other factors, such as mutual respect between pupils and staff. In my experience, pupils will forgive many things, but never neglect and disdain. The recipe also requires a relevant and challenging curriculum. Everyone agrees that an inflexible, inappropriate curriculum causes trouble for the underachieving and sometimes for the exceptional child. The Government seem to be addressing the problems of those who find an overly academic curriculum too tough, by adopting a more flexible approach towards the 14-to-16 curriculum.

As a small footnote, it is worth pointing out that in the history of education, a number of exceptional people met difficulties at their schools. The right hon. and learned Member for Folkestone and Hythe (Mr. Howard) wrote in a recent statement:

"If bright pupils are not intellectually challenged in the classroom, is it any wonder that they get bored and cause trouble?"

Many exceptional people had problems. The best example is Einstein, who was expelled, as were numerous poets including Baudelaire, Robert Frost for daydreaming, and Robert Southey, the lakeland poet, apparently for writing an essay at Westminster school condemning flogging. I looked into the question of whether any politicians of note were expelled, but the only one I came across was Mussolini, who was expelled for stabbing a pupil, an event which, strangely enough, did not stop him becoming a primary school teacher later in his career.

Best practice requires an emphasis on community and responsibility. That must be instilled through the whole curriculum and reinforced by giving pupils responsibility in extracurricular activity. More than lip service must be paid to the citizenship agenda. Equally crucial, as has been mentioned, are support from, co-operation with and help for parents, where necessary encouraged by home-school contracts. What is needed, and what may be lacking from the Government's agenda, is monitoring and active support from local education authorities, reacting early to difficulties and to parental dissatisfaction. A further factor, as my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis) mentioned, is the construction of a system that does not create sink schools but gives special help to schools in difficult circumstances.

Creating the conditions for good discipline is, I repeat, not rocket science, but it is not helped by emasculating LEAs or by intervening only when a school gets past the point of no return and is classified as a failing school. It is not helped by encouraging competition at the expense of co-operation between schools, or by using league tables as a sole and crude basis for estimating how well schools are doing. It is certainly not helped by overburdening schools and teachers with bureaucracy or squeezing out extra-curricular activities.

Liberal Democrats believe that every parent should be guaranteed undisrupted education for their child, whichever school they attend, and a school life free from bullying. It is a guarantee that I believe the professionals are capable of delivering, with very few exceptions, so long as we spread good practice and the Government provide the framework for it to happen.

The second aspect of the problem is damaged and destructive children, who can wreak havoc in any institution. They are from families and communities that have broken down and they are increasing in number—I think that that is a documented fact; we can see it in the primary schools. They are unloved, resentful and lacking in self-esteem, but I do not share Rousseau's belief that all we need to do is present them with an interesting education and they will go for it. They will not give education a chance and after a while they cannot give education a chance. They must be sorted out or they will simply fester in society, destined for a genuinely miserable life at odds with society. They are what used to be referred to as "bad pupils", but they are also pupils for whom there is no real hope at the moment.

Although pupil referral units were built for such pupils, they also need some genuinely creative solutions. Voluntary bodies such as Rathbone Training, the social commitments of which go back to 19th century Liverpool and which was started by a Liberal MP, have designed pioneering programmes.

Effective, imaginative treatment and family support—and, where family support is required to be extended, parenting orders—can genuinely lead to a rapid turn round, provided that they are coupled with a strategy of early intervention, rather than masked, as they sometimes are in the early stages of primary schools. The rise in primary exclusions shows how early severely challenging behaviour can occur. We remain optimistic that, even here, there is evidence that there are solutions. There are currently 380 PRUs and various home tuition schemes, costing in excess of £200 million and not always providing the full curriculum, with a cost per pupil place similar to the most exclusive independent schools in the land. Those millions come from school budgets and are essentially money not spent on the education of the well behaved.

I have some sympathy with the right hon. and learned Member for Folkestone and Hythe, who, on 29 November, said:

"good discipline should not cost an extra penny"

Strangely, he went on to promise to spend a further £200 million on the unruly, increasing sixfold the places for the uncontrollable.

Chris Bryant: I would not encourage the hon. Gentleman to become too worried about the arithmetic of the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) he might get into troublesome areas. The hon. Gentleman is talking about

[Chris Bryant]

the cost of this work. Much evidence shows that the youth service is an equally effective but much cheaper way of intervening in many young people's lives. How does he think the youth service can work effectively with the education system to improve the lot of some of those young people?

Dr. Pugh: There is a crying need for outreach youth work right across the land, and the youth service is certainly as creative as anyone in coming up with solutions for children whose behaviour is fundamentally antisocial and needs correcting and directing in a different and better direction.

I have to go back to the right hon. and learned Member for Folkestone and Hythe, because his solution reminds me of Lord Whitelaw's detention centres, which were intended to deliver short, sharp shocks and solve the whole problem of crime, but which, in effect, did an enormous amount to improve the fitness level of burglars. Unlike the detention centres though, it is anticipated that the stay in turnaround schools, if we can call them that, will not be short. The whole approach smacks of the darkest pessimism, as does the figure of 24,000 places—twice the number of currently excluded pupils, on any estimation. Clearly, it is anticipated that indiscipline will get substantially worse under any future Tory Government.

I shall pass over the problems already mentioned of capital cost, planning difficulties and so on, and conclude by saying that throwing £500 million or more—we are talking about adding to the cost of existing PRUs—at those who cannot or will not behave themselves is an expensive philosophy of despair.

Mr. Mark Hoban (Fareham) (Con): If we do not provide special support to improve behaviour among that group of people, the cost will be borne not in our schools, but in our criminal justice system and communities, when those children go on to cause greater social problems later in life. We must improve their behaviour at school, where we have a chance, rather than leaving the criminal justice system to take its toll.

Dr. Pugh: We need a system that does not result in 24,000 exclusions—a system with 24,000 exclusions is failing. In a modern democracy and civilised society, 24,000 exclusions are unacceptable.

Mr. Andrew Turner: The Minister admitted that 10 per cent. of pupils are educated in schools in which Ofsted feels that discipline is inadequate—he said that Ofsted feels that discipline is adequate in 90 per cent. of schools, and the reverse must therefore be true. He also said that 13 per cent. of head teachers believe that discipline is declining. Is it not the case that it is better to provide places for those who are not excluded at the moment, but who would be, were the places available?

Dr. Pugh: May I respond from a professional perspective? If the only remedy for the poor discipline of pupils in a school is to expel them and they can be corrected in no other way, either the system is failing or the pupils are very difficult. I do not think that the system contains 24,000 unmanageable pupils, if good practice and good standards are upheld.

A cheaper solution than that offered by the Conservative party is available. I shall use the example of the LEA of the hon. Member for Westmorland and Lonsdale (Mr. Collins), which I took off the Department for Education and Skills website. Cumbria LEA has introduced school re-integration officers. As far as Conservative Members are concerned, "re-integration" is a bad word, but employing those people reduced exclusions and decreased the cost of prolonged replacements by nine tenths, with no obvious downside. The Conservative policy would cost a lot of money and is an uneconomical solution to a serious problem. Early intervention would save a great deal of money. Early intervention and the spreading of good practice have been proved to work. Throwing people in a sin bin for a long time is expensive, and one must believe that it is the right solution before one uses it.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Wales will be spared the Conservative policy of turnaround schools, because education is a devolved matter. How would turnaround schools function in rural areas, where children would have to travel for many miles, which would take them out of their community and the support that it provides?

Dr. Pugh: My hon. Friend has made an acute point. Later this week, we will debate the School Transport Bill, and the hon. Member for Westmorland and Lonsdale will have to come clean and admit that his policy would add appreciably to the cost of school transport, which would be required in order to get pupils to turnaround schools.

Finally, Liberal Democrat Members take a different view on accused teachers from that of the Government. The issue of anonymity has been a leading story on the BBC—I heard the Minister on the "Today" programme this morning, and I have seen the press release from the hon. Member for Westmorland and Lonsdale. The story is not new—the Minister and I discussed it at the National Association of Schoolmasters Union of Women Teachers conference almost 12 months ago, and the Minister has followed a fairly consistent line on it—but it is serious.

I was not convinced by the Minister's response on the radio this morning. He can correct me if I am wrong, but he seemed to say that malicious accusations could be dealt with by relying on press protocols and attempting to speed up the inquiry process rapidly to dispose of groundless complaints. I support press protocols and speeding up the inquiry process, which is a sensible reaction, but it is a fair objection that there has never been a press protocol that has not been breached on occasions. However fast the inquiry process goes, it is never as fast as the publication of tomorrow's newspaper, and one ill-directed headline can ruin a teacher's professional and personal life. Given that fact, there needs to be a substantive legal reason for opposing the suggestion, and it is not clear that there is one.

Mr. Stephen Twigg: The hon. Gentleman expresses concerns that all hon. Members would share. Clearly, press protocols do not in practice prevent such cases from going forward as they have in the past—that is why those protocols have been strengthened. Does the hon. Gentleman accept that although there is a strong

argument for teachers, there is an equally strong argument for youth workers, residential care home workers and social workers, and that it would be difficult in practice to know where to draw the line?

Dr. Pugh: The Minister makes a valid point. A case has been made for teachers and one could make a parallel case for other groups. The Government need to explore that in the round, because they must face up to the consequences of any legislation that they introduce. I think that the Minister would agree that his arguments do not automatically knock down those advanced by the hon. Member for Westmorland and Lonsdale or by my hon. Friends. I hope that he will reconsider, because there are good arguments for dealing with this problem for the teaching profession.

Rob Marris: As the hon. Gentleman may have gathered, Labour Members have some sympathy for his case. The motion uses the words,

"at least up to the point where a formal criminal charge is brought".

When I practised as a solicitor before I entered the House, I acted for members of the National Association of Schoolmasters Union of Women Teachers who were in that position. To echo what my hon. Friend the Member for Rhondda (Chris Bryant) said about care workers, anonymity, which I would support legislatively, could apply only up to the point of formal criminal charges being brought, because subsequently other victims might come out of the woodwork, and that would assist in the protection of the children, which is what we all want.

Dr. Pugh: I am familiar with that issue, having been approached by care workers in my constituency who have had their careers ruined by wrongful accusations. To some extent, publicity can facilitate further legitimate complaints against the individual, but can in turn encourage other people with malice against that individual to make complaints. We all know the sad history of accusations of trawling by police bodies and the like, which I do not have time to go into today.

It is hard to be completely dogmatic about the efficacy of educational systems, and I am particularly disinclined to be so. In the past two months, I have encountered and conversed with two ex-pupils from my time at a Bootle comprehensive. One was a haggard, toothless drug addict sitting on the floor of Liverpool Central station; the other was an upstanding policeman who now works in this building. I suppose that proves that Liberal Democrats can be all things to all people. Uncannily, both were appreciative of the education that they had received.

There are no simple solutions to the problems of schools, but there are solutions. Zero tolerance can be a reality and need not cost a fortune. It requires early intervention, a sound educational framework, proper support and the will to guarantee undisrupted education for every child.

5.8 pm

John Cryer (Hornchurch) (Lab): On a minor point, truancy has been mentioned, and it sets a bad example when, on a Conservative Opposition day, only two Conservative Members who do not have to be in the Chamber are here. I am sure that they are both on the Opposition's A-team and will set the Chamber alight with their speeches, which I look forward to. Nevertheless, there should be more of them here to debate this important issue.

Will turnaround schools be located in existing buildings or in new build and, if the latter, where will they be put? For example, would the shadow Secretary of State support the construction of a new-build turnaround school in his constituency? Would he support that through the planning process, given that somebody would have to? If we reach the stage of new turnaround schools, which will be borstals of a kind, being constructed—I do not think we will, by the way—one can imagine the reaction of Conservative Members for whose constituencies they are proposed. They would run a mile from Opposition policy. They would not want such a school in a million miles of their constituencies.

How would the schools be financed? Would the money come from the public sector? How would the Tory party, if it were ever to return to power, pay for the policy when it promises public spending cuts and tax cuts? Perhaps the hon. Member for Fareham (Mr. Hoban) will intervene and put me right. Would the money come from the public sector or would there be a mechanism to allow private sector companies to build or at least run the schools? I suspect that there would be the capacity to allow private sector companies to run them. When we get to the detail, I believe that that would be the solution because the Opposition cannot find a way round financing such schools on the basis of the spending proposals that will appear in their manifesto before the next election.

Mr. Hoban: If the hon. Gentleman pays close attention to such matters, he will realise that the Conservative party has made a commitment to increase spending on schools, including turnaround schools, by £15 billion over the lifetime of the first Conservative Government. That is a significant increase in expenditure. We believe that that will meet the cost of turnaround schools as well as improving school funding throughout the country.

John Cryer: I would be interested to know where that money will come from. If the Conservatives intend to increase spending by £15 billion, where will they find the money when they are committed to cutting taxes?

Chris Bryant: Is not the truth of the matter that the youth service, which is so useful in dealing with the problem, is one aspect that might lose out in the education budget under a Tory Government?

John Cryer: My hon. Friend is probably right about that. As I have said, when we get down to the detail, the Tories will probably include a proposal in their manifesto to allow private sector companies—perhaps "Group 4 Schools"—to run the schools. Before they do that, they should consider the worrying examples of private sector involvement in schools in America, where they have been allowed simply to take over.

The most notorious example is Baltimore, where the private sector—the company was called Education Alternatives Inc.—took over nine schools. For some

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time afterwards, results officially went through the roof and everything was going well until the local newspaper, *The Sun* in Baltimore, exposed what was genuinely happening. It turned out that the private company had fabricated all the results while creaming off public sector money to spend on a new headquarters hundreds of miles away. It had also spent money on a new fleet of limousines to ferry its executives around. I am drifting off the point slightly.

Earlier, a Liberal Democrat Member mentioned Conservative councils that pursued policies that directly contradicted Opposition statements from the Dispatch Box this afternoon: My council is an example of that. It is a Conservative-controlled local authority that, in the face of what we heard this afternoon, tried in the past few months to close a primary school in my constituency. At one point, it put three primary schools under threat but concentrated on one specific school, the R. J. Mitchell primary school. It is named after the designer of the Spitfire because of the history of RAF Hornchurch, the remnants of which are in my constituency.

The R. J. Mitchell primary school was placed under direct threat of closure, which was announced but never followed through because of public pressure. What would have happened if it had closed down? At some point in the next few years, there will be an increase in the number of children of primary school age in the borough of Havering, which I represent. If the closure had happened, houses would probably have been built on the site, the number of school-age children in the area would have increased and there would have been a corresponding increase in the number of children in the classrooms of the remaining schools. That would have made it more difficult to maintain discipline in those schools.

Conservative Members voted against the allocation of the money that has gone into reducing class sizes, especially for five, six and seven-year-olds. I probably visit a school a week, on average, and I would have thought that smaller classes were crucial to maintaining discipline. Ever-burgeoning class sizes would just make that more difficult.

Smaller class sizes are crucial, but the actions of the local authority in this case went directly against that. It was trying to create bigger classes and connived in trying to undermine the school. It announced the closure when it announced the consultation process, which meant that certain parents took flight and placed their children in other schools. The local authority hoped that that would result in a self-fulfilling prophecy and that the school would close almost of its own volition. That did not happen, however. Of course, it then tried to take the credit when it was announced that the school was to stay open.

An important point was raised earlier about the abolition of the appeals panels. I think that my hon. Friend the Member for Rhondda (Chris Bryant) mentioned judicial review—

Rob Marris: It was me.

John Cryer: I am sorry. My hon. Friend the Member for Wolverhampton, South-West (Rob Marris) made a crucial point in that regard. The shadow Secretary of State made it clear that, under his policies, there would be no legal aid and that the no win, no fee system would not apply in such cases. However, it is not as simple as that. Tory Front Benchers are under the illusion that the parents who get caught up in this process tend to be those without many financial resources, but most parents who decide to fight such decisions have some knowledge and a bit of get up and go, and they certainly have financial resources available to them. They would go to judicial review and, in many cases, they might win.

Rob Marris: May I correct my hon. Friend on one point? His recollection of what the Conservative Front-Bench spokesperson said is slightly different from mine. I do not recall the hon. Member for Westmorland and Lonsdale (Mr. Collins) ruling out no win, no fee agreements—conditional fee agreements, to give them their proper title. That could be very difficult in terms of human rights.

John Cryer: My recollection is that the Conservative Front-Bench spokesman did rule out such agreements.

We are therefore talking about people using their own money to go to judicial review. If that were to happen, it would be the parents who had the financial resources to do so who would go to court. That would involve a far longer drawn-out and more expensive process than we have now and local education authorities would incur far greater costs. I can certainly think of one or two families in the borough that I represent who would go to judicial review and end up running up large legal bills, as would the LEA.

The other point about the abolition of appeals panels is that, contrary to what we have heard this afternoon, head teachers are normally the final arbiters. Some cases go to the appeals panels, but I visited a school recently in which a number of pupils had just been expelled, for reasons that I shall not go into. To my knowledge, none of those cases had been to the appeals panel. That is the normal path. In the past 20 or 30 years, the powers of head teachers have grown rather than diminished. Those of us who visit schools regularly—which probably means everyone in the Chamber today—know that the head teacher is in a very powerful position, and that the school reflects that. If a school has a powerful, effective, strong head teacher, it will follow on from that and tend to be a good school. If a head teacher does not have those qualities, the school will start to slip, even if it has hitherto had a good reputation.

Another fantasy that we heard from the Conservatives today was the idea that education is now in the clutches of a group of wild-eyed lefties from the lunatic fringe. The hon. Member for Buckingham (Mr. Bercow) put forward that idea, but I do not know who he had in mind. Perhaps it was Chris Woodhead. If anyone who has served in education for many years has a specific politicised agenda, it is Woodhead. But it is not a left-wing agenda, as even some Tory Members must be able to spot. He had a very clear right-wing political agenda. It was not just political, however. It was also driven by the fact that he had an ego the size of Western

Australia. That played an important part. We were elected on 1 May 1997 and we should have sacked him on 2 May.

Mr. Willis: Labour reappointed him.

John Cryer: I gathered that. Such is life.

Mr. Andrew Turner: I am interested in the hon. Gentleman's thesis. As he has named someone, perhaps he will explain how that person's agenda was right wing?

John Cryer: From what I remember, that person expressed views that were consistent with the editorial policy of the *Daily Mail* and the policy of the Conservative party. He was appointed by the Conservative party. His attacks on teachers, which were almost always without foundation, were generally perceived as coming from a right-wing perspective. I think that that is generally accepted across the Chamber, the press and most of those involved in education, but it could be that we are all wrong and the hon. Gentleman is right. I have no idea.

Mr. Turner: The hon. Gentleman has indulged in guilt by association. Now will he explain why the policies that he has described are right wing?

John Cryer: Let me try to explain this as clearly as I can, so that the hon. Gentleman can understand. Chris Woodhead attacked the teaching profession, the teaching trade unions and what he saw as a lefty, liberal elite controlling teaching. That was generally seen and accepted as coming from a right-wing perspective. That is how most of us saw and analysed it. The idea that there is a liberal, vaguely lefty, wild-eyed revolutionary elite controlling teaching and education is absolute fantasy. It goes back to the days of the William Tyndale school in the 1960s, but things have changed a bit. As a matter of fact, I do not think that the teaching profession has ever been particularly dominated by people who are ideologically driven left wingers, but there we are.

Anonymity for teachers under threat of prosecution is a fair point that was raised by several speakers, including my hon. Friend the Minister, and it is worth looking at. I understand the objections that my hon. Friend made in respect of reviewing the legislation, but teachers are probably more in the firing line than people in any other profession, even carers. When such accusations are made, teachers get it in the neck more than anyone else—it is easier to accuse them than members of any other profession—and it is easy for pupils to make false accusations and make up false evidence against teachers, for whatever reason. It would be a good idea to at least consider the proposal to see whether there is any way in which we can change legislation to give teachers anonymity or at least slightly more protection.

On a general point, which was mentioned from the Liberal Benches by the hon. Member for Southport (Dr. Pugh), we are, to a large extent, dealing with cultural changes that go back many, many years. We can all see that there has been a rise in individualism. That has been responsible for the behaviour of a certain group of pupils and parents in schools, but only a minority.

Baroness Thatcher said to people:

"There is no such thing as Society."

She was actually saying, "Nobody else matters; just you matter. You only have to care about yourself. You don't have to care about anybody else." In part, the process of growing up and of maturation is the realisation that one person is not the centre of the universe and that other people depend on us and we depend on them. If we say to people that that process does not matter and that they are the centre of the universe, we are giving them a licence to behave as they like.

Since then, and all three parties bear some responsibility for this, the issue of choice—choice itself—has been deified to an extent where consumerism is almost the new religion. When consumerism, individualism, choice and individual gratification are elevated to such a level, we can hardly be surprised that a minority of pupils are encouraged by their parents to think only of themselves and not ever of anybody else. Over the past few years, not enough of us have challenged that and attempted to assert the importance of collective duties and responsibilities—the duties towards the community.

To some extent, what we have been talking about this afternoon is a product of tabloid stories that we all read about how terrible schools are and how pupils cannot communicate, are thick and unable to talk to one another. That is not a picture that I recognise from my visits to schools. Last week, I visited two primary schools in my constituency, St. Alban's and St. Mary's, and I received a visit from Dunningford primary school in Parliament. When I talk to pupils, whether from primary or secondary schools, and when they ask me questions, I see children who are, not entirely but largely, motivated, eager and knowledgeable, and able to articulate ideas to a much greater extent than my generation at school.

The picture that I recognise is that a lot of schools—obviously, I am just talking about my constituency experience—are succeeding, moving ahead and producing children who are bright, able, gifted and articulate. We should not therefore get carried away with the idea that all schools are in a war zone. They are not. A minority of pupils are providing problems, and every teacher and head teacher can recount stories about that, but the vast majority of pupils are just the opposite.

5.26 pm

Mr. Archie Norman (Tunbridge Wells) (Con): It is a great pleasure, as ever, to follow the hon. Member for Hornchurch (John Cryer). In response to his jibe about attendance in the House, I would point out only that the number of Opposition Members who have attended this debate has been approximately the same as the number of Government Members, if not greater. Of course, in relation to our representation in Parliament, in percentage terms, more Opposition Members have attended than Government Members.

I cannot promise to entertain the hon. Member for Hornchurch as he requested, but I want to make a number of points, the first of which is about discipline in our schools.

It is generally accepted on both sides of the House that poor discipline is a serious problem and must be addressed. We know that there is a strong correlation

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between poor discipline in schools and low educational attainment or performance of that school, and between poor discipline and truancy. I think that the Minister suggested that the increase in unauthorised absence was attributable to the way in which it is recorded. I do not know whether that is true, but it is clear that over the past seven years and longer few inroads have been made into the problem of truancy, which we all recognise is a very serious issue.

Equally, the level of exclusions remains stubbornly high, and I share with the Liberal Democrat spokesman the view that any exclusion represents a failure, at many levels, in the community and in that school. There is a strong correlation, of course, between truancy and exclusion, and criminality and subsequent economic failure of the individual. The cost to society of failure of discipline, which in turn leads to exclusion or unauthorised absence, is therefore very high later in the child's life.

As many hon. Members said, poor discipline is not prevalent or chronic across all schools. Most schools have good standards of discipline and highly motivated pupils, and in general there has been some improvement in performance over the past decade or so. Indeed, the Minister mentioned the Ofsted figures, which suggest that standards of behaviour, as recorded by Ofsted, have improved in most schools. That may well be so, although we must cast some doubt over the way in which Ofsted measures behaviour. Clearly, however, failing schools are still failing, and the problem is not with the generality of the school system but with those few schools—perhaps one in 10 or fewer—that have serious discipline problems. Typically, those schools are in areas of social deprivation in our inner cities. Indeed, a recent study by the Institute for Public Policy Research, the Government's favourite think-thank, demonstrates the strong relationship between exclusions, school discipline problems and failure, and inner cities and failing LEAs.

We must therefore recognise the nature of the problem, which is not a general problem but one of selected schools in selected areas—typically, areas of high social deprivation. That is why this is an issue not just of school discipline and leadership but of communities and how we tackle communities that are failing to produce good schools and good education for their children.

I think it is agreed on all sides that the problem starts very early, and that intervention must therefore also start very early. Studies show that it is possible to forecast a high level of exclusion or truancy among children between the ages of three and six. That strongly suggests that if we intervene at that stage, especially in areas where parenting and the general community context are poor, we will achieve value for money. To that extent, the Government's investment in Sure Start and other measures to increase pre-school education are worthwhile and can be supported by us all.

My comparatively well-off constituency contains pockets of social deprivation, some featuring large numbers of single parents who are out of work and whose own educational attainment is poor. I recently visited the Panda pre-school nursery in Sherwood, run by volunteers who concentrate on giving children aged two or three basic social skills such as the ability to sit down and eat a meal with other children. Members may say that that is a substitute for parenting, and perhaps to an extent it is, but it is what is required nevertheless. I am convinced that early investment in such programmes will pay greater dividends than almost any other measure.

Sure Start and other pre-school programmes must emphasise the importance of discipline. Even today, far too many children attend primary school without the basic social skills that should have resulted from investment in pre-school education and nurseries. As I have said, the lack of discipline is partly a problem of social deprivation. All too often we see heroic head teachers doing a magnificent job in very difficult circumstances in relatively deprived areas, but complaining—as nearly all of them do—about a shortage of resources and the sheer intensity of the effort required to lift a school out of its problems.

Schools in deprived areas, with high levels of special educational need and other community problems, need extra resources if they are to impose discipline. Partly because of the high level of selection in Kent, almost all children with special needs or behavioural problems end up at Tunbridge Wells high school in my constituency. As a result, it is a very challenged school. Graham Smith, the headmaster, has made an heroic effort to raise its educational attainment over the last seven years, almost single-handed. He emphasised discipline heavily from the start of the turnaround phase, which led to a large number of exclusions, which created resentment and difficulty in the local school population and were not always greeted enthusiastically by the LEA; but those exclusions were a necessary step towards improving the quality of the school during the turnaround.

Mr. Smith says that because his is a difficult school with a large percentage of challenged or problem pupils, he finds it difficult to attract teachers and has a high turnover rate. Investing in teacher accommodation, and being able to pay more to attract teachers, are important first steps towards the establishment of a disciplined school that performs well. Mr. Smith also says that because of the high proportion of violent kids in his school—whose play and behaviour tend to be more robust than those of others—the physical wear and tear on the school, and the budget that he must allocate to basic maintenance, are possibly greater than in schools not faced with such problems.

The one thing that I think is clear to all of us in the House is that it is critical that we support head teachers who undertake the often thankless task of ensuring that failing schools recover and that discipline is restored. All too often, it is those head teachers who feel relatively under-resourced and under-supported.

The central role of the head teacher as leader of the school and, in a sense, leader of the community brings us on to the difficult question of exclusions. Exclusions have become a curiously totemic issue in the debate. I suspect that there is more consensus on the underlying issues surrounding exclusions than may appear on the surface. One thing is clear: when they happen, exclusions are extremely damaging not just to the children but to the community in which they operate.

The IPPR study to which I referred earlier demonstrates that exclusions are not a major problem across the entire school system—they are a problem in a minority of schools and in a minority of areas that are challenged. Unsurprisingly, those tend to be inner-city areas, which often face other difficulties, perhaps associated with the ethnic mix and failing local education authorities. Often, there are a number of failing schools in those areas, not just one, so pupils get moved from one struggling school to another.

It is clear that turnaround of a failing school is unlikely to be achieved without tough action on discipline. Therefore, our approach to exclusions must be related to the nature of that school and to the challenge that the head teacher and staff face. It is simply not possible to produce blanket conclusions. One area in which the Government have been culpable is in setting targets for exclusions and applying pressure across the board. The problem is not susceptible to across-the-board targeting and pressure; it is situational.

It is important to recognise that any exclusion is likely to be a life-defining experience for the child involved. We should not treat it lightly; nor should we regard an exclusion as something that can be readily accepted or encouraged. All too often, when a child is excluded from school, there is a conspicuous gap before he is found another place in another school. In west Kent, I have met parents of children who have been excluded from school for four or five months before finding an alternative. That gap is extraordinarily damaging not just to their education but to their self-esteem. All too often, during that period, they are on the streets or at home getting up to no good.

As we know, there is a high correlation between the level of exclusions and criminality. According to the Youth Justice Board, 32 per cent. of children caught up in the youth justice system have been excluded. A high proportion of the children excluded from schools end up in criminal difficulty of one sort or another. It is also true that children who have been excluded are more likely to be guilty of serious criminal offences than those who have not. As the Liberal Democrat spokesman, the hon. Member for Harrogate and Knaresborough (Mr. Willis), said, exclusion should be the last resort and, by that stage, it is a failure.

We need to bear it in mind that, if a child is excluded from school, the replacement school can be miles away. In a high proportion of cases, these are children with a single parent or with no access to transport. Therefore, either it is going to cost the LEA a lot of money to transport that child, or the likelihood is that he will not get to the other school and we end up with a recurring truancy problem.

The number of excluded children who get back into mainstream education successfully and enjoy any sort of educational attainment is woefully low. Again, we need to recognise that, once excluded, we are close to the end of the road and the incidence of successful recovery of excluded kids is pretty low.

For all those reasons, I am cautious about giving head teachers an unfettered right to exclude. I agree that there is a problem with the appeals panel, but that is often as much symbolic as actual, because the head teachers feel that they do not have the authority. In the rare instances in which their decision is overturned, there can be a serious problem with morale for both staff and the other kids, and their authority can be undermined. The practices of head teachers in relation to exclusion vary extremely widely, and given the traumatic effect on the pupils concerned, it is essential to have some due process and an opportunity for the child and the parents to represent their case, perhaps to school governors or others.

I share the view that a great investment in turnaround schools or referral places—whichever term we prefer—is merited. We have to accept that some kids have failed in or been failed by the school system and cannot readily be accommodated in normal schools. I accept it unwillingly, and I do not believe that it has to be the case in the long term, but I am afraid that in today's schools and communities there are such instances, and that is exactly why there has been investment in referral units. We need to take that investment further.

We must recognise, too, however, that that is only a small part of the solution and that we must intervene early. As the hon. Member for Harrogate and Knaresborough said, arranging transfers and so on is a much better route than exclusion or a move to a turnaround school. Such schools are likely to be remote from where many of the children referred to them live, so there are practical problems. Transport is not the only problem, because part of turning around or bringing back a child is to do with the parents and the local community.

We must also recognise that there is a risk—I am not saying that it cannot be managed—that turnaround schools will become places where young offenders or children who have fallen into criminal habits will get together, so that we create concentrated pools of criminality instead of effective turnarounds. The schools or units need an intensive, and I must say expensive, strategy of working with the individual child to find a route back to normal education. I say to Front Benchers on either side that it is critical that we do not underestimate the cost and the investment required to bring a child who has been excluded back into normal education.

Mr. Willis: The hon. Gentleman is making a most thoughtful and considered speech. Does he share the concern that I have about the solution proposed by his party's Front Benchers? They seem to be looking for an institutional, one-size-fits-all solution to what is an incredibly complex problem. He will know from a former life that one of the things that turn around some of our most disillusioned young people is engaging with the world of work: employers can be part of the solution. Turnaround schools, or borstals, or whatever we want to call them, cannot be the only solution. We need to seek a plethora of solutions, including one on one, distance learning, perhaps home tuition, workplace placements and pupil referral units, as well as other schools and institutions.

Mr. Norman: I agree, and I do so without in any sense demurring from the point made by my hon. Friend the Member for Westmorland and Lonsdale in his opening speech. Turnaround units can of course play an important part, and as I have said, we have to accept that in today's world there are kids for whom such units

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are probably the only solution. But it is important to recognise that that solution is very intensive and individual and is likely to require a great deal of investment. However, we should not shirk from such investment, because in the long run it will be worth while. That said, I share entirely the view that that solution has to be but one of a variety. We also need to recognise that by the time that we reach that stage, the education system will probably have been failing the child in question for many years.

Of course, we can all get excited about discipline, but we should recognise that it is not an issue in all schools. We have many good schools with good standards of discipline and highly motivated teachers and pupils, and we need to support them. We should also recognise that in general there has been some improvement. I am not so sure that we should entirely believe Ofsted's judgment in this respect, but there has probably been some improvement in many average and better schools in the past few years. Unfortunately, such improvement has not occurred in the failing schools as well; they are still failing, and therein lies the problem.

It is clear that if we can deal with failing schools, which tend to be clustered with other failing schools in failing LEAs in socially deprived areas, the subsequent dividend to society will be great; that is to say nothing, of course, of the value to the pupils in question. That is why this is a very important issue. It requires early investment, increased resources for schools that are trying to achieve some form of turnaround, backing for head teachers and measures to ensure that they feel in a position of complete authority.

The Minister will perhaps agree that we simply have not seen enough improvement in the past seven years in the worst schools—those that are failing their pupils—which tend to be located in the most difficult areas. Members from all parts of the House must accept that this is a very important challenge, and one that the Government have yet to meet. Schools with poor discipline that fail their own children tend to be concentrated in those areas where children do not have the opportunities enjoyed by those living in more affluent areas, such as the benefit of a better start in life or good early years parenting. The priority for all Members must be to bring freedom and opportunity to children who have the poorest start in life. They usually attend the schools with the worst disciplinary records, which is why we need to make this investment.

5.48 pm

Mr. Andrew Turner (Isle of Wight) (Con): I begin by echoing what the hon. Member for Harrogate and Knaresborough (Mr. Willis) said about the speech made by my hon. Friend the Member for Tunbridge Wells (Mr. Norman). It was indeed thoughtful and constructive, and I hope that I can add further to that tendency in this debate.

I support the proposal of my hon. Friend the Member for Westmorland and Lonsdale (Mr. Collins) that teachers should be entitled to anonymity when allegations are made against them, and certainly up to the point at which they are formally charged. I should make it clear that Alastair Wilbee—the former head teacher of Summerfields school, who killed himself following the allegations made against him—was not named in the *Isle of Wight County Press* until after he had been charged. I have had long discussions about the rights and wrongs of my hon. Friend's proposal with the editor of that publication, and I have also discussed them with Alastair's widow. I also met representatives of other teachers and head teachers in my constituency and I believe that there is a considerable measure of support for the proposal. Other measures could be taken as well to make the trauma of such an allegation less damaging. One such measure that I would like the House to consider is whether it is right for suspension always, or almost always, to take place when such allegations are made.

I recognise that the allegation of abuse covers a wide range of activities, some of which we would all agree should lead to immediate suspension and some of which might be accommodated by a lesser step. I accept, of course, that it is difficult to contemplate a lesser step when a head teacher is concerned. Nevertheless, I would not suggest that a representative of the local education authority should go to the chairman of governors to say that a head teacher should be suspended or that the chairman should feel under pressure to suspend and should decide to do so with the LEA representative present. Simply giving someone 10 minutes to clear his desk and leave is an overreaction to some kinds of allegation. It might be more appropriate for the LEA representative to remain in the school for a while and perhaps for the head—or any teacher, for that matter—not to be allowed to be with a child unaccompanied, particularly not with the child who has made the allegation. Those matters need to be considered carefully and unemotionally.

It is my belief that Mr. Wilbee's trauma arose from the fact that he was unable to speak to any of his staff, to any of the parents or to his professional colleagues to any great extent, with the LEA simply casting him adrift and leaving him for months with the allegations hanging over him before there was any decision to prosecute him. There was a long period between his suspension and the decision to prosecute. I believe that that could happen to other head teachers. I support the proposal advanced by Conservative Front Benchers because I find it extraordinary that, as a society, we are prepared to accept the anonymity of convicted paedophiles, but not to protect that of unconvicted teachers and head teachers.

Other aspects of the motion have been debated at some length, but I should like to add a little to each. On exclusions, it is extraordinary to listen to Government Front Benchers who give the impression not that the history of education began in 1997, but almost that it began in 2001. Perhaps the Home Secretary was right when he said that the Secretary of State for Education and Skills had gone a bit soft. Certainly the Secretary of State and his team appear a great deal more reasonable, at least most of the time, than their predecessors between 1997 and 2001. It was those predecessors who said that too many pupils were being excluded, who demanded reductions in their number and who suggested that schools should be fined for excluding pupils. Those same predecessors also made the rules much more difficult for head teachers confronted by appeal panels. I see the Under-Secretary

of State for Education and Skills, the hon. Member for Bury, South (Mr. Lewis) nodding. He obviously recognises the failure of his predecessors in this matter.

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis) *indicated dissent.*

Mr. Turner: Now he is shaking his head, but he was nodding when I suggested the failure earlier. His predecessors made it more difficult for a head teacher to secure the exclusion of a child who should be excluded. In doing so, they were sending out the wrong signals to parents and pupils—that the decisions of teachers and head teachers in disciplinary matters could not be trusted, could routinely be appealed against and, in many cases, overturned. Children, who are not as sophisticated as their parents and teachers, were given the signal that they could get away with bad behaviour. The behaviour of those predecessors when in opposition suggested that schools should not have the power to exclude, that voluntary and grant-maintained schools should not have that power and should be subject to decisions by the local education authority. I am sorry to say that that message in opposition was reinforced by the message they conveyed between 1997 and 2001.

Well, the sinner repenteth, at least slightly, for which I congratulate the Secretary of State. Occasionally, however, he still feels the need to play to the gallery, which he did when he talked about sharing out bad pupils. The gloss that the Under-Secretary of State for Education and Skills, the hon. Member for Enfield, Southgate (Mr. Twigg), provided in response to my earlier intervention was welcome, but it was not a gloss that was widely reported when the Secretary of State's remarks—that all schools should be forced to take their share of badly behaved pupils—first appeared on the BBC website. Of course, the Secretary of State is not responsible for the content of the BBC website, any more than he is responsible for headlines in the *Daily Mail*, but I am sure that the authors of those articles take a little backstairs briefing from Ministers and their advisers from time to time. They print the headlines that they believe will secure the readers' interest and Ministers frequently create the headlines that will secure their interest by a little careful backstairs briefing.

As I said, the Under-Secretary provided a gloss today. First, the gloss is that the policy works elsewhere—in Surrey and a number of other areas. I accept that. The process of moving one child from a school in which he is failing to one in which he might get a second chance works elsewhere, but that is not what Ministers are proposing. They are proposing to force pupils on to schools even though they may not have the space and the head teacher may be opposed to the admissions.

The second part of the Under-Secretary's gloss was that pupils would be returned only when they were reformed, but if they are reformed, they can be returned to any school, not just those without available places, so how will he secure the return of reformed pupils to schools that are already full?

Mr. Willis: I am listening with interest to what the hon. Gentleman is saying. I thought that he was going to continue in the same vein as the hon. Member for Tunbridge Wells (Mr. Norman). The other part of Conservative party policy, which I presume the hon. Gentleman also supports, is to give head teachers and governors control over admissions. Thus one head could send a pupil out on permanent exclusion, while another head would not, under the Conservative proposals on admissions, have to take in any pupils. Where is the consistency in that?

Mr. Turner: I would have thought that it was entirely consistent to give head teachers control over not only who they exclude from their schools, but who they admit to them. That is entirely consistent. I suppose that the hon. Gentleman is being consistent as well, because he does not support giving head teachers control over either admissions or exclusions. *[Interruption.]* If reformed pupils are to be returned to schools where there is no space as well as to those where there is, Ministers will have either to overcrowd the schools where there is no space or keep places empty in popular schools in case a reformed pupil turns up. That reformed pupil will then leapfrog over those on the list who want to be admitted to that popular school. That is an absolutely extraordinary proposal. I cannot tell whether Ministers want overcrowded schools or empty spaces in popular schools and a queue of pupils unable to fill them. Perhaps the Minister could clarify that point.

We propose a system of turnaround schools. It must be accepted that pupil referral units—a previous Secretary of State thought that they started in 1997, but I was able to remind her that I taught in a school with a withdrawal unit, which comes to much the same thing, as early as 1980—outside schools, or withdrawal units within schools, cost more money to provide. They need to provide education to the same standard for the most difficult pupils, and teaching and pedagogy to a higher standard perhaps than is available elsewhere in the school or in other schools. It is not surprising that they need smaller class sizes, better qualified teachers and special programmes. We should accept that we sometimes have to pay more to teach children who are difficult to teach.

The problem at the moment is that a reformed pupil who goes back into a school carries with him few if any additional resources, little outside support and, in many cases, the same difficulties that he had before he was excluded. Let us increase the age-weighted pupil unit cost for difficult pupils. If necessary, let us increase that unit cost until a school is willing to admit them. There is no reason why every child of a particular age should carry the same age-weighted pupil unit funding: there is every reason why those pupils who are not welcome in particular schools should be funded to a higher level until schools do welcome them. That would be the introduction of a genuine market in education and it would provide effective education for children who have been excluded. Turnaround schools would help to provide that.

I said earlier that 10 per cent. of schools are recognised by Ofsted as suffering from poor discipline and 13 per cent. are getting worse. That means that too many pupils are being educated alongside difficult and disruptive contemporaries. They suffer bullying. Those who are excluded, sometimes to internal exile and sometimes to a pupil referral unit, far too frequently lose their education as well. The pupils who are well behaved lose their education and so do those who are badly behaved. Too many pupils in internal exile in schools are

[Mr. Turner]

on a partial curriculum. I know of a particular pupil in my constituency who was excluded from one school and moved to another where he is on a 50 per cent. curriculum. What is he doing for the other 50 per cent. of the time? He is certainly not receiving the entitlement of every child about which the Government boast and that we believe every child deserves.

Turnaround schools have already been established and succeeded. St. Paul's school in Balsall Heath in Birmingham was established in the 1980s, when it was a private sector school. It became a grant-maintained school by the process of opting in and it is now a maintained sector school. It took, largely, pupils who had been excluded from the maintained sector. It obtained for them better GCSE results than most pupil referral units achieved. Turnaround schools could be a success where PRUs are not yet a success, not least because they would provide the capacity to allow pupils who misbehave to be removed from their schools. If the hon. Member for Hornchurch (John Cryer) thinks that I would not want one in my constituency, I can tell him that we already have three prisons. I am not proposing a borstal, but we have a pupil referral unit that could be upgraded to the extent that my hon. Friends on the Front Bench propose.

I shall touch on two more issues and I hope that the Minister will be able to address one of them at least. First, I believe that it needs to be accepted that much disruption in schools is among pupils who have suffered the trauma of family breakdown. It is all very well to treat those pupils late on in the process, but the Minister heard my hon. Friend the Member for North-East Bedfordshire (Alistair Burt) give the figures in a debate in Westminster Hall last week. Ministers have said that they are trying to do something about the problem by means of the money invested in pupil behaviour. However, that does not deal with the cause of the problem, which is increasing levels of family breakdown. I hope that the Government can give some hope to future generations that we will not see the level of family breakdown that we have seen recently and that has led to the breakdown of discipline in some schools.

The second issue is Labour's history on this issue. I spoke of what had happened between 1997 and 2001. I now want to go back a little further. Labour's history on this issue is chequered, to the say the least. Labour's support for parents, heads, teachers and police was very chequered. The hon. Member for Hornchurch mentioned William Tyndale school, but I need hardly remind him that that school was run by the Inner London education area in the 1970s and it failed a huge number of pupils—

John Cryer: I was talking about 1968.

Mr. Turner: If the hon. Gentleman wants me to go back to the 1960s and 1970s, I will although I was confining myself to the 1980s and 1990s. As I said, in many cases Labour subverted the powers and responsibilities of teachers, undermined parents and refused the police access to schools when it was in control of too many local authorities.

Mr. Ivan Lewis: In the context of a debate about rights and responsibilities, does the hon. Gentleman accept that 18 years of unbroken rule gives any political party the opportunity to transform a generation? Many of the social problems that we now deal with are not exclusively the responsibility of the Tory party, but for him to describe the 1980s and 1990s as being affected largely by Labour policy—when his party were in government for 18 years—is somewhat galling.

Mr. Turner: The Minister started listening only halfway through my sentence. I was not describing the consequences of Conservative Government, but of Labour policy as implemented through local education authorities which had unbridled control of education up until 1986. In the 1980s, the Government did not attempt to remove power from local education authorities and Labour exercised power in far too many of them. Several Labour LEAs undermined heads, undermined teachers and prevented the police from entering schools. That is what Labour sowed: it is now reaping the whirlwind. The Labour Govt are trying to do something about it, but it is late for them to do so.

Mr. Lewis *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I think that the hon. Member for Isle of Wight (Mr. Turner) has completed his speech.

6.8 pm

Angela Watkinson (Upminster) (Con): I consider myself very lucky in the context of education because I represent a constituency that forms part of the London borough of Havering, along with my constituency neighbour, the hon. Member for Hornchurch (John Cryer). The local education authority is excellent and it has a co-operative and cordial relationship with its schools and head teachers. It devolves the maximum amount of funding from the centre to the schools, putting its trust in the schools to manage themselves successfully—and they do. Discipline is not a huge problem in Havering, although, as in most constituencies, a tiny minority of pupils cause problems.

From personal experience of serving on appeals panels on Essex county council and the education committee of the London borough of Havering, I know that, almost without exception, head teachers use exclusion as absolutely the last resort. It is the ultimate disciplinary measure after they have exhausted every other means available in the school. After listening carefully to the case made by the education authority and the head teacher and, often, to submissions from parents and even grandparents, I always supported the head teacher, because I understood that they had reached the point of desperation—where the welfare of the majority of pupils and staff had to transcend the rights and welfare of the difficult pupil. In almost every case, the head teacher felt that to reach that point was an admission of defeat.

I can recall only one occasion when I upheld an appeal. It involved a child in a special school who had been violent to another pupil and had a history of being difficult. After listening to the parents and grandparents who put his case, I weakened and allowed the appeal. Now, I think of it as weakening, although I did not at the time. I regretted it bitterly afterwards when I realised

that I had let down the school, whose staff had tried so hard, in every way possible, to adapt the child's behaviour, but had failed.

Most schools in Havering and throughout the country have well-developed pastoral units, with teachers who have special responsibility for difficult pupils. They bend over backwards to make alternative arrangements for children who find it difficult, or sometimes impossible, to accept discipline and to conform at school and in the classroom. Schools make special arrangements for such pupils, providing separate lessons. The school council is often brought in to try to understand why a pupil cannot conform and to try to find a way through their difficulties. Even the primary schools in my constituency have school councils and I am impressed by the way they handle the disciplinary, emotional and bullying problems of other pupils. Thus even at primary level, children are learning co-operation. They learn how to listen to somebody else's argument and how to put their thoughts into words. They are gaining meeting skills.

Those developments are recent, but they will feed through. When those children reach secondary school, their experience of school councils in primary school will be of enormous benefit in approaching difficult children who are unable to conform, accept authority, do as they are told and benefit from the education that is offered them.

I am a governor at two secondary schools in Havering, which have a genuine comprehensive intake. One is a mixed comprehensive, Gaynes school language college, which achieved specialist school status on the third attempt; the other is the Sacred Heart of Mary girls' school, which is a denominational school. Both have their fair share of special needs pupils and are highly successful.

Such success stems largely from a dedicated and inspirational head teacher, who in turn inspires everybody else in the school—not just the other teachers, but everybody from the school caretaker to the teaching assistants and ancillary staff. The whole school family is inspired and, through the example of th[illegible]d teacher, takes on their commitment.

I visit all the schools in my constituency regularly. In addition to the head teacher and the staff, parents have the greatest single influence on the success of a school. High parental involvement—not just from parents who turn up to parents' night, but from those who belong to the parent teachers association and help in all sorts of ways with the running of the school—has an extremely beneficial effect on the life of the school. The children benefit from knowing that their parents are in and out of school, taking a close interest, making sure that they do their homework and helping them with research, on school trips and in many other ways. School becomes a part of the child's life and is not a separate element; it is part of family life and is discussed at home.

Where exclusion is resorted to, it is the last resort, and I support our policy of allowing head teachers to have the final decision. Such decisions are not taken lightly and head teachers look on exclusion as a failure. It is the last resort when everything else has failed. They come to the point where they have to take into account the welfare of their staff and the other pupils. A disruptive pupil in the classroom prevents other pupils from benefiting from their lessons and from the teaching and learning process. When head teachers resort to exclusion, the Government should support them in that decision.

Even at the point of exclusion, parents often do not accept that their child has any faults. They defend their child's bad behaviour to the last, but they do not benefit the child by doing so. When such children deny their bad behaviour, they can never learn to overcome it; they must be helped to take responsibility for their behaviour. In reception classes, I have heard parents say to their children, on their first day at school, "Don't you let them tell you what to do". Those are exceptional circumstances, but such behaviour can start when a child who is knee-high is warned that they do not have to accept authority—they do not have to do as they are told, sit when they are asked to sit or do as the other children are doing. That is an enormous challenge for a teacher trying to establish a routine with a classroom of new pupils. It needs only one child who has been told that they do not have to conform to double the work load of a reception teacher.

I had some reservations when the Minister for School Standards said that he would help schools to co-operate in accepting excluded pupils. That statement is open to interpretation, but it is quite wrong to force schools to accept excluded pupils if a head teacher feels that it is not to the benefit of the life of the school and its pupils.

Once pupils have been excluded, it is essential that they immediately have full-time alternative provision. My hon. Friend the Member for Tunbridge Wells (Mr. Norman) referred to time lapses of about five months before alternative provision was made available for some pupils. Such children need full-time supervision and education that is appropriate to their needs. If they are no longer able to benefit from full-time mainstream education, they need full-time alternative provision.

There are all sorts of ways to make such provision, but pupil referral units, which currently cater for only a limited number of pupils, need to be extended. Whether or not we call them turnaround schools, they should provide a flexible curriculum so that children who may not be academically able or who cannot engage with the academic curriculum have alternatives—they could take practical subjects, as well as learning the basic essential skills of reading, writing and numeracy. They would then be able to take their place in the adult world and be fit for employment. They also need tough discipline. Such courses should not be regarded as a reward for bad behaviour. If those units provide courses which students regard as more exciting, such as electronics, plumbing, bricklaying and other practical subjects, they appear to offer a reward for behaving badly in mainstream education. A sensitive approach is therefore needed.

My local college of further and higher education caters for secondary school pupils, who go there one or two days a week to take courses such as plumbing. However, supervision is required. If students have been unable to conform in mainstream education, they often lack the personal discipline to adapt to a college environment, where there is less discipline than at school. They must be far more motivated—if they play truant in mainstream education they are equally likely to do so in college, but it is less likely to be picked up. I recently visited a school where a large group of such

[Angela Watkinson]

pupils went to their local college of further and higher education to take advantage of the scheme. Because the group was sizable, the school made a teacher available to escort them and stay with them. However, when individual children go to college, they do so unsupervised, so it is not certain that they will arrive or have the independent skills to move around a large building with a large community and take full advantage of the course that they are supposed to be taking. If parents were willing to help with supervision and ensure that students arrived and participated in the allocated course, that would overcome some of those problems.

The problem of truancy arises from lack of engagement with the curriculum and is part of the spectrum of the discipline. It comes in various shapes and forms. In the primary sector, for example, it is largely condoned by parents. A certain number of pupils in that age group play truant without their parents' knowledge, but are much more likely to do so with parental consent. Some of them play truant on odd days when their parents want to go shopping or visit someone. Others complain about minor ailments, and it is much easier for parents to say, "All right, you can take the day off" than to persuade them to go to school. One of my children had what is euphemistically called school tummy-ache or abdominal migraine every single day in infant school. She hated going to school, and she cried and had a temperature every single day. I dreaded the day that she went to junior school, because I thought that things would get much worse. However, the problem miraculously disappeared. We never identified the cause—it is often difficult to get to the root of why children find going to school difficult, but it is certainly one of the causes of truancy, particularly in primary schoolchildren.

Secondary schoolchildren engage in internal or selective truancy. They absent themselves from certain lessons, or they register for a lesson but then disappear. Because they have more independence to circulate round the building, it is more difficult to keep tabs on them, so there are greater opportunities for truancy, either for part of a day or for a particular lesson. Prolonged truancy results when children are school-phobic and refuse to attend for long periods. They have emotional problems, and the school, the education authority and perhaps even the medical profession must work together to try to overcome them and prevent those children from missing great chunks of their education. When they take exams, we do not want them to have such a gap in their coursework that their chances of success are greatly reduced.

Teachers accused of common assault or sexual assault on pupils should be granted anonymity. There is a fatal flaw in the Government's proposals to speed up the process of investigation, as it gives no protection at all to the teacher. Once their name is in the public domain, even if the investigation takes only a month, that is enough to ruin their reputation. It is therefore important to protect them at least until they are charged. I say so advisedly because, as my hon. Friend the Member for Isle of Wight (Mr. Turner) ably explained, if a teacher is found not guilty when a charge is made and a case goes to court, that does them no good. Their reputation is in tatters, and their sense of injustice when waiting for their case to come to court is sometimes sufficient for them to become so depressed and demotivated that they leave the teaching profession altogether.

One of my friends was an experienced teacher of many years' standing when he was accused by a child of sexual assault. The accusation turned out to be malicious, but the case took two years to come to court. During that period, my friend was suspended and lost not only his reputation, but his income and home. When the case came to court, he was found not guilty, but that did him absolutely no good. It was a further two years before the education authority decided that he was a fit person to go back on the list of supply teachers. He started to apply for jobs, but every time that he got work as a supply teacher, after a few weeks, once he had settled in and the head teacher was extremely pleased with the job that he was doing and the relationship that he had formed with the children, the whispering would start at the school gates. Someone would say, "That's the teacher who was accused of assault, and there's no smoke without fire." The head teacher would therefore have to ask him to leave, even though he was innocent of any offence.

After several attempts at working as a supply teacher, my friend decided that it was impossible to continue, so he is now lost to the teaching profession. He was also a lifelong foster parent, and had given many decades of service to the scouting movement. He was therefore lost not only to the teaching profession but to the scouting movement and to fostering. Everything that happened resulted from the accusations of a child who was dropped from the football team for misbehaviour. Some children know which trigger words to use. The word "abuse", for example, starts an investigation and triggers a teacher's suspension. The child may not realise the long-term implications of their action, but once that path has been embarked on, things must run their course. The teacher is the victim, so it is essential that we give as much protection as possible to teachers. We must allow for the possibility that occasionally accusations are genuine, but a high proportion of them are false allegations, so we must give maximum protection to the teaching profession.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): I am certainly sympathetic to the hon. Lady's case, and most members of the Education and Skills Committee agree that, when things go wrong, they go very wrong indeed and destroy people's lives. However, are there not mechanisms in place to address the problem without the need for legislation? The Conservative party constantly says that there is too much legislation and red tape, but under its proposals we would end up with much more red tape. A better resolution of the problem is possible without legislation.

Angela Watkinson: If only it could be resolved. We hear about more and more cases in which teachers are subject to false allegations. They lose their reputation and are subsequently lost to the teaching profession, so we must protect them from publicity. There is legislation to protect the child. We must balance that by giving equal protection to teachers. I have reservations about maintaining anonymity up to the point at which the

teacher is charged. I wonder whether that is enough. I ask hon. Members to give that serious consideration, in the interests of natural justice.

6.30 pm

Mr. Mark Hoban (Fareham) (Con): The debate has been interesting and well informed, although it is disappointing that, given the importance that head teachers, teachers, parents, governors and pupils place on school discipline, only one Labour Back Bencher spoke in the debate, whereas there were three contributions from the Conservative Benches. Those who read the debate carefully will question the emphasis placed on school discipline by Labour Members. I know that the hon. Member for Huddersfield (Mr. Sheerman) and other members of the Select Committee were meeting this afternoon to discuss "Every Child Matters", so that accounts for the absence of some Labour Members, but not all.

Mr. Sheerman: This is the second time that an Opposition Day debate has taken place when the Select Committee was meeting. On the first occasion we postponed our meeting, but today we could not. All the inspectors attended and the meeting took a long time to arrange. If the general public were watching the debate on television, they would see that very few hon. Members were present. As this is an Opposition Day, I should have thought that the Conservative Benches ought to be rather fuller than they are.

Mr. Hoban: If the hon. Gentleman had been in the Chamber earlier, he would have heard my hon. Friend the Member for Tunbridge Wells (Mr. Norman) tackling that point very effectively.

The subject is important and I shall deal with some of the points made in the debate. The Under-Secretary of State for Education and Skills, the hon. Member for Enfield, Southgate (Mr. Twigg), spoke about the Government's plan to share the misery among schools by requiring them to take pupils who have been excluded from other schools. In response to an intervention from my hon. Friend the Member for Isle of Wight (Mr. Turner), the Minister provided a gloss that we were not aware of when he said that that referred only to pupils coming out of pupil referral units. In his speech on 18 November, the Secretary of State made no reference to pupils who have come out of pupil referral units. He spoke about in-year admissions being a headache for head teachers and the guidance that should be created. He also said—this demonstrates his method of intervening in the matter—that

"I expect all schools—community schools, church schools, grammar schools, foundation schools, academies—to be part of these protocols and I will if necessary legislate to achieve this."

That reflects the comment of my hon. Friend the Member for Isle of Wight that it is not just about pupils who have been excluded from schools. It is about imposing on schools a system of managed moves.

The hon. Member for Southport (Dr. Pugh), who spoke on behalf of the Liberal Democrats, supported the concept of anonymity up to the point of being charged for teachers who face allegations. However, for some pupils, best practice in our schools is not enough. There are some pupils who will not respond to the strategies that are in place. For those pupils, we need turnaround schools to help modify their behaviour and raise their attainment.

The hon. Member for Hornchurch (John Cryer), the only Labour Back Bencher who spoke, also supported anonymity before the point of charge for teachers facing allegations. I welcome his support.

My hon. Friend the Member for Tunbridge Wells made a thoughtful speech that captured some of the complexities of school discipline and behaviour. He mentioned a school in his constituency where, in order to turn the school around, the head teacher had to expel more pupils. That caused problems but eventually led to an improvement in standards in the school. We need to recognise that the enforcement of rules and discipline is an important part of raising standards in schools that suffer the most. It is not only areas of deprivation that are affected. From talking to head teachers in schools that might be described as being in good areas, I have noticed that they too, at both primary and secondary level, identify problems of behaviour as a growing issue in their schools.

My hon. Friend made a point that reinforces our plan for 24,000 places in our turnaround schools. He spoke about a delay of four or five months in placing a child who has been excluded in alternative provision. Such a delay is unacceptable. What happens to those children until they are in alternative provision? Are they roaming the streets? Are they being given a proper education? They are outside schools and pupil referral units for too long. Our plans to introduce turnaround schools will close that gap, so that children who are excluded can go quickly into alternative provision that will tackle the causes of their poor behaviour.

My hon. Friend the Member for Isle of Wight, who speaks with great experience of these matters, having been a teacher and involved in education for a number of years, highlighted the issue of suspension from schools. From speaking to the leaders of teachers unions, it is clear that many were concerned about the lack of support for heads and teachers who are suspended. At times, a decision to suspend a teacher is made quickly, without considering the circumstances, leaving the teacher vulnerable and isolated. As part of any package to protect our teachers, we need to examine the rules surrounding suspension, to give them the support that they need.

My hon. Friend the Member for Upminster (Angela Watkinson) spoke from experience based on her involvement in education and local government. She was right to say, as did other hon. Members on both sides of the House, that exclusion was a last resort. But she also made a point that is often missing from our debates about school discipline about the vital role that parents play in supporting schools. Too often parents undermine the discipline and rules that are in place in our schools. I talk to head teachers who have spent a disproportionate time trying to deal with parents who question the rules.

We know from our constituency case work and from the statistics that have been quoted throughout the debate that school discipline is a huge problem. A survey of National Union of Teachers members showed that they thought that the highest barrier to effective teaching was effective discipline in our schools. In his

[Mr. Hoban]

opening remarks, the Minister painted a rosy picture, saying that things were getting better. He quoted examples of surveys of the views of head teachers and teachers, yet in a recent survey of public opinion, 72 per cent. of respondents thought that discipline in schools had worsened in recent years. The Association of Teachers and Lecturers believes that the number of assaults is on the increase and that attacks on its members increased fivefold between 1998 and 2002.

We know also that where there is poor discipline in our schools, it has a corrosive effect on the morale of our teachers. In a survey carried out last year, a third of teachers who thought they would leave the profession within the next five years cited poor behaviour as the cause. Poor behaviour affects not just the morale of teachers, but children who cannot learn because of the actions of one disruptive pupil in a class and the life chances of the child who cannot behave.

It is clear that we need to take action to improve discipline in our schools. We have set out three ways to tackle the issue. The first is to restore authority to teachers. As has been reflected in the comments of hon. Members during the debate, schools work well where there is a clear set of rules and guidelines that are enforced. I visited a school this summer that had come out of special measures and spoke to pupils about what had changed in that school. They said that rules that were in place before but not enforced were now being enforced. That was the major factor that they saw as having changed the nature of the school and enabled them to learn.

We need to go one stage further. We need to go beyond the statement of clear expectations to which the Secretary of State referred in his speech of 18 November and have a binding contract between schools, parents and pupils, setting out the clear standards of behaviour that are expected. We should also give head teachers the authority that they need to implement that contract, so that if the rules are breached, it can be a factor in deciding to exclude pupils from school. If parents have signed that binding contract, they should recognise that it is their responsibility not to undermine those rules but support them, both in implementation at school and in the home, so that there is a cycle of virtuous behaviour in school and at home.

We also believe that, if we are to restore authority to teachers we need to scrap the independent appeals panels. Too often they second-guess the decisions of head teachers. Head teachers spend long periods trying to ensure that they have dotted all the i's and crossed all the t's so that an independent appeals panel cannot overturn their decision. It is a lengthy process that harms the morale of the staff who have to teach the pupil to be expelled, diverts senior management time away from their core task of leading the teaching and learning in the school and forces pupils who want to learn to put up with a child who sets out to disrupt every lesson. Scrapping the independent appeals panels would give head teachers control over discipline and the power to enforce the home-school contracts that are in the interests of all our schools.

We also need to ensure that proper provision is in place. The Ofsted report published last week on out-of-school education demonstrated that children are being failed by the current system. The report states:

> "Overall, the quality of provision for children and young people out of school, their low attainment, the targeting and monitoring of provision, and the tracking of progress is low."

We cannot allow that to continue. We have talked about the link between exclusion and crime. Part of the reason for that link is that there is insufficient effort in pupil referral units on changing the behaviour of those children to encourage positive behaviour and break that link. We want children at pupil referral units to be expected to be there all the time. The Government say that every child should have 25 hours of education a week in pupil referral units, but the sad fact is that about half the children receive less than 20 hours a week and those children are being failed. There is no requirement on pupil referral units to publish their attendance figures. No data are collected on whether children are attending them. That needs to change. Our turnaround schools will ensure that attendance is monitored. They will ensure that children receive the education that they deserve. They will ensure that there is a real emphasis on attainment, that children will be entered for exams and that the units will be accountable if the children do not achieve. Turnaround schools are not a dead end but a revolving door. They are there to try to change behaviour and, where that improves, pupils will be given a certificate to enable them to be reintegrated in mainstream schools. For them, there is a real chance to succeed.

The other aspect of proper provision that we need to think about is that a child with special educational needs is four times more likely to be excluded from school than a child without such needs. It is clear from talking to organisations such as the human rights action centre on education and the independent panel for special education advice that they see a real problem in many of our schools, where the needs of children with special educational needs are not being met. Whether with regard to behavioural issues or conditions such as dyslexia or speech and language difficulties, often the children's needs are unmet. We need to ensure that the right specialist provision is in place and that requires special schools that offer such support to remain open, rather than being closed, as happens now. If we are to meet special educational needs, we need to ensure that there is good-quality provision.

During the past seven years, the Government have talked tough on discipline. They have spent hundreds of millions of pounds on trying to crack down on truancy and bad behaviour. They have introduced exclusions targets that they had to drop because they added to the disruption in our schools. Truancy targets have not been met. That sums up their policies during the past seven years and it sums up the failure at the heart of the Government: empty promises, poor value for money and meaningless targets.

It is clear to Opposition Members that school discipline is a vital issue for all those involved in education. Without school discipline, we cannot raise educational opportunity. Without school discipline, few can learn. Without school discipline, highly qualified, well-motivated staff will quit the profession. At the next

general election, the people of this country will know that only one party is committed to school discipline and that is the Conservative party.

6.45 pm

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis): Whatever differences the debate has highlighted, there is clearly a consensus in the House that school discipline is important in defining the kind of society that we want to help shape. Pupil behaviour is central to every school's mission to raise standards. Schools, along with parents, have a duty to teach young people about the responsibilities as well as the rights that go with citizenship in a civilised society and our approach to discipline can have a powerful effect on inter-generational opportunities and aspirations. The pupils of today will be the parents of tomorrow. These issues affect us all. High standards of behaviour matter to the vast majority of young people who go to school every day determined to make the most of their education. Behaviour affects teachers and support staff, who can have their lives made difficult by a small disruptive element in any class or school community.

Phil Sawford (Kettering) (Lab): I have listened carefully to the debate. Head teachers have been described as heroic, and as my brother is a head teacher, I do not want dispute that but I honestly believe that the adjective "heroic" is best applied to classroom teachers, who day in and day out in many difficult schools find their personalities under assault in a way that unless one has experienced it—I speak as an ex-teacher—one cannot empathise with. I am interested in practical measures and a key one is to ensure that parents are involved in everything that a child gets up to. Can we look to a strengthening of the home-school contracts, which are a vital way forward?

Mr. Lewis: I agree entirely with my hon. Friend that the relationship between home and school is essential. We can have the best teachers, curriculum and heads, but the support, involvement and engagement of parents is vital.

It is also true to say that behaviour can shape the destiny of disruptive children whose negative behaviour leads to poor grades and, all too frequently, entry into the criminal justice system. We all know that poor behaviour can eat away at the heart of communities, spilling out of the classroom into the neighbourhood with a small minority engaging in corrosive antisocial behaviour. We all accept the importance of these issues and we have had a range of sensible, mature contributions to today's debate. What has been lacking in quantity has been made up for in quality.

The hon. Member for Fareham (Mr. Hoban) cited recent opinion polls in defence of his view that standards of behaviour are in decline. If we use opinion polls as a measure, I am not sure whether Labour is heading for a majority of 120 or 150 at the next general election. He talked about the number of Members who contributed to the debate, but a ratio of 3:1 Opposition and Labour Back Benchers is hardly a ringing endorsement of an Opposition day. My hon. Friends the Members for Huddersfield (Mr. Sheerman), for Rhondda (Chris Bryant) and for Wolverhampton, South-West (Rob Marris) made important interventions, although they did not have the opportunity to make full speeches.

I agree entirely with the hon. Gentleman that the question of behaviour and discipline is not exclusively concerned with areas of social deprivation. I also accept that we need to do better in terms of the delays in placing children appropriately when things go wrong at schools. But it is a little rich when he speaks for a party that in government did not insist on any requirement to offer excluded children any quality or quantity of education. Indeed, those were the very children who were roaming the streets, causing havoc, with no sensible Government response.

The hon. Member for Southport (Dr. Pugh) raised the important issue of the need to consider the consequences of dysfunctional families and young people's home lives. He also talked about the exciting flexibilities that are beginning to open up now in terms of the 14 to 16 curriculum. Partnerships between schools and colleges, and between schools, colleges and employers, as the hon. Member for Harrogate and Knaresborough (Mr. Willis) mentioned, are trying to motivate young people and turn them on to education, rather than to turn them off. The White Paper, which we will introduce in January in response to the Tomlinson proposals, will directly address the issue of a flexible, responsive and personalised curriculum.

The hon. Member for Southport and other hon. Members raised the anonymity of teachers, which is clearly an important, delicate and sensitive issue. We have expressed our concern about further legislation, although we are concerned about undue delays. We must not send out the message today that, when children make allegations, the assumption must be that they are not telling the truth. The calibration of the message from this debate is important, because there are many examples of children who have disclosed abuses that turned out to be true. We also know that, throughout history, many children in our society have suffered in silence as a consequence of adult abuse. That does not mean that we should not do everything that we can to be sensitive to those teachers who are subject to allegations that prove to be entirely untrue.

My hon. Friend the Member for Hornchurch (John Cryer) made a powerful contribution, the central element of which was that Conservative policies do not stack up. How can a party say that it will slash taxes and raise public expenditure on education at the same time? Those two policies do not square with each other. If we add to that the Conservative party's record in government and its disinvestment in public services—we are now paying the price in terms of the social problems that the Government are having to deal with—the British people will simply not buy their policies or find them credible.

The hon. Member for Tunbridge Wells (Mr. Norman) made a powerful, well-informed and authoritative speech, which perhaps explains why he is having to leave the House at the next election. He acknowledged the recent improvements, which are largely the result of not only this Government, but head teachers and teachers up and down the country, and did not perpetuate the myth that the situation is getting worse and that behaviour is deteriorating. He rightly raised the questions of low aspirations, poor parenting and community influence

[Mr. Lewis]

over the behaviour of children and young people. We must address those issues through not only the education system, but joined-up policies.

The hon. Gentleman also referred to heroic school leaders. We should pay tribute to the many dynamic heads who deal with children of all abilities, potential and behavioural standards on a day-to-day basis and who make their schools work impressively.

The hon. Gentleman rightly referred to the impact of exclusion. The correlation between exclusion and entry into the criminal justice system is indisputable. We should therefore do everything that we can to minimise the number of children and young people who are excluded from our education system in the first place, while recognising that some will always need to be excluded because their behaviour is unacceptable. The link between young people in the criminal justice system and those who are excluded from school is frightening and should concern us all.

The hon. Member for Isle of Wight (Mr. Turner) spoke sensitively about the effect on his constituent of allegations that perhaps turned out not to be true—the consequences were certainly tragic. He also referred to suspension. The difficultly is that suspension, which occurs in all sorts of walks of life and workplaces, is often described as a neutral measure. Its victims do not always feel that the measure is neutral, but people in management and leadership positions must have a way in which to make these difficult choices. I will pass on to the Secretary of State for Education and Skills his powerful defence of his record on behaviour and discipline.

On the fair distribution of challenging pupils, many pupils do not go from school to a pupil referral unit or out of the school system. Sometimes schools feel that they have no option but to place a child elsewhere when things do not work out. In those circumstances, is it not right that every school in an area should take some responsibility for those challenging children who are not placed in a pupil referral unit but placed in a school setting? Some schools are doing their best to come out of special measures and difficult circumstances, and they are doing incredibly well. Is it right to expect them to deal with all the challenging young people and children in any one community? That cannot be fair or equitable.

The hon. Gentleman also referred to this Government's chequered history, which is cheeky coming from a party that had 18 years of unbroken rule in which to transform and challenge some of those difficulties.

The hon. Member for Upminster (Angela Watkinson) made a thoughtful and informed contribution. She discussed college-school partnerships and made the point that they should be rooted in clear responsibility and accountability. I was worried when she said that whenever she sits on an appeals panel, she always supports the head teacher because if one were on a jury and admitted that approach, one would be in some difficultly. She described how she weakened on one occasion, and I wish that I had been there to see it.

The hon. Lady rightly pointed to the important contribution that school councils can make. School councils can get young people to discuss behaviour and see the importance of parameters and boundaries. They make a direct difference to standards of behaviour in schools, which is why the Government have said that pupil councils and student councils should be good practice in all our schools. She was also right to emphasise the importance of parental involvement.

We accept that this issue is important, but the differences between us are simple. We differ on the solutions and on the attempt by the Tories to misrepresent the state of the system. This Government were the first to put attendance and discipline at the heart of school standards. Through our early years education and child care revolution, we are offering interventions that can make a long-term difference. We are focusing on school leadership as the key to creating the right ethos and an effective approach to discipline in every school.

This Government are ensuring that every classroom teacher has access to training and support on how to manage discipline. We have introduced a focus on the early years of secondary school, where pupil behaviour frequently deteriorates. We are freeing up the curriculum and rebuilding vocational education—and not only for difficult and challenging young people. We also seek a personalised learning offer to motivate young people, not turn them off, and to engage with voluntary organisations and colleges.

This Government have caused schools to place a much greater priority on school attendance. We have introduced learning support units, learning mentors and police in schools to help manage discipline. We have doubled the number of places in pupil referral units and insisted that permanently excluded pupils should have access to full-time education for the first time. As the hon. Member for Fareham acknowledged, we have reformed exclusion appeal panels to include more people with classroom experience and required those panels to balance the interests of the overall school community with individual pupil's rights. We have introduced a focus on parental responsibility to support schools through parenting contracts and orders and are taking tackling bullying seriously.

Despite the encouraging signs, we are not complacent and will continue to put behaviour at the heart of our school standards agenda. By contrast, the Tories would introduce a network of sink specialist schools that would produce yet another generation of sink children. They would abolish appeals panels, leading to cases ending in the courts mired in a swamp of litigation and legal bills, which is a charter for lawyers, not for improved discipline.

The Tories' cuts to early-years provision would ensure that more children and young people behave badly and are excluded. Their refusal to support fair admission means that some schools would face an unfair share of the responsibility to offer high quality education for all. Their introduction of five-plus and reintroduction of the 11-plus would mean young children labelled as "difficult" spending their entire education outside mainstream education.

A decline in the standards of behaviour, civility and respect should be a source of concern to all those who care about the future of our country. However, politicians who are fit to govern have a duty to present honest solutions that seek to tackle complex, long-term

problems in a serious way—solutions that recognise the need for long-term strategies, not short-term headlines. The Conservatives had 18 years of unbroken rule in which they had a unique opportunity to build a different kind of society. Instead, the consequences of their values and policies can be seen all around us. Ill discipline in our schools, antisocial behaviour in our streets and poor parenting are not the sole responsibility of the Conservatives, but the tragedy is that when faced with choices in Government, they turned their back on the big issues that determined the long-term nature and character of this country.

This Government will not shirk from the big issues. We will continue to put the rights and responsibilities of citizens at the heart of our determination to raise standards and rebuild the fabric of entire communities.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 134, Noes 290.

Division No. 9] **[7 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Barker, Gregory
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cran, James *(Beverley)*
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dunlop, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, David
Wilshire, David
Young, rh Sir George

Tellers for the Ayes:
Mr. David Ruffley and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Begg, Miss Anne
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul

Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hodge, rh Margaret
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McFall, rh John
McIsaac, Shona
McKenna, Rosemary
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Timms, Stephen
Tipping, Paddy
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes: Margaret Moran and Derek Twigg

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the high priority the Government gives to improving behaviour and discipline in schools; supports Government measures to promote positive behaviour by empowering headteachers to deal with badly behaved pupils; celebrates the success that is evident, including attendance being at its highest ever level and Ofsted reporting behaviour satisfactory or better in 99 per cent. of primary schools and 95 per cent. of secondary schools; affirms the Government's commitment to tackle problems that remain; further supports the Government's reform of exclusions to strengthen the power of headteachers; deplores attempts to destroy that system, which would expose headteachers to litigation; welcomes the fact that headteachers, local education authorities and staff are endorsing Government plans for Foundation Partnerships which help schools co-operate to put pupils back on the right track; notes that capacity of pupil referral units has almost doubled under this Government to 13,000 places; considers that to multiply this capacity by six would not represent cost-effective spending on behaviour; deplores the suggestion that privatised borstals are the answer to every problem; endorses the action that the Government is taking to keep drugs and knives out of schools; further endorses the Government's drive to ensure that parents play their part in ensuring that children attend school regularly and behave well; further supports the Government's reforms for dealing with allegations against teachers swiftly and fairly; and agrees with the Government that no pupil has the right to disrupt the education of others and that every pupil, not just the few, should have the opportunity to succeed in life and to contribute.

Family Justice

Mr. Deputy Speaker (Sir Alan Haselhurst): I announce to the House that Mr. Speaker has selected the amendment in the name of the Prime Minister.

7.15 pm

Mrs. Theresa May (Maidenhead) (Con): I beg to move,

That this House agrees that on the separation of parents, priority should be given to the interests of the children; believes that it is in the best interests of all children for both parents to be fully involved in their upbringing and hence that separated parents should each have a legal presumption of reasonable contact with their children, except where a child's safety would be at risk, so that children are able to benefit from being parented by both their parents, as well as from contact with any grandparents and extended family members able and willing to play a role in their upbringing; regrets the Government's opposition to such a legal presumption, which will lead to yet more children being denied access to both their parents and their extended families; views with concern the Government's failure to implement the Early Intervention Project; and calls on the Government to replace the legal term 'contact' with 'parenting time', to introduce a legal presumption of co-parenting and to introduce early intervention in parental separation, with court-backed mediation and guidelines on parenting-time.

The subject is a highly charged and immensely sensitive issue for us to debate. We are dealing with not only matters of law but people's feelings and lives. Most important, we are dealing with the lives of children, who look to us as politicians, to the courts and, most fundamentally, to their parents to protect them.

Family justice has become clouded with purple powder and people dressed as Batman, but we must not forget that the fundamental reason for debating the issue is to ensure the best outcome for our children. I accept that all hon. Members aspire to that, yet the stark reality is that too many children lose contact with parents who love them and too many families are torn apart, often spending miserable years trapped in our family court system, which offers little light at the end of a long tunnel.

Dame Elizabeth Butler-Sloss, president of the family division, admits that 40 per cent. of children lose all contact with the non-resident parent in two years. Sadly, there are some cases in which one parent simply walks away from the family, but there are also many cases in which one parent finds the system weighted against them. All those cases involve children who have lost a parent and parents who have lost a child whom they love. The bonds are easily broken and difficult, if not impossible, to mend.

If the figures are true, we have a fundamental problem with the way in which our family justice system serves the children whom it purports to protect. Perhaps we now come to the first misconception of the Government's approach. The amendment refers to the need to ensure that the interests of children are paramount. I am sure that the Minister will repeat that. Our motion states that we are committed to protecting the child's best interests and that, when safety is not a factor, both parents should be actively involved in the child's upbringing. Let me be clear: we do not believe that the two proposals are mutually exclusive. We are determined to protect children from abuse and we are not prepared to jeopardise safety. However, we believe that the child's best interests must come first and that it is in those best interests for both mother and father to be involved in the lives of their children. Unlike the Government, we do not believe that one precludes the other.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): Given that, sadly, domestic violence remains drastically under-reported, given that child abuse often goes unnoticed or unheeded and given that the voices of children are not satisfactorily heard in our family justice system, how does the right hon. Lady intend to ensure that children are protected?

Mrs. May: The hon. Gentleman is right that we have cause for concern about domestic violence and child abuse. However, child abuse does not happen simply when there are divorced parents. Sadly, it can happen in a variety of circumstances. The campaign that *The Sun* launched today with the National Society for the Prevention of Cruelty to Children highlights the many cases of child abuse that occur. We are not suggesting that, where one partner has been the perpetrator of domestic violence or child abuse, they should have the automatic right of access that others should have. The hon. Gentleman must accept that there are many cases going through our courts today involving fathers—and, in some cases, mothers—who have been estranged and prevented from having contact with their children, not because of domestic violence or abuse but simply because the system allows a parent to use their child as a weapon or a prize, and to deny access to the other parent.

Mr. Dawson: Will the right hon. Lady give way?

Mrs. May: No, I will make a little more progress before I give way again.

Why, in the vast majority of cases, is a parent who is deemed fit to look after, care for and protect their child until the moment they decide to divorce suddenly forced to beg the court for time with that child? We believe that that illustrates the fundamental flaw in the family court system.

Mr. Dawson: Will the right hon. Lady give way?

Mrs. May: I want to make a little progress. I will happily give way to the hon. Gentleman later.

Mr. Dawson: This is absolute nonsense.

Mrs. May: The hon. Gentleman may mutter that from a sedentary position, but I suggest that he reads the e-mails and letters in my postbag, and listens to the cases that come into my constituency advice clinic. They involve fathers who cannot have proper contact with their children because of the operation of the family justice system.

I am happy to support the view that the Government express in their Green Paper on parental separation. The hon. Gentleman might be interested to know that the Green Paper states:

"The current way in which the courts intervene in disputed contact cases does not work well".

[Mrs. May]

Those are not my words. That is a direct quote from the Government's Green Paper. We also emphatically agree with the Government's description of what should happen in court:

"Both parents are equal and both should continue to have a worthwhile relationship with their children after separation, so long as it is safe and in the child's best interests."

Vera Baird (Redcar) (Lab): It is perfectly clear that the Conservatives' motion would not only demote the paramountcy of the child's welfare and make it a mere "priority" but introduce a legal presumption that any parent should be entitled to contact, irrespective of what they had done, as long as they did not present a danger. Is that really what the right hon. Lady intends? Will she explain why she is specifically removing the paramountcy of the child's welfare?

Mrs. May: I admire many of the speeches that the hon. and learned Lady has made in the House, but the comments that she has just made are not worthy of her. If she reads the motion, she will see that we continue to give priority to the best interests of the child, and we expressly state that we are talking about cases in which safety is not a concern.

Vera Baird: The right hon. Lady is seeking to judge me harshly; I assume that is for reasons of self-defence. It is perfectly clear that the word "paramount" has been removed from the Conservatives' motion. "Paramount" means that the welfare of the child must come top, first and in front of everything else. "Priority" is a much softer word; it suggests that the interests of the child must take priority only over some things. I shall ask her a straightforward question: does she intend to demote the welfare of the child to below the legal right of any parent to have contact? That is what the motion says.

Mrs. May: The answer to the question whether I intend to demote the interests of the child is no. If the hon. and learned Lady reads the motion, she will see that we are not doing that.

The difference between my party and the Government on this issue is that the Government consider that it is not in the best interests of the child to have proper contact with and access to both parents. I consider that the best parent for any child is both parents, and we intend to put a system in place that will allow such access.

Jonathan Shaw (Chatham and Aylesford) (Lab): Will the right hon. Lady give way?

Mrs. May: No, I want to make some progress.

The problem for so many parents who are desperate for proper contact with their children is that the Government have been willing to talk about co-parenting but unwilling to put it into practice. They speak the language of reform, but do not deliver. In rejecting our proposals for co-parenting, they have clearly demonstrated that their Green Paper was simply all talk.

Children who go through divorce have already lost out, and we must not add to their distress by putting them through a court process that results in them forfeiting one of their parents as well. On 27 April 1989, the Minister presenting the Bill that was to become the Children Act 1989 affirmed:

"New orders are introduced to reflect our emphasis on encouraging parents to participate fully in the child's upbringing."—[*Official Report*, 27 April 1989; Vol. 151, c. 1111.]

Nine years later, the Lord Chancellor's Department reconsidered the issue, but came to the same conclusion, saying:

"The Children Act 1989 seeks to encourage both parents to continue to share in their children's upbringing, even after separation or divorce."

That is a line that the Government rightly adopt in their 2004 Green Paper. Indeed, the Green Paper takes the language of joint parental involvement further than before. It states:

"Children need the support of their parents to thrive . . . Co-operative parenting arrangements are what is needed in order to promote the interests of the child".

I do not believe that anyone, on either side of the House, could take issue with those laudable sentiments. However, we must ask ourselves whether any parent can be said to participate fully in the life of a child whom they hardly know. Can parents share in the upbringing of children whom they see for only two hours a fortnight? Does a brief visit for a morning a couple of times a month help children to thrive? Are we seriously suggesting that the growing army of "McDonald's parents", whose only contact is a fortnightly lunch in a fast-food restaurant, are parenting their children in the correct way? I do not think that any parent worth their salt would accept that. They regard such arrangements as inadequate. Moving from common sense to professional discourse, we see that child development specialists do not accept that suggestion either.

The Children Act cannot be said to encourage parents to continue to share in their children's upbringing when, as every MP knows, it commonly takes years of agony in the family courts to get contact increased. The Act does not deliver on its intentions. There is a simple explanation for that, which is wrapped up in the simple word "contact". Perhaps I should remind the House what "contact" means in the context of a family law dispute. Contact is any contact at all, no matter how short or infrequent. An order for one hour's contact a week is contact. An order for one hour a month under supervision is contact. Contact confined to a contact centre is contact. That is why I am asking the House to support our calls for a drastic and fundamental change in the way in which we approach children and separation in the family justice system.

Case law provides for a presumption of contact, but it does not provide for a presumption of reasonable contact. Such a presumption is, however, innate in the Children Act. The stated and agreed objectives of that Act cannot be delivered without the presumption of reasonable contact, which is why we are calling for a presumption of co-parenting, and the right of both parents to be fully and equally involved in the lives of their children.

Mr. Richard Allan (Sheffield, Hallam) (LD): I have been listening carefully to the right hon. Lady, both today and in the interviews she has given on this subject. In trying to decide whether to support her proposals, I need to establish whether, in a case in which safety was not an issue, if a court received clear advice that reduced or no contact was in the best interest of the child, the court would be able to follow that advice. Or would it, under the right hon. Lady's proposals, be required to maintain contact even if it were not in the best interest of the child?

Mrs. May: The courts would indeed be able to follow that advice, although I suspect that the number of cases in which safety was not an issue and in which contact would not be in the best interest of the child would be very limited. The problem is that the current system does not enable the parent without residence to build up the loving bond and relationship that the Children Act 1989 implied.

Mr. Dawson: Will the right hon. Lady give way?

Mrs. May: No, I want to move on.

Some people say that we are simply pandering to the demands of militant dads' groups, and radical groups such as Fathers 4 Justice. The Minister nods. Let me make it absolutely clear that my party does not in any way condone the actions of such militant groups. We do, however, understand the pain and hurt of a group of parents who are being denied a relationship with their children. We do not advocate splitting a child down the middle 50:50, but we do believe that the child has a right to proper contact with both parents.

Sadly, normal parents and grandparents are being prevented from caring for their children and grandchildren, or in some cases prevented from seeing their children and grandchildren at all. That is why we propose the presumption of co-parenting and the right for both parents to be involved in bringing up their children, ensuring that the law serves the best interests of the child. Children deserve to see both parents.

If the Minister does not accept that the law is biased against non-resident parents, I shall give her an example of how it operates. Two weeks ago, I visited Lancashire where I met a group of women living in a women's refuge. There were women living together—not through choice, but because they were fleeing violent partners. One of the young women explained that she did not have her children with her because the court did not consider a refuge a suitable place to bring up children, so the children were with their violent father. That, I think, is a prime example of how the system discriminates against non-resident parents. All too often, the resident parent is allowed to deny access, safe in the knowledge that they will be able to frustrate the other parent for years in the courts before contact is resumed.

If the Minister does not agree with my view that such delays are commonplace, let me tell her about a constituent who came to my advice clinic a few weeks ago. He had been denied access to his three-year-old daughter. When he sought advice from his solicitor, he was told it was likely to take nine months before his case was heard. That is nine months' separation in the life of a three-year-old child. With a child so young, a week is a long time in their development. Imagine how damaging to those precious parent-child bonds a separation covering almost a third of the child's life could be.

We have unveiled a strategy for radical institutional change to end the misery of the family courts. For parents who have reached the stage of issuing legal proceedings on contact, our proposals include a number of court-backed mechanisms, including clear guidelines prepared by child development experts in conjunction with the judiciary to outline the range of beneficial post-separation arrangements; mandatory information sessions to make the court-backed guidelines available to parents before the hearing; mandatory mediation before the first hearing, conducted in the knowledge of what the courts are likely to order if they cannot reach an agreement; and family courts working to expert guidelines acknowledging that the child's needs are best served by "frequent and continuous" contact with both parents. In short, we are offering a certainty and a predictability for parents and children in a time of huge upheaval.

Mr. Dawson: I am interested in what the right hon. Lady is saying. I do not dispute the good intentions on both sides of the House, but will she please tell me how the delicate, careful and constructive work that needs to be done in any system of the sort that she envisages would be done if, as is reported today, she is proposing the complete abolition of the Children and Family Court Advisory and Support Service?

Mrs. May: Indeed, it would be done by trained mediators. That is one of the issues with CAFASS: its staff are not trained mediators and a lot of people involved with it come from an entirely different background. Precisely because these matters are sensitive and precisely because it is necessary to be able to act sensitively, it is important that those who do this work are specifically trained in it.

Mr. Dawson: Will the right hon. Lady give way?

Mrs. May: No, I have given way to the hon. Gentleman twice already. Other Members wish to speak in the debate.

The Government have attacked our proposals, and indeed refused to back our amendment on co-parenting, which was tabled as part of the recent Children Act debate. I am sorry that the Minister chose not to comment on the validity of or the arguments about our amendment—*[Interruption.]* The Minister, from a sedentary position says, "Oh yes I did." I have to tell her that a vitriolic attack on my hon. Friend the Member for Beaconsfield (Mr. Grieve) does not constitute a proper debate on the arguments in the case in point.

The Minister has rejected our proposals, but this is not the first time that she has chosen to reject sensible and workable ideas to reform the family justice system. In 2002, a package of reforms known as early interventions was developed. These reforms, which include fully defined parenting plans, gained the support of the Family Law Bar Association, the High Court judiciary, the chair of the Solicitors Family Law Association, parenting groups and, most important of all, child mental health specialists.

[Mrs. May]

When the presumption of reasonable contact is introduced, the system is rebalanced so that the resident parent knows that they cannot use the child as a weapon against the other parent. The result is that the right case outcomes are achieved quickly, instead of the wrong case outcomes being achieved slowly, but that entails a wholesale reversal of procedure. So, this was quite a nut to crack, but the job was done.

On 8 October 2003, the early interventions reforms went to the Government with across-the-board support. The hon. Mrs. Justice Bracewell, of the High Court family division, said:

"It would be incomprehensible if the Pilot Project did not receive official sanction from the DfES and the Department for Constitutional Affairs."

Yet within weeks of early interventions being approved, the project was destroyed in Whitehall. I understand that its originators were never approached or consulted. I believe that the early interventions papers never reached the new Whitehall design team. The project was discussed as a "brand name" to be discarded.

Ministers were reassured that the early interventions project was still under construction, albeit under a different name. So, one project was swapped for another in a tableau worthy of "Yes Minister". The family resolutions project, which has just emerged from Whitehall, is the opposite of the early interventions project that was submitted and approved. Family resolutions is not a legal reform at all; it is the same old failing mechanism with a glossy new title.

Family resolutions is a new scheme to continue the existing system. It does not change the legal system; it is a public relations exercise—more spin from the Government. Parents will receive leaflets advising them not to go to court. They will see videos. There will be more "flexible levers" and telephone helplines. Parents will be sent to "anger management classes", presumably to learn how to manage their fury at the Government's failure to provide the family justice system they need, but what they will not get are guidelines on how much parenting time the court expects them to agree on, nor will they get any rights giving them a say in how their child is bought up.

Instead of it taking two months for parents to get a first hearing, it will take five. That is the difference, and there is evidence that the family resolutions pilot project simply is not working, which brings me to the Government's final contradiction—the Green Paper.

The Green Paper was trumpeted as the Government's answer to parents' problems—more talk from Government, appearing to say all the things that parents trapped in the family court system wanted to hear. I quote the 30 November edition of *The Independent*:

"Fathers are to be given better access rights to their children in the event of family break-up under new proposals from the Government".

but fathers will not be given better access rights. The Minister knows it, and I know it. All those anxious parents and grandparents have been misled. The promises made in the Green Paper are incapable of fulfilment.

The Green Paper says that

"co-operative parenting arrangements are what is needed to promote the interests of the child".

yet the Government are refusing our calls for a presumption on co-parenting. Under the Government's scheme, not only will there not be a presumption of reasonable contact, there will be no presumption of contact at all. Presumably, parents who want to see their children will be asked, "Why?".

The Government do not have to accept my word; they can take their own. On 29 April, in a letter to the chairman of the Coalition for Equal Parenting, Lord Filkin said:

"The Early Interventions project which was developed by New Approaches to Contact (NATC) and others, is being developed and taken forward."

The Green Paper said:

"We will develop"

parenting plans

"and will provide specific examples of contact arrangements which are known to work well for parents",

but let us consider what the Department for Education and Skills itself had to say in a standard letter written this November, when it realised that it could no longer pretend that the two projects are the same:

"The Family Resolutions Project has been designed in line with the Children Act 1989. The Act does not prescribe parenting patterns, nor does it have a legal presumption of contact. These are two ways by which Family Resolutions is distinctive from the Early Interventions project proposed by New Approaches to Contact".

Listening to the Government, the two projects are not only the same, but different. The judiciary, Queen's counsel and Lords of Appeal are still being assured that the Government are progressing the early interventions reforms, which they have scrapped. Yet again, the Government have been shown to be all talk and no action.

I said that this was a sensitive issue: it is a sensitive issue because it deals with the lives of children; because it deals with the loving bond that is developed between parents and their children; and because many children in this country today find themselves separated from a parent or grandchildren by a system that enables the parent with whom the children reside to use the child as a weapon against the other parent. Many people find themselves on the receiving end of a family justice system that does not deliver justice for them or their family.

We have seen from recent statements that the Minister believes that the best parent is the state. We recognise, however, what experts and common sense have always told us—that the best parent for any child is both parents. It is time for a family court system that protects children and respects parents, and it is time for a Government who will deliver it.

7.40 pm

The Minister for Children, Young People and Families (Margaret Hodge): I beg to move. To leave out from "House" to the end of the Question, and to add instead thereof:

"believes that, on the separation of parents, the welfare of the children should be the paramount consideration in any family court proceedings concerning the upbringing of a child, and

recognises that children benefit from a meaningful relationship with both parents after separation, so long as it is safe; congratulates the Government on the proposals in its consultation document Parental Separation: Children's Needs and Parents' Responsibilities, which addresses the realities of the reform that is needed in family justice, including its commitment to legislate to improve facilitation of contact and enforcement of contact orders; notes that the use of the term 'parenting time' in place of 'contact' fails to recognise the important role of the extended family, including children's siblings, in children's upbringing and that contact orders are not only made in relation to parents; and deeply regrets the official Opposition's view that any presumption is needed in law beyond the principle that the welfare of the child is paramount."

I agree with the right hon. Member for Maidenhead (Mrs. May) that the issues surrounding residence and contact for separated parents and their children are both contentious and high profile. I agree with her, too, that that is in part for understandable and legitimate reasons. However, I regret deeply the recent attempts by Members of Her Majesty's loyal Opposition to try to gain political advantage on the back of the personal trauma and unhappiness of many families.

Working to establish rational and just policies in this highly emotionally charged area of public policy is both difficult and challenging. But that is what the Government are determined to do.

We know that more than 150,000 children each year experience the emotional distress of their parents' divorce. We know that two out of three of those children are under 10, and one in four is under five. We know that around one in every five children is likely to have to go through their parents' separation and divorce before they reach the age of 16.

Given those figures, it is also important, in terms of tonight's debate, to acknowledge that most parents who separate and divorce deal with the issues involving parental responsibility, residence and contact between themselves, without recourse to the courts. In fact, nine out of 10 do so.

Jonathan Shaw: Is my right hon. Friend aware that when the Office for National Statistics examined contact arrangements, it found that the best arrangements involved good, frequent contact, and that when people were asked what would improve the situation, they said that it would be more contact. Often, it was mothers, who had residence, who wanted more contact, rather than fathers. We need to keep the issue in proportion.

Margaret Hodge: Indeed. The other research finding is that it is not contact per se that supports children's best interests but the quality of the contact. The quality of the contact is always better when parents can determine how they manage contact outside court processes.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): The right hon. Lady will know, because she will give evidence to it, that the Constitutional Affairs Committee is currently considering this issue, and that a great deal of evidence is coming forward. What worries me in this debate is both the tendency of the Opposition to assert that certain things are the answer, and the danger that she might feel that she must rule out options that ought to be considered, when a great deal of evidence is still coming forward on a matter that affects a lot of people.

Margaret Hodge: I give the right hon. Gentleman my absolute assurance that I would be the last person to rule out any ideas that would enable us to manage these difficult issues with the interests of children at their heart. Opposition Members are failing to put the interests of children first.

Mr. Dominic Grieve (Beaconsfield) (Con): The right hon. Lady will recollect that I have previously proposed an amendment that maintained the paramountcy of the welfare of the child but encouraged equal parenting. When I proposed that to her in the debate on 2 November, I said:

"I hope that the Minister will accept the new clause in that spirit, and I look forward to hearing a positive response from her."

Her only reply was three minutes of vitriolic abuse, saying that the policy was

"ill-thought out, hastily constructed and opportunistic".—[*Official Report, House of Commons, 2 November 2004; Vol. 426, c. 234*]

Can we have a sensible debate on this subject this evening?

Margaret Hodge: We can indeed. It is interesting, however, that the two Opposition Members who are responsible for the debate tonight do not agree. The right hon. Member for Maidenhead said in her opening remarks that she was not in favour of equal parenting, which is commonly understood as dividing children's time equally between their parents. The hon. Member for Beaconsfield (Mr. Grieve), however, has said that I refuse to acknowledge the importance of equal parenting.

Mr. Peter Luff (Mid-Worcestershire) (Con): I agree with the Minister that this should not be a matter of deep party political controversy, but she has scored more party political points in her opening five minutes than my right hon. Friend the Member for Maidenhead (Mrs. May) did in her whole speech? If she really wants a non-partisan debate, I suggest that she reflects on her use of words in this debate.

Margaret Hodge: If the hon. Gentleman means that I am opposing the paucity of the arguments of his hon. Friends, he is correct.

Nine out of 10 families, when they separate or divorce, deal with the issues of parental responsibility between themselves. That does not mean that there is not pain for everyone involved; of course there is. Nobody wins when the relationship between parents breaks down. Everybody must give up something. There is anguish for all concerned, particularly the children, whose voices are all too often not heard when issues affecting their future are decided. With more parents ending up in the divorce courts, the problems are affecting more families.

Furthermore, there is no doubt that as family life changes, with more parents sharing the day-to-day responsibilities of caring for their children, finding a resolution that everybody feels is fair to them becomes

[Margaret Hodge]

more difficult. But in trying to support those parents whose relationship is so embittered that they cannot settle contact arrangements between themselves, we should focus on what we can learn from those who have managed to sort it out without going anywhere near the courts, not try to pretend that there is a magic legal formula which we, as legislators, can invent, and which will make all those involved feel that they have an even-handed and just settlement. Whatever we do or do not do, there will continue to be fathers who feel unjustly excluded from their children's lives and mothers who are frightened for themselves and their children because of their experience of violence in the home. Most importantly, there will be children who suffer because of the conflict between their parents and because they cannot spend all their time with both parents.

If and when the courts are asked to intervene, however, the Government continue to hold the unequivocal view, which was held by the Conservative party when it was in government, that the child's welfare must be paramount. For us, there are no ifs and buts about it. In settling these difficult issues, the child's welfare must come first.

Mrs. May: Will the Minister give way?

Margaret Hodge: In a minute. [HON. MEMBERS: "Give way."]

In the summer, it seemed to us that the Tories, as the hon. Member for Beaconsfield has done now, were flirting with those who advocate equal parenting or 50:50 parenting. They chose to join—

Mr. Grieve: On a point of order, Mr. Deputy Speaker. The right hon. Lady knows well from past debates that I have never made any reference to equal parenting in the context of 50:50 splits. Is it therefore in order for her to mislead the House with further invective, rather than engage in rational debate?

Mr. Deputy Speaker: Order. That is not a point of order for the Chair; it is a matter of debate. If I may say so, it would be better if the debate were conducted in more moderate terms.

Margaret Hodge: I have just been accused of misleading the House. I certainly did not. According to any common understanding of the term "equal parenting", it means a 50:50 division. If Opposition Members choose to join those who focus on adults' competing rights rather than concentrating on parents' responsibilities and their children's needs, they are taking the wrong route.

Mrs. May: I am grateful to the Minister for finally giving way. She and I have taken part in a number of interviews about this, and she has taken every opportunity to raise the 50:50 issue. My colleagues and I have made it clear that we have never suggested a 50:50 split. Will the Minister now withdraw her statement that that is our party's policy? Will she also tell us how it is in children's best interests for proper contact with both parents not to be resumed?

Margaret Hodge: I will come to that last point shortly, because we believe that when it is safe that should happen; but the right hon. Lady and the hon. Member for Beaconsfield must be the only two people in the world who do not interpret equal parenting as 50:50. I agree with the right hon. Lady about one thing, however. It appears that since the summer, Members in the typical modern Tory mould have withdrawn from what I consider to be an extreme position: the view that children should be divided like possessions, and shared equally between their parents. I welcome that retreat, but in calling for us to introduce a legal presumption of something that they call co-parenting, Conservative Members are perpetrating a con on distressed parents who desperately look to others to resolve their bitter conflicts. If co-parenting means an attempt to establish two paramount principles, that argument is conceptually flawed. Either the children's interests come first, or the parents' rights do. The Conservatives should make up their minds and come clean.

Mr. Grieve: As the Minister will know, section 1 of the Children Act 2004 contains a presumption of the paramountcy of the child's best interests, but section 2 provides for a presumption, in ordinary circumstances, that parental responsibility lies with both natural parents. Is the Minister suggesting that whenever a child is born there should be an examination, there and then, of the paramountcy of the child's welfare, and a conclusion that the child should not be with its natural parents who are together? As it stands, section 2 qualifies the paramountcy of the child's welfare.

Margaret Hodge: The hon. Gentleman is right. That is another reason why I fail to understand why we need the legislative change that the Conservatives propose.

Let us pursue this argument. If the term "co-parenting" means that Conservative Members believe a child's welfare, following its parents' separation, is best promoted by a continuing relationship with both parents whenever that is safe, all they are doing is restating the existing legal position, established by case law. Pretending that this is something new is simply misleading, and raising false hopes. Case law has established that mothers and fathers have equal standing before the courts, and that both parents are critically important to the child. There is no gender bias in the courts, and I challenge the Opposition to demonstrate that there is.

Mrs. May: Is the Minister trying to tell us that she is against the legal presumption of co-parenting because she thinks that it acts against the paramount interests of the child, or is she saying that she is against changing the law to introduce it specifically because it is already there?

Margaret Hodge: I am saying that it is unnecessary, I am saying that it is misleading, and I am saying that it would confuse. The right hon. Lady did not take up my challenge to demonstrate that there was bias in the courts' administration of the system, as she pretended. I have no evidence of such bias in the legal system.

Case law has established that unless there are cogent reasons against it, children are entitled to know, have the love of, and enjoy companionship and time with both their parents. That is why contact is refused in

fewer than 1 per cent. of cases heard in the courts. We already have a legal framework that recognises that children's interests are best met by the maintaining of a relationship with both parents when that is safe.

Mr. Dawson: Surely the strength of the existing system is that it looks to the best interests of each child. Co-parenting would impose a particular model on a particular relationship without attention being paid to individual needs, developmental stages, specific family circumstances and numerous other factors.

Margaret Hodge: I agree with the point that my hon. Friend has made so eloquently. The proposed amendments to the statute add nothing to the existing arrangement that both parents, where they have parental responsibility, are equal before the law. What those amendments do is hoodwink some parents into believing that things will change.

I must say, with regret—because there has been cross-party agreement on the issue in the past—this is low-level politics at its worst. It is a desperate quest for votes on a false and meaningless prospectus. It could also divert us from tackling the many problems that we know exist, not in the legal structure but in the way in which the current system works in practice for many parents. We are trying to tackle those problems with our Green Paper, our programme of reform and our draft Bill, which will be discussed in the current Session. The Tories' proposed measures would also confuse everyone involved by failing to assert that—as my hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) said—the welfare of the child can and must remain the principal overriding concern.

Mr. Grieve: The Minister will recall an amendment that I tabled to the Children Bill, which maintained the principle in clause 1 that paramount consideration should be given to the welfare of the child, but proposed another clause providing that unless the contrary could be shown, the courts should act on the presumption that the child's welfare is best served through residence with its parents; if its parents are not living together, through residence with one of them; and through both of them being as fully and equally involved in parenting as possible. How could that interfere with the paramountcy of the child's welfare?

Margaret Hodge: Again, the hon. Gentleman has used the word "equally". I understand that to mean dividing children equally between their parents. *[Interruption.]* If the hon. Gentleman did not mean that, perhaps when he winds up the debate he will tell us in what way his proposition alters current case law and the way in which courts approach the issue.

In embarking on our reforms, we have acknowledged the existence of legitimate grievances that we need to address. As the right hon. Member for Maidenhead said, there are a lot of angry people who feel wronged and frustrated by the system. I agree that our legal processes take too long, and I agree that all too often the contexts in which decisions are made are too adversarial. Some non-resident parents, usually fathers, are unable to maintain a relationship with their children because of deliberate actions taken by the resident parents. There are some mothers and children who feel at risk because of the violence of the father, and there are some fathers who also feel at risk. At the same time, there are real limits to the efficacy of any action that the state can take to resolve the entrenched conflict and deep suspicion that characterise a number of the situations that require resolution through the courts, and we should not pretend otherwise. Far from believing that we are the best parent in this context, I believe that the right hon. Member for Maidenhead believes that she is.

What we can do, what we are doing and what we will continue to do is to try to support, through both conciliation and mediation, ways in which parents can resolve their disputes in the interests of their children. We want to support parents, to divert them from litigation in the court and to help them settle their differences outside the court. We have proposed concrete real-world reforms, which the motion fails to do. For example, we are revising our parenting plan materials, which the right hon. Lady chose to decry. They are there to help parents, with clear advice and information, to think through realistic options in a co-operative way to settle issues on contact. This is not about the Government, with so-called "guidelines on parenting time" attempting to dictate from the centre what works, when we cannot know the circumstances of any individual case. We want to show in practice the sort of contact arrangements that work well for children of different ages and in different circumstances, without trying to be prescriptive, as the right hon. Lady would have us be about individual cases.

That is why we want to ensure the availability of another initiative that the right hon. Lady decried: the availability of a telephone advice service that will provide practical support to parents when they need it. That is why we want to introduce more mediation, building on the successful expansion of publicly funded mediation cases, which are now helping about 5 per cent. of separating couples to reach agreement. That is why we want to support good practice among lawyers in this sector, with improved accreditation of solicitors who provide advice on family matters, and by encouraging lawyers to work more collaboratively, with the aim of securing a resolution outside courts, rather than a win in the courts.

That is why, far from abolishing the Children and Family Court Advisory and Support Service, we want to make greater use of its officials to promote the resolution of contact issues through conciliation, as is already happening successfully in the courts in Essex. To suggest, as the Opposition have, that we have abandoned what was known as the early interventions initiative is simply a travesty of the truth. What we have done is reflect on the experience from Florida and other jurisdictions with a group of experts.

Mrs. May: Will the right hon. Lady give way?

Margaret Hodge: I will when I have finished this bit.

What we have done is adapt those proposals to create our own family resolutions pilot project, so that it works in the British context. We have not failed to implement the scheme. We have simply sensibly tailored it, so that it has the chance of working in our courts.

Mrs. May: The right hon. Lady says that the Government have put the project in place. Perhaps she

[Mrs. May]

will explain why it was that, in November, an official in the families in change team for vulnerable children at the Department for Education and Skills sent letters making it absolutely clear that

"There are ways by which Family Resolutions is distinctive from the Early Interventions project".

She says that she has not abandoned the early interventions project, yet she is not actually putting it in place.

Margaret Hodge: The right hon. Lady may not accept this, but it seems total common sense that we adapt a particular scheme to meet the British circumstances and the British courts. Perhaps it will help if I give an example. In Florida, early intervention is compulsory. In the United Kingdom, our family resolutions pilot project is not. Our scheme reflects that difference; it has been deliberately changed to reflect the difference.

In our view, the family resolutions project will work only if people want to engage with it. There is, of course, a clear expectation among the judges, legal advisers, court staff and the welfare organisations that the normal procedures involve participation in the scheme, except in cases of domestic violence. Far from the scheme having failed, we have only just embarked upon it. We will see how it goes and decide on national roll-out after we have evaluated how successful the intervention is.

Peter Bottomley (Worthing, West) (Con): The Minister is being more specific now. Can she explain how the scheme that she will bring forward differs from the one that she inherited from the Department for Constitutional Affairs, which is a rather more interesting question than how it differs from the Florida experiment?

Margaret Hodge: The family resolutions pilot project was developed by the Department for Education and Skills working with colleagues in the Department for Constitutional Affairs to ensure that it was amended to reflect British circumstances. That seems such a common-sense approach that I cannot for the life of me understand why Conservative Members seek to mislead people, if I may say so, by suggesting that we are not pursuing an early intervention to prevent people from entering into litigation, which often only worsens matters.

Mr. Dawson: There is nothing more strange than the Opposition in search of a conspiracy theory, but have not Australia and Canada taken American models and adapted them to their circumstances, almost in exactly the way that this Government have, reflecting the fact that no one has a monopoly on best practice and that we are all trying to learn from each other?

Margaret Hodge: Of course. I am amazed that I had to justify a sensible adaptation to British circumstances.

We all recognise that there is much we can do to improve the court processes. If parents have to wait for months, attitudes become even more entrenched and the possibility of an agreed resolution between the parents diminishes. That is why the judges, under Dame Elizabeth Butler-Sloss, are seeking, for example, to improve the listing of cases, are looking to provide greater judicial continuity and are ensuring a rapid return to court if things continue to go wrong.

That is why we want to change the role of CAFCASS so that its officials spend less time writing lengthy reports for court hearings and more time using their expertise, knowledge, skills and training to promote conciliation between warring parents and to ensure that the voice of the child is heard as arrangements are determined. That is why we are proposing a range of additional levers for the courts to ensure that both parents put their children first and comply with court-ordered contact arrangements.

That is why we are, for the first time ever, ensuring proper funding of contact centres and ensuring the expansion of services that support children in enjoying contact with their parents. Indeed, we hope that many of our children's centres and extended schools will provide the facilities to enable parents to maintain contact with their children in safe surroundings.

The issues that we are addressing are vital. They touch the lives of tens of thousands of children every year. Thankfully, the vast majority of parents settle these issues without recourse to the courts, so that the children's interests are better promoted and protected, but the last thing these children need is a cosmetic change to the law. What they do need are real and substantial reforms to try to make the system work better for them. What they want is for their voice to be heard.

Children want, in most cases, to maintain a loving and continuing relationship with both parents. They do not want to choose between the love of their mother and that of their father. Children do not want to become a weapon in their parents' armoury as they pursue bitter vendettas against each other. Nor should those children become a weapon in the political armoury of political parties as they seek votes. That, I regret to say, is what I believe the Opposition are attempting to do. Either they want to change the law to give precedence to parents' rights over children's interests—a step that would clearly be wrong—or they are content with the current legal framework that recognises the paramountcy of the child's welfare and acknowledges that it is best promoted by maintaining contact with both parents, in which case we do not need a change in the law. The Tories should not con parents by pretending that they are doing that.

If the Tories really wanted improvements for children and for separating or divorcing parents, they would support our amendment. They would engage constructively in the discussions on our proposals in the Green Paper. They would support our programme of reform; our moves to promote conciliation and mediation; our reforms to improve the workings of the courts; and the proposal that we will publish in the form of a draft Bill to ensure better compliance with court-ordered contact. They would stop trying to play politics in this complex and highly emotionally charged area of people's lives and recognise the need for a commitment to genuine action on children's needs. They would vote with us tonight. I urge every responsible Member of this House to do just that.

8.11 pm

Mr. David Heath (Somerton and Frome) (LD): I have to say that this has been a less than edifying occasion so far—I rather feared that it might be when I saw the subject tabled for debate. I suspected a slight odour of bandwagon about it, which is unfortunate. The sensitivity of the issue—a point made by the right hon. Member for Maidenhead (Mrs. May)—means that it is perhaps inappropriate for the sort of politicisation that we have heard so far this evening. If anything requires consensus, not only between political parties but between all those who operate within or are consumers of the system, it is this. As has rightly been said, we are dealing with extraordinarily difficult issues for people who have to go through a court process at their most vulnerable time, and the interests of children come into play throughout. We need a system that is simultaneously robust and caring for the concerns of all involved. I do not believe that the debate so far has suggested that such consensus is there to be had.

Mr. Grieve: Will the hon. Gentleman give way?

Mr. Heath: I will, because I would except the hon. Gentleman from the terms that I have set out, on the basis of what he has said in previous debates on the matter.

Mr. Grieve: I am very grateful. Of course I agree that it is very desirable to achieve consensus, but sometimes it is not possible and there are legitimate differences of approach. He may agree, however, that we should be capable of having a rational debate and not one that is constantly undermined by a series of assertions that people are trying to derive some cheap political advantage.

Mr. Heath: I agree, and I hope that we can now proceed on a basis that is a little more edifying.

The timing of this debate is unfortunate, as we have not yet had responses to the Green Paper, which is a serious piece of work and deserves our proper attention, and because the Select Committee on Constitutional Affairs, so ably chaired by my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith), is even now taking an abundance of evidence and is yet to reach conclusions. His plea to both sides of the Chamber not to close down options until that process was complete was entirely appropriate. Sadly, it went unheard by those on both Front Benches.

Let us set out some parameters for the debate. My colleagues and I stand foursquare behind the principle of the paramount interests of the child. We do not resile from it for one moment. Interestingly, the hon. Member for Beaconsfield (Mr. Grieve) made it clear that he shared our position, but that was not reflected in responses to interventions in the opening speech of his colleague, the right hon. Member for Maidenhead, which is regrettable. Regardless of what we believe to be the best interests of the child, that should surely be our starting point, and the child should not be treated as just one of the goods and chattels up for disposal between the separating parties.

It is reasonable and proper to say that in most cases the child's interests are best served by parenting involving both parents, if there are no other factors that create a barrier to that. In that, I have no difficulty in supporting the Conservatives' basic contention. It is also important to note that it is always better, if at all possible, to proceed by conciliation and mediation rather than a divisive and confrontational process. However, I note the words of Lord Justice Munby, whose views I have learned to respect on these matters, in his evidence to the Constitutional Affairs Committee:

> "In an ideal world one would hope that parents could reach an agreement on these matters without outside assistance. We do not live in an ideal world. If outside assistance is required, then mediation is infinitely preferable to the court process. There will be an irreducible number of cases which have to come to court."

Most of us recognise the truth of that.

Mr. Dawson: In asserting the importance of children being able to have good-quality contact with both parents, does the hon. Gentleman also accept that we need to pay great attention to the risk of abuse? Does he agree that we are sometimes too glib in simply acknowledging the relevance of abuse without facing up to the fact that we are not good at recognising it and that sometimes courts order contact that results in children dying?

Mr. Heath: I do accept that, and I shall have a little more to say about it later.

I came to the debate predisposed to support the motion moved by the right hon. Member for Maidenhead, but I have to say that on occasions she made it rather difficult for me to do so. I was concerned at her assertion that the vast majority of cases leave the father outwith a satisfactory conclusion. I do not believe that that is supported by the evidence. There are certainly many—too many—cases in which the fathers are very worried about the outcome and the arrangements for access, but I cannot accept that such cases are the vast majority. I hope that she may reconsider that.

We had a debate about paramount interests as against priority. The hon. Member for Beaconsfield has satisfied me on that point in a way that the right hon. Lady did not. It was unworthy to say that the Government's position is that two parents are not in the best interests of the child. That is not their position. To characterise and caricature the position of either side in this debate is profoundly unhelpful. We need a sensible and mature debate.

I have one quibble with the wording of the motion, and it is an important one, concerning the point made by the hon. Member for Lancaster and Wyre (Mr. Dawson). The motion refers to

> "a legal presumption of reasonable contact with their children, except where a child's safety would be at risk".

The child's safety is an insurmountable problem when it comes to access, and we should recognise far more often the problems that sometimes arise in respect of child abuse. I would go further and say that it is a question not simply of the child's safety, but of risk of harm in the wider sense of the word.

Let us consider a case involving prolonged domestic violence, occasioned by a father on a mother. There is no question about the loving relationship between the father and the child, but the father has behaved in an appalling and violent way towards his spouse. It is not

[Mr. Heath]

hard to see that such behaviour could have an enormously detrimental and harmful effect on the child, so it would be entirely proper for the child to take the view that, although their safety was not in doubt, there was a risk of harm if the father had access to the family home and they had to re-live an earlier experience.

Mr. Dawson: Does the hon. Gentleman accept that there is also a significant correlation between domestic violence and physical, sexual child abuse?

Mr. Heath: Yes, I do, and as the hon. Gentleman knows, we debated that issue in the context of the recent domestic violence legislation. But that does not alter my view that one does not have to prove abuse of the child to believe that there is a risk of harm to the child, depending on the circumstances that may prevail. That is my significant issue with the Conservative motion, although I do not believe that they intend to discredit such situations. We are talking about the words used, rather than the intention behind the motion.

Vera Baird: Even if we do not embroil ourselves in the relationship between domestic violence visited on the parent and harm inflicted on the child, one can still make the valid criticism of the motion that I think the hon. Gentleman is making: that there will be a legal presumption of parenting unless there is a risk to safety. Let us consider a parent who has not bothered to get in touch with the child for 15 years, and who has not seen it since it was small. Throughout that time, the parent has carried with him, and will re-present, a presumption that he must be entitled to parenting. The sudden re-visiting of that parent upon the child is likely to be harmful to the child, even though it will not constitute a danger in safety terms. Is that not one of the major flaws with the motion, which, I am afraid, is simply cheap Jack?

Mr. Heath: I understand the circumstances that the hon. and learned Lady describes, and that is why the courts have to assess the circumstances individually. However, it is not an entirely sound argument against the principle of a secondary presumption—rather than a paramount presumption—that contact with both parents will usually be beneficial to the child and in the interests of its welfare. Indeed, this is what somewhat alarmed me about the Minister's speech. She was so intent on rubbishing the Conservatives' motion that she did not countenance the perfectly respectable argument in favour of such a presumption. The Solicitors Family Law Association, which surely has a proper and legitimate interest as a practitioner in this field, made that argument cogently. In giving evidence to the Select Committee, it said:

> "The existing presumption that arrangements for post-separation parenting arrangements should be based on the interests of the child should remain in force. However SFLA believes that there should also be a statutory presumption that children should have contact with both parents post-separation, unless there are reasons that militate against this, such as safety concerns."

The difference is that the SFLA uses safety as an example, rather than describing it as the sole factor.

Mr. Grieve *rose—*

Mr. Heath: That is my criticism of the Conservatives' motion, which the hon. Gentleman will hopefully now tell me is not supposed to be interpreted in that way.

Mr. Grieve: The hon. Gentleman has encapsulated very well what the issues should be, and in my view, the motion, as worded, does that. However, I am always prepared to acknowledge that words are capable of being changed, which is why I invited the Minister to look at the intention behind the motion and the debate. Does the hon. Gentleman agree that, in a sense, the Minister almost made the point herself? She acknowledged that in most cases, it is desirable that a child have contact with both parents. Surely that is the logical first step towards saying that there should be a presumption in favour of such contact—subject, of course, to the overarching presumption in favour of the child's welfare.

Mr. Heath: The hon. Gentleman is absolutely right: the only issue should be the hierarchy of presumptions. We must be absolutely clear that the child's welfare is paramount, and subject to that presumption, other factors come into play. I see no reason why we must choose between asserting that presumption to the exclusion of all else, or rejecting it. We need to be sensible about the arrangements emerging from this ongoing debate on the future of our family law system.

Mr. Luff: Will the hon. Gentleman give way?

Mr. Heath: I have given way lots of times, so this had better be the last.

Mr. Luff: Does the hon. Gentleman share my concern at the apparent implication of the intervention of the hon. and learned Member for Redcar (Vera Baird)? She seemed to suggest that a father who realises that he made a mistake in abandoning his child 15 years ago should be denied access to it. Surely the child would welcome the father's coming back and wanting to give it loving care and attention.

Mr. Heath: The child might do, which is the key point. What the court then needs to determine is whether such access is in the child's interest, without assuming that it is or is not.

Mr. Luff: Exactly.

Mr. Heath: The hon. Gentleman and I are at one on this issue.

I have one final criticism of the opening remarks of the right hon. Member for Maidenhead. She said that she was "unveiling" this policy, as if the need for such reform were a great revelation to the Conservative party alone. However, there is a developing consensus in this ongoing debate, and everything that the Conservatives proposed today has already been discussed. The right hon. Lady's speech was an

unfortunate politicisation of what should be a non-political issue. All the parties should be seeking the right way forward through mediation and conciliation, rather than through confrontation.

I want briefly to canter through the deficiencies in the current system as I see them. First, the delays associated with the Children and Family Court Advisory and Support Service, despite its re-birth, are unacceptable. According to the SFLA, first appointments currently take between 10 and 12 weeks, whereas the president of the family division has suggested that they should take a maximum of four to six weeks. Such delays are simply unacceptable, given the grief that accompanies separations.

The way in which such matters are assessed in court gives rise to some significant and central issues. I very much look forward to hearing the views of the Constitutional Affairs Committee, which I believe will illuminate the defects within the operation, rather than within the statute, that are at the core of many of the frustrations so often expressed today.

It cannot be right for children to be drafted into what amounts to a conflict—all too often an extremely bitter conflict—between parents as if they were simple bit players or pieces of furniture to be squabbled over. We must develop arrangements that allow the child's voice to be heard clearly and separately from the parental squabble. A court must be able properly to determine what is in the best interest of the child from the testimony of children themselves. I believe that that is an important principle.

We need an arrangement whereby both parents, if willing and able to do so, can through co-operation properly provide for the physical, emotional and financial support of the child. That is why the early intervention scheme, which we have debated, was so important. I am sorry, but I do not accept what the Minister for Children, Young People and Families says about this. She is trying to conflate two different schemes and claim that one is a very good development from experience overseas. It may well be, but it does not replace the early intervention scheme, which was developed in this country on the basis of consensus within the community of interests, particularly professional interests, involved in these matters. It needed statutory backing in order for it to work and it involved changes in court procedures, which the family intervention scheme does not. They are totally different things. As my hon. Friend the Member for Sheffield, Hallam (Mr. Allan) said in an earlier sedentary intervention, it is all very well saying that a cow is an adapted sheep, but try getting wool from it. They are two different creatures.

The Government would be well advised to look again at the real advantages of an early intervention scheme. The continuity of interests in respect of professionals, the capacity for court intervention and the capacity to identify differences and reconcile them before it becomes necessary for a court to make an order are all very much in the interests of the child and, indeed, of the contesting partners.

My last point is about legal aid, which no one has mentioned. It is crucial. We already know the difficulty in many parts of the country of identifying family law solicitors who are available to work for people on these matters. There is a diminishing cohort of professionals, with solicitors often finding it unattractive for their practices to do publicly funded work. Yet in the context of the Green Paper and the development of law in this sphere, we should not be aiming to enhance only what is done in court, but what is done before the court stage, where legal aid can be crucial. We need an expansion, not a diminution, in the availability of legal aid.

As I said, this evening's debate has not been of the highest quality. *[Interruption.]* That may well include myself—it is for others to judge—but it worries me when I hear something that smacks of opportunism and over-simplification on the one hand, and complacency and reaction on the other. I will advise my right hon. and hon. Friends to support the Conservative motion today, because there is more in it that we support than we reject, notwithstanding my trenchant criticisms of some aspects of it. I will reject the Government motion because it smacks of self-congratulation and I do not believe that they have got it right. Much more work needs to be done. It is sad to reduce matters to slogans, when the subject is so complicated and so important to so many people's lives. Frankly, we should do better.

8.33 pm

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I will not support the Opposition motion this evening because I believe that it is dangerous. I debated the issues with the hon. Member for Beaconsfield (Mr. Grieve) in the Committees that considered the Children Bill and the Domestic Violence, Crime and Victims Bill. The motion reflects the Opposition's policy of making far too glib a reference to child safety, based on the assumption that recognising and dealing with child protection issues is far easier than it really is.

The right hon. Member for Maidenhead (Mrs. May) compounded the error through her determination to rid us of the Children and Family Court Advisory and Support Service, which comprises an extremely skilled body of people who play a vital family justice role not just in mediation but in the representation—sometimes tandem representation—of children in the private law system. If CAFCASS were not involved in working with children in court and the skills of experienced CAFCASS workers were not employed in family resolution projects and the various other initiatives that have been developed to try to resolve matters informally, it would do a great disservice to children.

Mr. Grieve: I appreciate that efforts are being made to put CAFCASS on a new footing, but I am sure that the hon. Gentleman would agree—because it is or was the Government's view—that CAFCASS was a failing organisation. One of the areas in which it was failing was the production of reports in relation to contact, which were mechanistic, long, laboured and inadequate. In those circumstances, I am a little surprised to hear the hon. Gentleman praise CAFCASS. While we may hope for change in the future, signs that those problems have been resolved have yet to appear.

Mr. Dawson: I can only refer the hon. Gentleman to the words of Lord Justice Wall when giving evidence to the Constitutional Affairs Committee. He said:

"I regard CAFCASS as absolutely critical to the successful operation of the family justice system".

[Mr. Dawson]

He is far more eminent, skilled and experienced in the family courts than I am. The Committee was highly critical of CAFCASS, which led the Government to decide to sack the chairman and board and to replace the chief executive. CAFCASS has had a new chief executive for only a matter of weeks, but the evidence is that it is taking great steps to address some of the criticisms we made, such as its top-heavy management. More resources are being pushed to the front line. It is premature for the Opposition to start calling for the end of CAFCASS when such radical changes have been made to the organisation.

All of us could avoid all criticism of political opportunism by starting not from where parents are—or at least, certain groups of parents—but from where children are. Children do not have any votes, so we could not be accused of doing anything inappropriate if we started from their position. That position is clear and it is set out in the United Nations convention on the rights of the child. Articles 9, 7 and 5 refer to the rights of the child to be cared for by parents, the parents' right to exert parental responsibility in allowing their child to develop and evolve their capacity, and the child's right to contact unless it is in their best interests not to have contact.

I am dismayed that we seem to be moving away from treating the best interests of the child as paramount, as enshrined in the Children Act 1989. I have said several times that that is fine legislation that sets out fundamental principles for the care of children. A key concept in that Act is not parental rights but parental responsibility. The Government, to their great credit, have developed that concept so that all natural parents of children, whatever the status of their relationship, can take up that parental responsibility.

We should assert the responsibility of the non-resident parent to support their child. Even in what are, goodness knows, appalling circumstances of disharmony, strife, hurt and emotional pain—everything that people go through when relationships break down—we should assert above all the responsibilities of people for their children. We should start from that point.

The Government are addressing some of the crucial issues relating to parental contact and the difficulties of parental separation. Families are receiving much greater financial support, as well as advice and assistance. Through the development of Sure Start, family centres and extended schools, parents are being provided with much information about the needs and development of children and about their responsibilities to their children. There is much skilled help to support people in resolving matters informally at an early stage. Sometimes, we concentrate too much on the need to resolve things extremely quickly; people sometimes have to go through a process. In general, however, the more help we can offer people to take up their responsibilities at an early stage, the better.

I am concerned that we are not really getting to grips with domestic violence and its links to child abuse, although the Government have at least started to address the issue—the Opposition ignore it. Child protection is absolutely necessary, and the Government have made great strides. From next month, domestic violence will be included in the criteria for significant harm. The president of the family division has developed guidelines on practice to ensure that courts pay much more attention to domestic violence cases. As we know, women are disempowered, but people in domestic violence situations are often doubly disempowered by the abuse that they have undergone. It is sometimes difficult for people to come forward at an early stage to explain the facts of their abuse to strangers, or in a courtroom setting.

It is also difficult for children to have their voices heard. We do not have separate representation for children in private law, although we do not invariably need it. However, messages I have received from members of a range of professions associated with the family courts show that there are real concerns about the need for children's voices to be heard. I look forward to the implementation of section 122 of the Adoption and Children Act 2002, which is due to take place in September 2005 and will strengthen the legislation on separate representation for children in private law. I am pleased to see the development of CAFCASS, to which reference has already been made, and the strong commitment of members of the legal profession to a system of tandem representation by legal and social work professionals in private as well as in public law.

Case law that establishes that contact is almost always in the interests of the child is a serious problem, as it leads judges to overlook the reality of domestic violence. One cannot escape the fact that in 2003 an estimated 16,000 cases involving domestic violence came before family courts, but only 601 contact orders were refused. The availability of supervised contact centres has improved, but the number of such facilities is inadequate. Children in Lancaster who have supervised contact with a parent must travel to Manchester, so I look forward to the day when a children's centre or an extended school can provide such facilities.

In our consideration of the Domestic Violence, Crime and VictimsAct 2004 and the Children Act 1989 we discussed a provision that operates successfully in New Zealand, where there is a presumption in cases in which domestic violence is a factor that there will not be contact unless it can be made safe and the child wants to have it. We ignore the voices of children and non-resident parents at our peril. There is a glib assumption throughout society that it is mainly women who wilfully resist or refuse contact, sometimes to an inordinate extent by moving house, leaving the area and hiding away, thus risking imprisonment and the wrath of the courts. Some people refuse contact for no good reason whatsoever, thus denying the rights of their children to contact with a loving parent, but in many cases where contact is strongly refused there may well be an element of violence or abuse that has not come to light or been exposed. We leap into draconian solutions and adopt simplistic ideas to deal with those situations when we should listen carefully to what women, sometimes men and, above all, children are saying.

There is a social work solution to most of these problems. We make great play of the number of lawyers that we need, but we often overlook the skills, experience and quality of the social work profession. The Select Committee has heard cogent evidence about the way in which courts and judges can work with

members of CAFCASS to resolve allegedly intractable contact disputes. Professionals have been able to gain the confidence of people who have refused contact by working with warring parents and looking at the needs of the children among all the clamour and confusion. They have been able to challenge parents and, if necessary, return to the family court within 24 hours if contact has been a problem.

We do not need bold, simplistic solutions to respond to the antics of a few idiots who parade themselves around and throw things at us from the Public Gallery. We need careful thought, good work and an appreciation of the difficulties and sensitivities inherent in an extremely complex subject. The evidence is that if we can ensure that courts at different levels work more cogently together, if we can get the legal profession and the social work profession to work together, and if we can base a system on the needs, voices and best interests of children, we have a chance. The Government are proceeding on the right lines. The subject is not one for party political debate, but it is an extremely important subject to which we should all give careful thought and consideration.

8.51 pm

Mr. Peter Luff (Mid-Worcestershire) (Con): I agree with the hon. Member for Lancaster and Wyre (Mr. Dawson) that the matter is not necessarily susceptible of bold solutions and that it is one of great sensitivity. The proposals in the Opposition motion so ably moved by my right hon. Friend the Member for Maidenhead (Mrs. May) are not bold and dramatic solutions, but sensible and pragmatic ones that address a real concern.

I was disappointed to hear the old canard of opportunism being raised by the Liberal Democrat spokesman, the hon. Member for Somerton and Frome (Mr. Heath). In his concluding remarks, the hon. Member for Lancaster and Wyre said that the subject was a matter of genuine concern. The House exists to debate matters of genuine concern and we fail in our duty if we do not. This is not opportunism. It is our solemn responsibility as Members of the House of Commons to debate matters of genuine concern, so I congratulate my right hon. Friend the Member for Maidenhead on proposing the motion.

Mr. Heath: Will the hon. Gentleman give way?

Mr. Luff: With pleasure, to an hon. Gentleman whom I generally respect.

Mr. Heath: I am grateful to the hon. Gentleman. Does he believe that the debate on such a matter of genuine concern would have benefited from the consideration of the Constitutional Affairs Committee, which is currently taking evidence?

Mr. Luff: No, absolutely not. Today's debate does not preclude a further debate on the Select Committee's considerations. On a matter of such importance, the whole House of Commons has a right to express its view and I hope that that will inform both the Government's consideration of the responses to their Green Paper and the Select Committee's considerations. The debate is part of a process, not an endgame and I hope that all members of the Select Committee will listen to the debate and understand that the passions that have been aroused stem from the importance of the issue. It is part of a process that I welcome. It is timely and not inappropriate at all.

I also disagree with the idea that, just because an issue is important, we should be able to reach a consensus on it. Consensus often proves most elusive on the most important questions, precisely because they are so important and people bring their own perspectives to them. It may be impossible to reach a consensus on the subject of our debate, but there is a consensus that the interests of the child lie at its centre. That is good, but our solutions that flow from that consensual idea could be radically different.

I regret the tone of the Minister's speech in her response to my right hon. Friend the Member for Maidenhead. There are differences between the parties and they need to be explored honestly, but I am afraid the Minister sought to fan the flames of party hatred, rather than engaging in serious debate. When she reads her remarks afterwards, she will realise what a regrettable speech she made this evening. I come to the Chamber in a spirit of consensus, seeking to explore an issue honestly, but I was inflamed by her partisan remarks. "Physician, heal thyself" is my response to her accusations that my right hon. Friend sought to score party points during her remarks.

Vera Baird: Will the hon. Gentleman give way?

Mr. Luff: I give way to the hon. and learned Lady with pleasure.

Vera Baird: I am grateful to the hon. Gentleman. Is it not clear that if one replaces the paramountcy of the welfare of the child with mere priority, and elevates the parents' rights to contact, one is realigning the balance of importance in these decisions against the interests of the child? That is unwise, is it not?

Mr. Luff: I disagree profoundly with the hon. and learned Lady, for reasons that I will come to later. That is one of the key points that I wish to make. I think that she is wrong, because the paramountcy of the child's interests obviously depends on having proper parenting behind that child. The access to parents lies at the heart of the paramountcy. Those are not contradictory but supplementary notions. I cannot understand the point that she is trying to make.

I wanted to speak in the debate for two reasons. First, I wanted to make a point that needs to be made and to which I attach great importance for reasons that I will explain: families and children genuinely need fathers. I regret the gender-specific nature of that observation, but it needs to be said. My motive for speaking in the debate, as the House will see, is that I believe that families need fathers.

My second reason for speaking is that I want strongly to support the policy change that lies at the heart of the official Opposition's motion

"that separated parents should each have a legal presumption of reasonable contact with their children, except where a child's safety would be at risk".

[Mr. Luff]

I take the point made by the hon. Member for Somerton and Frome which I took to mean "or harmed". I think that that is a semantic, not a substantial point. The hon. Gentleman makes a fair and reasonable point that I hope that my Front-Bench colleagues would accept in a manuscript amendment, if they could. Certainly my support for the motion incorporates the view that he expressed. It is a useful but small point.

I enter the debate with some reluctance because the issue is a minefield. I am not a lawyer, and unlike the hon. Member for Lancaster and Wyre, I am not a former social worker. My experience comes not from any professional expertise, but simply as a member of the human race.

I regret the polarisation in this important debate. There are some, as we have heard from some remarks from the Government Benches this evening, who give primacy to the perfectly understandable and reasonable concern about the brutality that men too often show to women and children. That is an important feature of the debate. There are others, such as Fathers 4 Justice, the selfishness of whose very exploits speaks volumes about the character of the men themselves and leads one to doubt some of their claims. There are two extremes that often polarise debate and prevent the search not for a consensus but for an honest debate about the issues raised.

Vera Baird: Will the hon. Gentleman please give way again?

Mr. Luff: I will not give way again, not because I do not want to but because we have only about another half an hour for the debate and I strongly suspect that the hon. and learned Lady will have a chance to speak later and rebut my points if she so wishes.

I speak for a variety of reasons. The first is a strictly personal motive. I was brought up in a single-parent, single-child family. My father died when I was eight and I make no secret of the fact that I missed him very badly. My childhood would have been richer and more fulfilled had I had a father to share it with me. My mother was a wonderful and very loving woman who gave me every opportunity that she could within her abilities, but I know that my life would have been better had I had a father to see me through to my adult years.

I speak also because of my painful constituency experiences. Children without fathers have a diminished opportunity in respect of role models because of the regrettable scarcity of men in the teaching profession in first and primary schools. That is a real issue. I should love to see more men teaching in such schools.

I have given up asking children the standard question that I used to ask about where they live because, too often, the answer is that they live with their mother on certain days and their father on other days. It is a painful answer to get from a child of seven or eight.

Anger is an occupational hazard for politicians. One needs to feel anger to correct the injustices that one sees all the time. In my constituency surgery, there are two sorts of casework that really anger me. First, there are the occasions where I see mothers who have been wronged by fathers who have just walked out on a relationship, on their children and on all financial and emotional responsibility. It is a scandal and I am ashamed of my fellow men every time I come across such cases. But I also see the scandal, alluded to by the hon. Member for Lancaster and Wyre, of fathers denied access to their children by their ex-wives and partners using every manoeuvre imaginable to deny them access and that is equally painful and objectionable. Recently in my constituency surgery, I have had cases of abuse of children by the non-resident father, so I know that that also is a real issue and that makes me extremely angry too. I have seen fathers' lives ruined by the actions of mothers who have deliberately connived to deny fathers access to their children. I am thinking of one couple in particular. The father chose not to use the courts to make an issue out of his ex-wife's monstrous behaviour out of love for his children. I respect and admire him, but his continuing pain is clear.

Mr. Dawson: Will the hon. Gentleman accept my point that a great deal of undetected domestic violence and child abuse underlies some of the allegations made by people who unreasonably refuse contact?

Mr. Luff: I will not speculate on that point, because I know of cases in which mothers have invented such allegations to enhance their cases for trials or even to make their children afraid of their father. Anecdotes and speculation will do us no good at all. We must stick to the facts, which are often elusive in such cases. That argument can be had both ways.

We are discussing the failure of relationships. The increasing number of relationships that break down makes the matter more important with each year that passes. Between 150,000 and 200,000 parental couples separate each year. It is estimated that 28 per cent. of children—more than one quarter and almost one third—are personally affected by divorce by the age of 16. Those of us who were brought up in the '50s and '60s regard that as an extraordinary statistic. In our years at school, hardly any of our friends had parents who were separated or divorced, but I know from my children's experience that it is commonplace for children in their class to have separated parents. That is a real problem, and this House should assert that marriage is the best way to bring up children—I am sure that the Minister agrees with that—and that couples should make greater efforts to stay married. There is social pressure to regard marriage as another disposable commodity, which it is not. If we could restore the primacy of marriage and keep more relationships together, today's debate would be much less important, because many fewer children would be affected.

I freely acknowledge that good outcomes are still possible for children after the divorce and separation of their parents. A good outcome was not possible for me because my father died, but in cases involving separation and divorce, which we are discussing today, the father or mother is still there to provide love and care for the child in a co-parenting relationship, if a framework exists to make that possible.

When parental separation is badly handled, conflict is often played out around or through children. I can think of current high-profile cases in which that may be true. Where children lack a safe and secure environment, the impact on them is immensely damaging. Mothers and

fathers must be careful about their true motives when fighting custody and contact battles through their children. Children who have been fortunate enough to enjoy effective parenting in which their fathers have been actively involved in their lives experience better educational outcomes, better relationships with the police, law and order and crime and better protection from mental health problems.

Time presses on, so I shall concentrate on the views of the Solicitors Family Law Association, which fears that the heightened language in the current debate, some of which we have regrettably heard this evening, has made it much more difficult for people to find a way forward to resolve difficult cases. It is possible to return the debate to the middle ground in the interests of the children of families who separate, but that requires more action from the Government than they are currently prepared to concede.

As far as I am aware, the SFLA is not an organ, tool or mouthpiece of the Conservative party. It has been committed to minimising conflict between separating parents for more than two decades and I have huge respect for what it has to tell us about its experiences. It played a leading role in developing mediation services to settle family disputes and, through its code of practice, it promotes a constructive approach that encourages parents to resolve their differences outside the court system, wherever possible. In my constituency, I have always been deeply impressed by SFLA members' views.

Thankfully, as we have heard today, most parents who make arrangements involving their children do not involve the courts, but a growing number do. The SFLA rightly believes that those applications to court could be avoided and its useful report, "Practical Steps to Co-Parenting", makes several useful recommendations that it and I believe would help to improve the legal framework for parental disputes. It says:

"There is no magic solution to some of the difficulties experienced by families caught up in legal disputes over children — the challenge of solving many of the toughest problems often falls outside the scope of the courts and relates more to ongoing bitterness between couples following relationship breakdown rather than to issues capable of judicial resolution."

In other words, this lies largely outside the political arena and inside the intensely personal one. There is a limit to what we can achieve, but I believe that we could do more to create the framework that is necessary to achieve the outcome that the SFLA recommends.

The SFLA says that it is talking only about the extreme cases, but I believe that those are representative of a much deeper pool of unhappiness, perhaps involving many disputes that, as it acknowledges, do not come before solicitors but lie untested by the courts. As I hinted earlier, I know from my own personal experience that such cases exist.

The SFLA recommends nine action points, the first of which, intriguingly, is that

"There should be a statutory presumption that children should have an on-going relationship with both their parents unless there is a clear reason why this would not be in their interests."

That is a different form of words from "safety nor harm", but the same basic principle applies. It continues:

"This addition, together with a change to the legal language of 'contact and residence', would help make it clear to parents what is expected of them."

I point out to the Minister that the SFLA seems to support the principles that lie behind the Opposition motion. She should reflect earnestly on the important fact that the core of our motion equates to the first recommendation of the SFLA's report.

The report says: "Co-parenting," — not the 50:50 arrangement of the Minister's imagination —

"where both parents offer physical, emotional and financial support to their children, must be in the best interests of the children, other things being equal."

It says — this is a nice phrase — that the child

"should not be seen as a 'timeshare'",

and discusses forms of co-parenting that are not crude 50:50 relationships, but structures in which co-parenting can work effectively and properly. It talks, as did the hon. Member for Lancaster and Wyre, about the need to listen clearly to children and ensure that they are not dragged into disputes in the courts or required to attend court. It has a host of practical suggestions that require legislative change to create a more desirable outcome. I find the Government's complacency disappointing.

The president of the family division, the right hon. Dame Elizabeth Butler-Sloss, rejected the arguments for an outright presumption. Giving evidence to the Select Committee on Constitutional Affairs, she said:

"we can only have one presumption that the welfare of the child is paramount. If you have two presumptions, which takes precedence? . . . the word 'presumption' is different in the law than perhaps it is for the public. If you have a legal presumption, you have to apply it, except in exceptional circumstances. The legal presumption is the welfare of the child."

But she continued:

"I can see a case for something slightly less, such as that the court should have regard to the importance of a relationship between the children and a non-residential parent."

Even Dame Elizabeth Butler-Sloss, who seems to reject the idea that the SFLA and I believe to be right, acknowledges that something needs to change.

The Minister had her rant attacking us for partisan reasons, but there is a strong consensus out there that something must be done to change the situation to make a better framework for children. I know that she shares a passion for children, but I hope that that is not too coloured by a passion for her political party.

9.8 pm

Vera Baird (Redcar) (Lab): The hon. Member for Mid-Worcestershire (Mr. Luff) would not let me intervene on him. I was very concerned to hear him suggest that we have to mediate between two extremes: Fathers4Justice — or whatever they call themselves — who throw things at people and do demonstrations, and victims of domestic violence. It therefore does not surprise me one bit that he finds it impossible to understand why I object very powerfully to the motion. The motion is ludicrous. It would damage the interests of children and it damns the Tories who foolishly added their names to it as incompetent even at jumping on a bandwagon. First, it removes any reference to the

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welfare of the child. It refers to the "interests" of the child—I guess that that is a narrower concept but I do not understand why the Tories believe that they need to demote it. The motion states that

"it is in the best interests of all children for both parents to be fully involved in their upbringing and hence"

that there should be "a legal presumption" that applies to both parents.

It is not possible, by writing a motion, to change facts. It is not in a child's best interests in every case in which parents have separated for them both to be "fully involved". It is not possible for that to be so. Let us take the most benign example that I can offer to try to make the point that is being missed or deliberately ignored. What about circumstances in which one parent is very sick? It is in neither the parent's nor the child's best interests for that person to be fully involved in the child's upbringing. It is better for the parent to have, if possible, long-term treatment, to recover and, in due course, to return and reintroduce themselves. [HON. MEMBERS: "Pathetic."] Opposition Members say that that is pathetic but it is the most benign example that I can devise to try to help the hon. Member for Maidenhead (Mrs. May), who opened the debate, to appreciate that there are circumstances that are not even malign in which it is ludicrous to suggest that it is in children's best interests for both parents to be

"fully involved in their upbringing".

Let us take the slightly less benign example of a parent who is an habitual drunkard. The person's actions may not at all endanger the safety of the child but it is not in the interests of the child for that parent to be "fully involved" in its upbringing. It would not be in the interests of a child for a parent—female or male—who suffers from the effects of drug addiction to be "fully involved" in its upbringing. In every case, the court must make a decision about the amount and quality of involvement. That is as applicable to the husband as to the wife.

The principle that guides that decision making is the paramountcy of the welfare of the child—the very principle that the motion would undermine in its clumsy way.

Mr. Grieve: Will the hon. and learned Lady give way?

Vera Baird: No, I have tried hard to convince Opposition Members. They will simply have to hear me out.

One cannot simply write a formula that states that it is always in the interests of children for both parents to be "fully involved" and ignore the commonplaces of daily life with which we are all familiar. It is a stupid formula.

The motion replaces the principle of the paramountcy of the child's welfare by saying that it should have "priority". Priority is a weaker, more conditional word, which has no legal meaning and no significance. In common usage, it means that the interests of the child should be given some advantage over something else. That is all. Compare and contrast that with our amendment, which states that the interest of the child must be "paramount". That unmistakably makes the child No. 1. The motion places the child behind the Tories' "legal presumption of . . . contact", vested in every parent, irrespective of what a parent has done or may do, of what a parent is like and of the quality of the contact that a parent can give.

The "legal presumption" would be there always, except when

"a child's safety would be at risk".

In contrast with the somewhat meaningless term of giving "priority" to interests, a "legal presumption" has a meaning in law. It means that what is presumed must be ordered, unless—and only unless—the presumption is rebutted by some other party calling evidence, which would have to be substantial and very strong. That would be against the odds, because the presumption in law would be that the presumption was there, so it would be necessary to try to dislodge something that the law said was the ordinary thing. In this case, that would be the presumption that all parents carried with them by right, from the fact of their parenthood a presumption of reasonable contact, except when the child's safety would be at risk.

That legal presumption, which would be hugely difficult to undermine, would come first. Demoting "paramountcy" to "priority" is clearly part and parcel of demoting the welfare of the child. So, unless there were a threat to the child's safety, not even the fact that the child's welfare might be undermined by contact with either a woman or a man would alter the fact that that parent would have a legally presumed right to reasonable contact, which the Tory courts would enforce against the interests of the child. That is what this proposal boils down to: a legal presumption that would be hugely difficult to move. According to the motion, it would be moveable only in the event of a threat to the safety of a child. Consequently, any undermining of the child's welfare or well-being would simply not be taken into account.

The motion makes it clear that the legal presumption could be knocked over only if there were a threat to the child's safety. I have to ask myself just what is going on in the minds of the Conservatives. An utterly drunk person, male or female, would carry with them as they bedded down for the night in the street a presumption enforceable in law that they could have contact with their children. Of course, letting a drunken parent have contact with a child would pose no risk to the child's safety so long as there was someone else there to safeguard their physical welfare. So, however bad this proposal might be for the welfare of the child, the presumption would be that that parent should have contact. That would be the case even if the teachers, the courts, the children and everyone else in the world said that it would be wrong to have such contact. There would be no provision to stop it, unless it damaged the child's safety.

In short, the motion gives priority to the interests of the parents, over the interests of the children. A parent, male or female, who had not seen their child for 10 years would carry a legal presumption of reasonable contact, and could suddenly appear on the scene, carrying their rights with them. So long as the child's safety were not undermined, they could insist not only on a presumption of contact but on a presumption of co-parenting. They could then withdraw for a few weeks

from contact with the child whom they had not seen for a decade, and then come back and try to re-enter his life, relying once again on the legal presumption of co-parenting that could not be overturned unless the child's safety were at stake. The child's interests would be given priority only, and most assuredly not equality with the specially entrenched legal presumption available all the time to every parent unless there were a risk to the child's safety.

The hon. Member for Maidenhead mentioned reasonable contact time and again. There is a presumption of contact, and I shall turn in a moment to what the law says about that. She talked about reasonable contact, however, and the right that she would give to parents involves reasonable contact. But what is that, if the presumption involves the rights of the parents and not those of the child? Let us be clear. The motion would not give a child the right of access to both their parents; it would give the parents the right of access to their children. Since the presumption relates to the right of the parents, I assume that the determination of what is reasonable is there for the parents' benefit, too, although one would give the children's interests some little bit of priority. Neither I nor anyone else who has thought about this matter properly would support the demotion of a child's interests to a mere priority and let the determining factor in contact be the legal presumption of a right for every parent.

The motion is worse than that, because it represents not just a presumption of contact; it is a legal presumption of co-parenting. So, try keeping the drunk who is not a threat to the safety of the child out of his right to say which school the child should go to. Try keeping the mother or father who is very engaged with drugs out of deciding where the child will go for his holiday. Try preventing the parent who has not been near the child since that child was little from having his right to co-parent.

It is absurd—dear me, so crazy—to try to jump on a bandwagon of a cause that even at its worst does not for one minute try to go as far as this motion tries to go. The welfare of the children must be paramount. There is no other way of doing this. There can be no legal presumptions that trump that principle. The parents must come second.

It is clear that the principles and measures in the Green Paper, in particular the Government's commitment to ensuring that children can have a meaningful relationship with both their parents following parental separation, are admirable, appropriate and right, so long as it is safe. In most cases of parental separation, it is very important for children to maintain contact with the absent parent and to know that they are still loved by him.

We support entirely the following statement by the president of the family division, which sums up the state of the law:

> "The courts naturally start with the view that in most cases contact between the child and the non-resident parent is desirable both for the child and for the parent."

All children have a right to enjoy regular contact with both parents after separation, provided it is safe for all those involved, adequate measures for protection are in place and it is of sufficient quality to meet the parenting needs of the child.

Enforcing a right to co-parenting has nothing to do with evaluating in the child's best interest the quality of what can be given by one parent.

Mr. Grieve: Will the hon. and learned Lady give way?

Vera Baird: I know that one of the hon. Gentleman's colleagues wants to speak as well, so I shall not give way.

Equal responsibility for the nurturing and parenting of children by fathers is critical, not only to meet the best interests of children, but, quite frankly, to promote the interests of women's equality in all aspects of life. We want fathers to be good parents if we are mothers because we want there to be equal responsibility. We want to be free to go our own way and to let men also go their own way. Women want men to be good parents, but I share the Government's view that a presumption of 50:50 parenting is absolutely not in the best interests of children.

I have heard the protests from the Conservative Front Benchers, but it is clear that if they are going to talk about equal parenting, which they both have done, they should realise that the common usage of "equal parenting" means 50:50 parenting. They will either have to understand the terminology properly— *[Interruption.]* They will have to start to learn what the terminology means. There is no point coming here, using a term of art and then saying, "We did not really mean that." I am afraid that this tends to show that they do not know much about what they are talking about.

Mr. Grieve: Will the hon. and learned Lady give way?

Vera Baird: No.

What is important is that minimising conflict and reducing the use of court procedures wherever possible should be a priority, but in cases where the safety of children or domestic violence are an issue, court proceedings will usually be necessary to protect vulnerable children and adults from risk. As the Green Paper says, in 35 per cent. of cases, there are concerns about domestic violence. Such cases do not want enforced early mediation; they need court intervention with strong measures for legal protection.

It is important to remember that in domestic violence cases the power balance between the parents is not equal, because one lives in fear of the other. In this situation, the family justice system would collude in putting children in danger if it sought to promote mediation, as was suggested, at an early stage or to promote contact and early resolution of disputes without assessing the risks and ensuring safety.

Risk assessment did not cross the lips of the hon. Member for Maidenhead in her opening speech, which is a big disclosure of how little she understands the problems of domestic violence in contact. It is essential to ensure that contact is safe before it is enforced. From that point of view, I query whether the Green Paper is strong.

I want to refer to a paper produced today, "Twenty-nine Child Homicides", which tells a significant story. It examines 29 children in 13 families who were killed as a result of contact or residence arrangements in England and Wales in the past 10 years. What is perhaps the most significant single fact to make clear, echoing the need for

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the practices of the family courts to be examined, but emphasising the way in which they need to be examined, is that in five of the 13 families in which there were deaths, contact had been ordered by the court. That is perfectly clear from a letter from the relevant Minister.

The brief facts of one of those events are that the father was on bail awaiting trial for injuring the mother during a violent incident. Family court welfare officers recommended that contact arrangements for the two children should not include overnight stays. Despite that, the mother's solicitor encouraged her to make a compromise, and the judge made the decision on contact contrary to the recommendation in the welfare report. The children were killed by their father during an overnight stay.

We cannot mess with the paramountcy of the welfare of the children. We cannot reduce paramountcy to giving some sort of priority, and elevate to predominance a right to co-parenting. Do the hon. Member for Beaconsfield (Mr. Grieve) and the hon. Member for Maidenhead really mean what they have said tonight, or are they just shamefully jumping on the bandwagon, on the backs of people who for the time being might have caught the public imagination, but who do not have a great deal of strength of fortitude in the case that they put forward? My view is that neither the hon. Lady nor the hon. Gentleman mean the ludicrous and unfair consequences that would follow from what they have said. I conclude that it is a disgraceful attempt to bandwagon.

9.27 pm

Mr. Gerald Howarth (Aldershot) (Con): I think that the hon. and learned Member for Redcar (Vera Baird) will, on reflection, regret having made what was a largely intemperate and, if I may say so, grotesquely arrogant speech from a lawyer who seeks to parade her superior knowledge of the law over the rest of us. This is not a court of law; it is the House of Commons. I am sorry, because she made some interesting points and raised some genuine concerns, but I fear that she spoilt that when she dismissed the case made by my right hon. Friend—the fact that she is a right hon. Member appears to have escaped the hon. and learned Lady the Member for Maidenhead (Mrs. May), whom I congratulate on moving the motion extremely well.

In fairness, my right hon. Friend the Member for Maidenhead only picked up on the consultation document produced by the Minister for Children, Young People and Families. It is an interesting document, which exemplifies some concerns about an issue which we all regard as extremely sensitive and difficult. About 15 key concerns are set out at paragraph 18 of the document. Interestingly, the first is:

"Some claim that the current law, or its interpretation in practice, does not give non-resident parents, usually fathers, the relationship with their child that they should have."

That illustrates precisely the concerns that my right hon. Friend has been representing, and I am sure that those concerns are felt equally by the Minister.

A further concern expressed in the document is that court-ordered contact is poorly enforced. As Members of Parliament, we are all familiar with such cases. The failure of court-enforced orders is a particular grievance of fathers, as my right hon. Friend pointed out. Interestingly, at the end of their document the Government propose to legislate at the earliest possible opportunity to provide additional enforcement powers. I do not think there is as much disagreement between the two sides as has been suggested by the attitude of some speakers.

I am sorry that the Minister did not feel able to say "Although we do not agree with every word of the motion, we agree with it substantially, and certainly do not disagree with it enough to vote against it". That would have been a better approach. The Minister did say something with which I agree: that family break-up was a serious problem. I believe that the implosion of the nuclear family is the most serious issue in Britain. We all see in our constituency lives—in our surgeries, and in our correspondence—a trail of human misery, which is getting worse and which we ought to be addressing.

I think the Minister said that nearly one in five babies was born in a home with no father. If she did not say exactly that, she gave a similar statistic about another aspect of family breakdown. My hon. Friend the Member for Mid-Worcestershire (Mr. Luff) was right when he said that families need fathers. He told us that he had had no father. That does not mean that every family without a father will produce a dysfunctional child. My hon. Friend is manifestly not dysfunctional, and my own father lost his father when he was seven and was brought up by his mother. It is not the case that every single-parent household is incapable of bringing up children, but we know that the dysfunctional family is a serious problem because we see it in our constituencies.

My hon. Friend also spoke of the importance of marriage. It is a great shame that we are not doing more to promote the cause of marriage and to keep marriages together. We have talked about mediation and co-parenting, issues that apply very much to marriage. In 1998, the Government produced a document called "Supporting Families", in which they rightly proclaimed that marriage was

"the surest foundation for raising children".

Although the Home Office was then under the stewardship of the right hon. Member for Blackburn (Mr. Straw), whom the current Home Secretary has denounced for having left it in a "giant mess", that was a bold and correct assertion. It is a pity that more has not been done to promote the cause of marriage, to underpin it with fiscal benefits and to proclaim it as the best relationship in which to bring up children. The evidence for that is overwhelming.

Sadly, I have not time to go through all the points that have been made, but I should like the Minister, if she has not already done so, to read the *Hansard* report of last Tuesday's Westminster Hall debate on this very issue. Members on both sides of the House took part in the debate, and there was much common ground. My hon. Friend the Member for North-East Bedfordshire (Alistair Burt) made a particularly telling point. The only point I shall make now, however, concerns evidence from the Office for National Statistics—again, not an organ of the Conservative party.

About four years ago, the ONS produced a report on the prevalence of mental disorders in young people. It found that the prevalence of conduct disorders in boys

aged 11 to 15 was three times higher in single-parent households than in married households. An even more stunning finding was that the statistic for cohabiting households was almost the same as that for single-parent households. That does not mean that every cohabiting couple or every single parent is in that category, but it does point to incontrovertible evidence that marriage is the best arrangement for raising children, as the Government themselves have stated.

What have the Government done about it? They have done precious little, which is very disappointing. They are prescriptive about what we should eat and do for our health: do not smoke, do more dieting, do more exercise, do this, do that. Of course, it is perfectly right to criminalise those who are engaged in the traditional and ancient pursuit of hunting but, when the evidence shows that marriage is overwhelmingly the best form of raising children, they decide not to press that because they do not want to upset people who are in other relationships.

I know that what I am about to say is controversial, but given that the official policy proclaimed by the Home Office is resolutely in favour of marriage and that the Home Secretary is responsible for the implementation of that policy, I cannot see how the present Home Secretary can maintain his position, which I personally regard as untenable. I think that he has deliberately and publicly tried to undermine another man's marriage. What message does that send to the rest of society? What message does it send to people who are trying to bring up their children: "If the Home Secretary can engage in this, why shouldn't I as well?"

I am sorry to say that, but this is an important matter because public policy issues are at stake. We all understand the Home Secretary's personal anguish but, unless we become a completely amoral and secular society in which anything goes, we must accept some moral code and send a signal to those parents whom my hon. Friend the Member for Mid-Worcestershire talked about earlier.

This debate is coming to a conclusion. I believe that my right hon. Friend the Member for Maidenhead is absolutely right in bringing the motion to the House tonight. There should be a presumption that both parents should have access to their children. Although the hon. and learned Member for Redcar was right, she spoilt her case by choosing extreme examples. Clearly, a man who is a complete drunk is not a suitable person to have the kind of access that we are discussing. The Government agree that that is the case, but there should be a presumption that both parents should have responsibility for bringing up their children. We must find ways to involve both parents. We should consider more often early intervention and mediation before separation, rather than afterwards. I see the Minister agreeing with me. On that note of agreement, I shall resume my seat and support my right hon. Friend in the Lobby.

9.37 pm

Mr. Dominic Grieve (Beaconsfield) (Con): It has not been easy to conduct this debate in a rational framework. I regret that because, as my hon. Friend the Member for Mid-Worcestershire (Mr. Luff) and the hon. Member for Somerton and Frome (Mr. Heath) highlighted, the starting point was not some Conservative party view but the view of the Solicitors Family Law Association that the substantive law relating to contact between children and their parents after divorce needed to be changed in order to achieve what I think is the commonly held intention of ourselves and the Government. Contact should be facilitated to ensure that both parents, if they are willing and capable after divorce, continue to provide a substantial input into their children's lives, which is thought to be desirable.

The Government have got themselves into the most enormous tangle on the issue of presumption. Indeed, the hon. and learned Member for Redcar (Vera Baird) added to the general hysteria when we were confronted with statements that any tinkering with the existing law would bring down the entire edifice of child protection.

Let me deal with the Children Act 1989. It starts with a statement about the welfare of the child and says that the child's welfare shall be the court's paramount consideration. Yet sections 2 and 3 have no difficulty in providing and defining that parents in marriage have responsibility for their children, and there seems to be no incompatibility between that and the paramountcy of the child's welfare. If the logic of both the Minister and the hon. and learned Lady is taken to its conclusion, those sections should not appear, because it would be for the state to determine, at the outset of a child's life, whether parents could have that responsibility. Let me say to the hon. and learned Lady that nothing in those sections says what makes a good parent. She can look elsewhere in the legislation and find the circumstances in which the state may choose to intervene, but sections 2 and 3 make no such reference.

Vera Baird: Will the hon. Gentleman give way?

Mr. Grieve: No, I am afraid that I cannot. The hon. and learned Lady did not do me the courtesy of giving way at any stage in her speech, whereas I would normally do so willingly.

Why is it that, although sections 2 and 3 operate to provide for parental responsibility before divorce, after divorce it suddenly becomes impossible to introduce any further definition of what constitutes the child's best welfare interests and their paramountcy in section 1? That is the issue that divides the Minister and me. It is extraordinary that we cannot have a sensible debate on the subject. We are suggesting that it would greatly help parents to understand their responsibilities after divorce if, in addition to the paramountcy of the child's welfare, it were also provided in law and in statute that every facility should be made available for co-parenting when that is possible. I simply do not understand why the Minister cannot engage in a rational debate on that subject.

Mr. Dawson: Where, in what the Opposition have suggested tonight or in any other policy that they have espoused, is there anything to address the issue of children being murdered on court-ordered contact?

Mr. Grieve: I appreciate the hon. Gentleman's point. We had the opportunity on the Domestic Violence, Crime and Victims Bill to debate these difficult topics, but

Mr. Dawson: Oh, come on.

Mr. Grieve: Perhaps the hon. Gentleman will bear with me for one moment. It is possible for a child to be killed by its parents when they are both married and living together—in fact, it happens horribly frequently. We have to consider such matters in the House, but it does not make the smallest difference to the issue that we are trying to raise about the desirability of contact with responsible parents after separation or divorce.

Mr. Dawson *rose—*

Mr. Grieve: No, I cannot give way a second time, as time is rather short.

Peter Bottomley: Would it not have helped the debate a great deal if the Minister and those who have been giving her valiant and needed support had understood that article 8.2 of the European convention on human rights makes it plain that, where there is a conflict of interest between the parent and the child, the child's interests come first? Why cannot they open their minds to what my hon. Friend is saying?

Mr. Grieve: I could not agree more. It troubles me greatly that we have been unable at any stage to have a proper debate, even outside the framework of the House. When I went to a conference in Manchester that was addressed by the Minister, she spoke first, and even before hearing a word that I had to say—indeed, I did not have the opportunity of saying it, because the meeting was disrupted—she trotted out the same condemnations about our somehow interfering with the tablets of stone on this issue. I disagree with her entirely.

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): Will the hon. Gentleman confirm, fairly and squarely, that the principle of co-parenting is clearly subordinate to the welfare interests of the child, and their paramountcy, as set out in the motion? If we could have that clearly on the record, we would be very happy.

Mr. Grieve: I have been saying that until I am blue in the face. I said it when we debated my amendment to the Children Bill, I said it repeatedly to the Minister and I say it again tonight. It is disgraceful that she should yet again seek to suggest that that is not our position. That characterises the Government's approach to this issue from start to finish.

There are other matters of which we are critical. We made it clear that in our view, in addition to a necessary change in the law, the early interventions project would be an extremely useful tool for facilitating a process through which the adversarial might be removed from disputed contact matters, allowing for resolution through mediation. That would require making mediation compulsory, and it appeared that the Government were willing to go along with that. However, they pulled back at the last minute, and as several Members have rightly pointed out, they then deceived the public about what they had actually done. When the hon. Member for Shipley (Mr. Leslie) winds up the debate, I hope that he will take the opportunity to address that issue, because I remain completely mystified as to why the Government have changed their stance. That said, in a moment I shall speculate about one reason why that might have happened.

My hon. Friend the Member for Aldershot (Mr. Howarth) was right to say that having two parents should be treasured, welcomed and valued. That really ought to be our starting point, rather than that of the hon. and learned Member for Redcar. As I listened to her comments, I began to conclude that she does not believe in the value of two parents. The only way of interpreting her rabid attack—*[Interruption.]* It was a rabid attack, and the only interpretation of it can be that she does not believe whatsoever in the value of two parents.

Vera Baird: Will the hon. Gentleman give way?

Mr. Grieve: I am sorry, but I cannot give way to the hon. and learned Lady. She never did me the courtesy of doing so, so she can sit down.

I very much hope that the Children and Family Court Advisory and Support Service recovers from what has been a disastrous start, but frankly, the Minister cannot escape the fact that it is perfectly legitimate to raise the question of whether alternatives are available. CAFCASS might have a public law role in future—indeed, although there have been failings, that is the one area in which it has demonstrably produced benefits—but I am at a loss to understand the Government's desire to maintain its role in private law cases, given that those employed to do the work are clearly ill suited to it. That is a legitimate subject for debate, and it is quite wrong for the Minister to attack us on that issue.

I want to give the hon. Member for Shipley time to wind up, so I shall finish with this thought. The Government repeatedly refuse to consider any alteration to primary legislation. I do not understand why, except for the worrying conclusion that I have come to, which is that the Government's adherence to the belief that the state always knows best means that they are very reluctant to concede any more responsibility to parents when marriages come to an end, and that they probably regret the existence of parental responsibility clauses in the original Children Act 1989. That is a major philosophical difference between us, and we intend to debate it repeatedly with the Government, because it is essential that the public realise the direction that they are coming from and, much more worryingly, in which they are going.

9.49 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I regret the tone adopted by the hon. Member for Beaconsfield (Mr. Grieve) in summing up this Opposition day debate—in fact, only Conservative Front Benchers seemed to participate in it—because traditionally all parties have broadly agreed on such issues.

I think that it is important to review the fact that, historically, we have had bipartisanship in this arena—for example, in respect of the welfare of the child being paramount, which is a principle enshrined in the Children Act 1989. As we have heard, that Act was introduced by the previous Administration with all-party support. We should reflect on other countries that have emulated that example, with Australia and Italy looking to learn from it, viewing the Act almost as a model that has stood the test of time—and we would want to defend that view.

Secondly, there has traditionally been all-party agreement that children benefit from a meaningful relationship with both parents, as long as it is safe for the child. No one disputes the value to a child of having an input from two loving parents, if possible. If there was a good relationship between the parents before separation, it should continue and be supported.

Thirdly, there has historically been agreement that mothers and fathers should have equal standing before the courts. Contact issues, all other things being equal, should be gender neutral. Residence and contact considerations should be driven by the child's needs and best interests—for example, in respect of access to friends, family, learning activities and so forth.

Fourthly, there has hitherto been agreement between the parties that nothing should jeopardise child safety. Tragically, as my hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) pointed out, there are still too many cases where relationships break down because of domestic violence or, even worse, because of fears for the safety of the children. Today's *The Sun* campaign to stop child abuse highlights why we should never hesitate to investigate allegations of violent behaviour, to bring issues to the forefront in any case involving the Children Act and implement the section of the Domestic Violence, Crime and Victims Act 2004 that closes the loophole whereby perpetrators jointly accused of murder have hidden behind silence.

I am sorry to say that there are some issues on which the Government disagree with the Opposition tonight, principally their proposal for a statute law rewrite to place greater emphasis on the rights of parents. I am not quite sure about the extent to which that is a serious proposal. The right hon. Member for Maidenhead (Mrs. May) spoke of a drastic and fundamental rewrite—a wholesale reversal of policy—whereas the hon. Member for Mid-Worcestershire (Mr. Luff) called it a modest, pragmatic change.

We need to view the matter from the right perspective. Nine out of 10 couples sorted out contact arrangements with no court involvement. When the one in 10 cases goes to court, contact is overwhelmingly granted. Only in 1 per cent. of contact applications is contact refused. Our worry is that if courts are made to give higher priority to parents' rights, it can only erode the current process, which focuses above all on the child's rights. Difficult though it may be, it is right that a child's considerations should come before those of the parents. That point was most eloquently made by my hon. and learned Friend the Member for Redcar (Vera Baird), who highlighted the difference between priority and the concept of paramountcy.

Mrs. May: The Minister referred to the number of cases where contact is granted by the court. Yes, it is granted in those significant number of cases, but the issue is about the degree of contact granted and about the way in which, notwithstanding the granting of contact orders, the parent with residence is all too often able to use the system to prevent the other parent from having access and contact. We believe that it is right for both parents to have a full and proper relationship with their children.

Mr. Leslie: Surely the right hon. Lady would not want to dictate the nature of the contact in all cases. It is different in some cases than in others. Surely we should allow the courts to look into the circumstances on a case-by-case basis and allow them to make a judgment about the contact that is appropriate in the light, first and foremost, of the child's best interests.

Mr. Grieve *rose*—

Mr. Leslie: I will not give way.

It is right that we have debated the issues of equal parenting, co-parenting and the circumstances in which they arise. Labour Members worry about the concept because we do not feel that it is possible somehow to dictate that there should be equal apportionment of time between one parent and another. We need to be much more sophisticated in the way the law is applied. Of course, a child's interests are usually best served by a continued relationship with both parents, but the children must come first, not the parents' needs.

Mr. Grieve: Will the Minister give way?

Mr. Leslie: No, I do not have time to give way. Children are not possessions to be divided for the satisfaction of the parents. The child's life matters most, and that includes access to school, friends, family and so on.

If the Opposition just wanted to mention in law the probability that both parents should have contact, it would take us no further forward because that is already the legal assumption. However if the Opposition want to go further than that, it would serve only to dilute the paramountcy of the child's interests. That is our concern and that is why we do not believe that there should be a change in the law.

Mr. Grieve: Will the Minister give way?

Mr. Leslie: No, I am afraid I really do not have time. We do need a change in the support that we give to separating parents, to enable them to settle disputes more amicably.

The Conservatives would replace the concept of contact with parenting time—that is in their motion. That might be superficially appealing, but it could also be misleading. Contact is not just for parents—it could also be for grandparents, siblings and others. We can debate the issue, but we disagree with the Opposition on that point.

It is important that we develop many aspects of policy in this area, and, after wide consultation, the Green Paper was published in July. We want easier access to legal advice on relationship breakdown, and we can do that through existing hotline arrangements—*[Interruption.]*

Mr. Grieve: Will the Minister give way?

Mr. Leslie: I will give way on the basis of the comment I have just heard.

Mr. Grieve: I thank the Minister for giving way and I am grateful for the tone in which he is conducting the

[Mr. Grieve]

debate, which is very helpful. I do not understand his anxiety about a change to the statutory framework. Does he agree that if that change had the benefit of explaining in clear terms to parents what is expected of them in normal circumstances after divorce, it would be of great value in facilitating contact? Does he agree that that could be achieved without diminishing the paramountcy of the welfare of the child?

Mr. Leslie: The fact that we have been debating the issue, and the confusion generated by the suggestion from the Opposition, shows that adding that extra unnecessary element into statute would not take us any further forward. It is not necessary. The case law already establishes that point and any change in statute as they propose would be pandering to those people with an anecdotal misconception of how the law is framed. The law usually allows both parents to have contact arrangements and, in the vast majority of cases, that happens.

The next steps for Government policy include more legal advice and better practical encouragement of mediation and dispute resolution. We want to move away from the adversarial court processes, which can often exacerbate acrimony between separating couples, to a position that encourages settlement and agreement. We want more effective court case management and better timeliness—as the hon. Member for Somerton and Frome (Mr. Heath) urged—and we want to consider enforcement, for which the hon. Member for Aldershot (Mr. Howarth) called in his comments. We need better enforcement of contact orders to ensure that they are followed through and abided by. We also need stronger protection for children from harm. It would not be right if we ignored those fundamental issues today.

There are guiding principles in this area. The welfare of children must always be paramount. The legal position that both parents, mother and father, are equal before the law in Children Act proceedings is enshrined in law. We should have a bipartisan approach to this issue in future. That is very important, and we always supported the Children Act. There is much to divide politicians today on many different issues, but surely we should be able to find some agreement on this point. Sadly, the courts need to intervene in 10 per cent. of contact cases. That does not mean that the courts are wrong; they must be guided, first and foremost, by what is in the child's best interests, and I ask the House to support the amendment.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 168, Noes 283.

Division No. 10] **[9.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cotter, Brian
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Opik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Selous, Andrew
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tredinnick, David
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John

Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Younger-Ross, Richard

Tellers for the Ayes:
Mr. David Ruffley and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Begg, Miss Anne
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E 'Wallsend)*
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Clapham, Michael
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Crausby, David
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Gibson, Dr. Ian
Gilroy, Linda
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Heyes, David
Hill, rh Keith *(Streatham)*
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McKechin, Ann
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Timms, Stephen
Tipping, Paddy
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*

Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Paul Clark and Margaret Moran

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House believes that, on the separation of parents, the welfare of the children should be the paramount consideration in any family court proceedings concerning the upbringing of a child, and recognises that children benefit from a meaningful relationship with both parents after separation, so long as it is safe; congratulates the Government on the proposals in its consultation document Parental Separation: Children's Needs and Parents' Responsibilities, which addresses the realities of the reform that is needed in family justice, including its commitment to legislate to improve facilitation of contact and enforcement of contact orders; notes that the use of the term 'parenting time' in place of 'contact' fails to recognise the important role of the extended family, including children's siblings, in children's upbringing and that contact orders are not only made in relation to parents; and deeply regrets the official Opposition's view that any presumption is needed in law beyond the principle that the welfare of the child is paramount.

CONSOLIDATED FUND BILL

Order for Second Reading read.

Question, That the Bill be now read a Second time, *put forthwith, pursuant to Standing Order No.56 (Consolidated Fund Bills), and agreed to.*

Bill accordingly read a Second time.

Question, That the Bill be now read the Third time, *put forthwith, and agreed to.*

Bill accordingly read the Third time, and passed.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No.118(6) (Standing Committees on Delegated Legislation),

CRIMINAL LAW

That the draft Criminal Justice Act 2003 (Categories of Offences) Order 2004, which was laid before this House on 15th November, in the last Session of Parliament, be approved.—*[Mr. Jim Murphy.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No.118(6) (Standing Committees on Delegated Legislation),

SOCIAL SECURITY

That the draft Social Security, Child Support and Tax Credits (Decisions and Appeals) Amendment Regulations 2004, which were laid before this House on 11th November, in the last Session of Parliament, be approved.

That the draft Child Benefit and Guardian's Allowance (Decisions and Appeals) (Amendment) Regulations 2004, which were laid before this House on 16th November, in the last Session of Parliament, be approved.—*[Mr. Jim Murphy.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No.118(6) (Standing Committees on Delegated Legislation),

BUILDING SOCIETIES

That the draft Building Societies Act 1986 (International Accounting Standards and Other Accounting Amendments) Order 2004, which was laid before this House on 11th October, in the last Session of Parliament, be approved.—*[Mr. Jim Murphy.]*

Question agreed to.

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No.119(9) (European Standing Committees),

FLOODING

That this House takes note of European Union Document No. 11422/04, Commission Communication on Flood risk management—Flood prevention, protection and mitigation; and supports the Government's view that cooperation and sharing of good practice with other EU Member States on the issue of flood risk management will be of benefit to the United Kingdom.—*[Mr. Jim Murphy.]*

Question agreed to.

INFORMATION

Ordered,

That Jim Sheridan be discharged from the Information Committee and Chris Mole be added—*[Mr. McWilliam, on behalf of the Committee of Selection.]*

PETITIONS

Gateway College

10.18 pm

Keith Vaz (Leicester, East) (Lab): My first petition is signed by 3,000 residents of the Rushey Mead area and is in opposition to the proposal by Gateway college to relocate from its current site in the city centre in Leicester to Rushey Fields. The local residents are very concerned about the increased traffic congestion and vandalism that might result, and they are concerned also about the loss of open space in an area where there is not much open space.

The petition states:

The Petitioners therefore request that the House of Commons urge the Secretary of State for Education to take steps to halt plans to expand Gateway College.

To lie upon the Table.

Fireworks

10.19 pm

Keith Vaz (Leicester, East) (Lab): My second petition is the result of much hard work by Moira Chambers of Hill Rise, Leicester. It is a petition to restrict fireworks to licensed displays. The petitioners are very concerned at the misuse of fireworks, the fact that they cause

danger and annoyance to people, property and animals, and because the fireworks are used late into the night, adding to the costs of the emergency services.

The petition states:

The Petitioners therefore request that the House of Commons urge the Home Secretary to take steps to amend legislation relating to Fireworks in order to:

Restrict fireworks to licensed organised displays only at fixed times;

To include Garden Fireworks in the restricted category;

To reduce the decibel limit to a maximum of 85 db for all fireworks; and

To make it illegal to use or possess fireworks without a valid licence.

To lie upon the Table.

Crown Green Bowling

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Jim Murphy.]*

10.20 pm

Helen Jackson (Sheffield, Hillsborough) (Lab): I believe that this is the first time that we have debated the popular sport of crown green bowling in this House. I asked the House of Commons Library to check the point. It examined the records as far back as 1897 and does not think that crown green bowling has been debated in this or the previous century.

I am delighted to debate the matter with my right hon. Friend the Minister for Sport and Tourism, who knows that my constituency office in Hillsborough is in the centre of a busy park. In the spring and summer, we hear the sound of friendly banter and applause on most afternoons, which is the delightful atmosphere created by Hillsborough Park bowling club. The club has neat flower beds, clipped hedgerows and seats, which frame three well-maintained crown green bowling greens. The club was established around 1908 and is the biggest in the region. Every year, 5,000 players use it and it is registered for national tournaments.

Hon. Members from the south may not be fully aware of the sport of crown green bowling, because it is common in the north of England in Yorkshire, Lancashire, Staffordshire, Shropshire and Wales. The greens are not flat, like those made famous by Francis Drake in Plymouth and, indeed, Edward III, who banned bowling because he said that it put off soldiers from learning archery. Crown greens are rounded and, perhaps, a little uneven, so particular skill is required to prevent the bowls from rolling off.

Traditionally, crown green bowling is a working-class sport of the north, where participants often played for cash prizes. Now it attracts members of all ages and levels of physical health, although it is particularly associated with men and women in retirement. The locations are convenient—they are almost always on bus routes. Former players of more vigorous sports, such as football, prefer the society and sport of crown green bowling to, perhaps, golf. Many players return to the sport after major surgery. My constituent, Derek Bulloss, who plays for Stannington, has recovered from heart bypass surgery and hip and knee replacements, and he still plays at the age of 77. Indeed, one league player in Sheffield is 94.

Crown green bowling is a community sport. In my constituency, and no doubt in my right hon. Friend's, clubs exist in every village and community, located in local parks, working men's clubs, behind pubs and in the grounds of steel and factory premises. Bradfield, Stannington, Wadsley, Middlewood, Bolehills, Stocksbridge, Ecclesfield, Chapeltown, Grenoside, Hillsborough, Malin Bridge and Loxley all boast one or more teams that play in local tournaments.

This is the perfect point at which to stress that virtually all the people involved in organising and managing those clubs work on a voluntary basis. Derek Ellis, who runs the Hillsborough club, lives locally and is well known in the community. Derek Siddons is a former trade union official who used to work at Bassetts and who is tireless in his work for the club. Those people do not have access to private capital to plough into their premises.

[Helen Jackson]

Unfortunately, many of the greens need better upkeep. The clubhouses should be upgraded to meet today's health and safety standards and disability access legislation—indeed, the British Crown Green Bowling Association actively encourages the involvement of players with disabilities. However, it is very hard to find funding for the sport, which is why I called for this Adjournment debate. On 20 April this year, I received a written answer to my parliamentary question about the criteria that Sport England had used to pick the 20 sports eligible for priority lottery funding and whether crown green bowling might be considered for the list. I was told that the selection criteria were threefold: participation rates, retention of members and levels of success; and that the 20 priority sports are badminton, cricket, football, golf, hockey, netball, rugby union, rugby league and squash, in England only, and tennis, athletics, canoeing, cycling, equestrianism, gymnastics, judo, rowing, triathlon, sailing and swimming, UK-wide. Sport England's reason for not considering crown green bowling appropriate was that, in comparison with the 20 sports chosen, there was less overall participation in terms of numbers and diversity.

In our part of Sheffield, we simply do not agree and neither does the British Crown Green Bowling Association, which has 232,880 registered members. That figure does not even include the many friends who come to watch and enjoy the occasional game, but equates to more than the figures for five of the 20 listed sports added together. I am grateful for the research shared with me by Derek Ellis of the Hillsborough club and George Ollerenshaw of the national association. They told me that a snapshot survey carried out nationally on behalf of the association showed that 150,000 players participate in an average week in the spring and summer. In comparison, the British Amateur Rugby League Association has some 23,000 members, the British Canoe Union 55,000 and the Badminton Association of England 50,000. In fact, apart from football, cricket and perhaps golf, I guess that crown green bowling could be the fourth largest sport in terms of participation. I challenge the Minister to show any participation figures that do not list crown green bowling in the top 10 most popular sports in this country.

Sport England's second criterion was retention. According to Mr. Ollerenshaw, about 6,000 new members join the association each year and the average period of membership is 25 to 30 years. It is not true to say that it is just a sport for pensioners and, even if it were, pensioners live a long while these days. Most of the top players are between 20 and 50 and it is quite common to find three or even four generations of a family as members of the same club on a bowling green on a Saturday or weekday afternoon in the summer.

It is a forward-looking sport. Members would like to be able to carry on playing in the autumn and winter, but there are few indoor bowling venues. They would like fully accessible facilities so that members can continue to enjoy the sport for their whole lives. However, that costs money and the sport deserves to be in that priority list for lottery funding. Sport England suggests that that would be possible were there only one overall governing body for bowling. However, to ask a crown green bowling association to join with a flat green bowling association would be like asking rugby league to join with rugby union. I wonder whether Sport England has suggested that to the rugby associations. The two forms of bowling are distinct. They use different bowls and a different jack, have different rules and are played on differently shaped greens.

The British Crown Green Bowling Association is already recognised as a national governing body by UK Sport. I pay tribute to what the Government are doing for sport in promoting so many new community sports and encouraging people to take part and thus keep active and live longer. They have said:

> "The re-organisation of Sport England is designed to make the best possible use of the funding available to the Government in its drive to use sport to address wider policy aims in health, education and community cohesion."

Why not apply that to the popular sport of crown green bowling?

Perhaps the answer is in of the final criterion, which is "success", including the number of competitors in the top 10 in the world rankings. If that is essential, it will effectively exclude for ever what is arguably one of the nation's most popular sports in terms of participants. It is a "community sport" that does not hit international competitive tables but that should not outlaw it from receiving lottery funding when, to all intents and purposes, participants are the very people who pay money into the lottery.

Sport England's mission is to "start, stay and succeed". However, if the Minister is honest, few sports in the UK can claim a membership as large as the British Crown Green Bowling Association. It was founded in 1907 and coaches junior, senior and veterans' county championships. I would like to know why we are failing to support a sport that keeps so many of our constituents fit, healthy and active in their retirement. Is English sport suffering from ageism or are we interested in supporting only potential medal winners?

I am sure that life expectancy in my constituency is going up because of the Government's excellent policies but it is probably also slightly due to the popularity of crown green bowling, which keeps people happy and healthy throughout their lives and promotes an excellent community spirit and way of life.

I cannot end my speech without mentioning that, since I applied for the Adjournment debate, I understand that Sport England is about to announce—perhaps we will hear more tonight—some individual funding for Hillsborough park. That would help the club in my constituency to upgrade its pavilion for its disabled members and open a café for other users of the park. It would be wonderful news if the Minister could confirm the rumours that I have heard. Such funding would enable the installation of an all-weather green, a new social hall, shower facilities and fully accessible facilities for the disabled. I hope that that is the case but even if it were, it would affect only one pavilion in one park in one city. I argue that the association nationally deserves to be on the priority list for mainstream lottery funding because of what it does for our constituents in all the constituencies that have those wonderful clubs and facilities.

10.34 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I congratulate my hon. Friend the Member for Sheffield, Hillsborough (Helen Jackson) on securing this debate on the future of crown green bowling. This is a sport in which I have participated on a good number of occasions in my local park in Sheffield, Hollings End park, which is very similar to Hillsborough. There are two crown green bowling greens there and some excellent bowlers. As my hon. Friend said, the game is a major part of not only the sporting infrastructure, but the social infrastructure. It is a very desirable sport that has a tremendous following, in both participation and spectators. Many people go to watch it, and say that it is a delight to watch.

I also welcome the opportunity that this debate provides for us to discuss a sport that is enjoyed by thousands of people in this country but is often left out by the media. Some years ago, crown green bowling got quite a lot of media coverage, but it does not get so much now, which is unfortunate. Like my hon. Friend, I come from Sheffield and know many of the people to whom she referred. They are tireless campaigners for crown green bowling, and I join her in noting that they contribute a tremendous amount voluntarily to the communities in the various parts of our great city.

I also go to Bramhall Lane, the mecca of football that houses Sheffield United, the one great team in Sheffield. A gentleman called Robert Jackson also goes there, and he is associated with crown green bowling. He was the BBC commentator on the sport for many years; he brought "Praise or Grumble" to light, and similar programmes have now been reproduced by many local radio stations. He lobbies me on the issue of crown green bowling every time I go to Bramhall Lane.

Helen Jackson: I can assure the Minister that Robert Jackson is listening to our debate at this very minute.

Mr. Caborn: The wonders of radio! I hope that he will listen carefully to what I have to say.

I would like to set this debate about funding for crown green bowling within the overall context of Government funding for sport. This Government have invested more than any other in sport and physical activity. Indeed, we have invested more than £3 billion, including lottery funding. Our commitment to sport is strong, and will continue. This unprecedented public investment includes: £581 million to our schools from the new opportunities for PE and sport programme for school sport capital projects; £130 million from Space for Sport and the Arts towards primary school projects in 65 deprived areas; and just under £500 million from the Exchequer for the PE, school sport and club links programme, which is committed to achieving our ambitious targets for school co-ordinator partnerships, specialist sport colleges and primary link teachers. The new Active England programme, administered by the Big Lottery fund and Sport England, is investing £108 million in a new generation of community sport facilities.

In the community club sector—the lifeblood of sport in this country—we have introduced a range of financial reliefs, including mandatory rate relief at 80 per cent., and exemptions from tax on income generated. I should add that I am delighted by the take-up by bowls clubs of the reliefs offered by the community amateur sports club scheme: 287 clubs have so far registered, the second highest number from any sport in this country. Only 2,000 sports clubs, out of a potential 40,000-plus, have applied for funding under that scheme so far. I hope that there will be more. With gift aid, mandatory rate relief and the other tax breaks, more than £5 million has now been invested directly into those clubs, so if we can reach those 40,000 clubs, we should be able to invest between £35 million and £40 million every year. I hope that many more clubs will apply for the funding.

Not only have this Government invested more than any other in sport, we have also transformed the way in which we look at sport. We have recognised the value of sport as a means of achieving wider policy aims in health, education and community cohesion. Public funding for sport is therefore working harder than ever before. But with this wider recognition of sport's potential come additional responsibilities. That means that sport needs to take a look at itself, and we need to ask how we can modernise it. It has to meet those challenges.

Since the Government's strategy for sport and physical activity was set out clearly in "Game Plan", Sport England and UK Sport have worked with the national governing bodies of sport to help them to modernise sport—the way it is organised, funded and administered—and to make national governing bodies fit for purpose in the 21st century.

As part of that modernisation process, Sport England has simplified its funding structure into two streams, one at national and one at community level. At national level, Sport England announced last year that it would make a prioritised investment of £130 million in 30 key sports, to which my hon. Friend referred. The national governing bodies of each of those 30 sports are working with Sport England to develop whole sport plans.

Whole sport planning provides a map for the whole of a sport from the grass roots through to the elite level. It identifies the resources that the governing body needs to achieve its aims and allows Sport England to measure the value for money of that public investment. Sport is being made directly responsible for the impact it makes, and I am delighted by the way that sport has risen to that challenge.

Let me turn to the issue at hand. I can fully appreciate what my hon. Friend said about why crown green bowls has been brought to the attention of the House. As many as 200,000 people enjoy participating in this sport on a regular basis. It makes a real contribution to their quality of life and to the development of communities in cities, towns and villages up and down the country. As she said, it also helps to provide a healthy lifestyle for many of those who participate, and there is also a social side.

I can understand, therefore, that there may be concerns about the implications that the modernisation of bowls could have for crown green bowling. As I said earlier, Sport England and UK Sport are working with the governing bodies of every sport to help them to deliver more cost-effective administration. This will release funds for the very people that we want to get it—the sports clubs and their members. Therefore, I strongly endorse the policy being followed by Sport England and UK Sport in this area.

[Mr. Caborn]

Bowls cannot be an exception. The sport surely does not stand to benefit from the duplication of effort and resources created by the existence of several different national governing bodies. Indeed, crown green bowling recognised that when it merged two of the sport's national governing bodies in 1989.

Helen Jackson: I am glad that my right hon. Friend recognises that, because is it not the case that the only reason for there being five bowls associations is that flat green bowls has not modernised and consolidated its clubs in the same way as crown green?

Mr. Caborn: That is true, and I shall come to that. On my hon. Friend's point, I am encouraged by the progress made by the four governing bodies for lawn bowls towards the establishment of a self-sufficient and sustainable governing body for the flat green game of bowls in England, which is to be called Bowls England.

Sport England has supported the unification steering group set up to consider the most appropriate method to achieve that. I should make it clear that none of this is being done without the knowledge of the other codes. The British Crown Green Bowling Association and its colleagues representing federation, short mat and carpet bowls have been consulted on the process and attended the recent meeting of the steering group.

The draft constitution for the new governing body holds out the opportunity for other codes of the game of bowls in England to become part of Bowls England in the future. However, it is recognised that this may not be appropriate for some governing bodies of the game, such as the British Crown Green Bowling Association, which operates at a UK, not an English, level. However, there is a commitment for all the governing bodies for bowls in England to work together more efficiently and effectively to the benefit of the sport of bowls right across the country.

The unification steering group has met with representatives from all the governing bodies for bowls in England to discuss the issue of unification and to facilitate the best method for the governing bodies to work in partnership for the future of bowls. All codes of the game will not be forced to merge with Bowls England. While I recognise that unification of the governing bodies of all codes of bowls may not be appropriate, I believe that there are still ways in which the different codes can work together for mutual benefit. Their joint working on a shared bowls facilities strategy, to facilitate a more strategic approach to the development of facilities, has proved that. I hope that that collaboration is a blueprint for the future. For my part, I am willing to help when I can to bring about the appropriate and sensible resolution of these issues, whether by bringing together the governing bodies of bowls in a meeting, or by writing to their chief executives.

In closing, let me assure the House that whatever changes occur to the governing bodies of bowls, lottery funding for individual clubs, in every code, will not be at risk. Bowls clubs of all codes will continue to benefit from the vast investment in grassroots sport made by the lottery. To date, they have received 345 awards, totalling £38 million, which have enabled the construction of facilities costing more than £66 million. Those facilities include, for example, the new floodlit crown green bowling facility for the South Kirkby colliery miners welfare scheme in Yorkshire, which was made possible by a lottery grant of £100,000.

My hon. Friend the Member for Sheffield, Hillsborough indicated that there had been an application to Sport England. The news is that Sport England has recently awarded an Active England grant of £559,760—which represents 85 per cent. of the total cost of the project—for the development of a new bowling pavilion, athletics track and play area in the very park to which she referred, Hillsborough park. That demonstrates that the Government's investment in sport, through the lottery and the Exchequer, is transforming, and will continue to transform, sports provision in this country.

That good news for my hon. Friend, Hillsborough park and the wider area shows that the Government want to ensure that those thousands of people who enjoy crown green bowling can continue to do so. We also want more people to get involved in crown green bowling and sports of every kind in their local communities. We believe in the power of sport to enrich people's lives, which is why our commitment to sport is strong and will remain so.

Question put and agreed to.

Adjourned accordingly at fourteen minutes to Eleven o'clock.

House of Commons

Tuesday 14 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH AFFAIRS

The Secretary of State was asked—

Africa

1. **Hugh Bayley** (City of York) (Lab): What recent bilateral meetings the Government have had with other G8 countries about Africa. [204232]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): Africa is regularly discussed with other G8 Governments, and the Prime Minister recently discussed Africa with President Bush and President Chirac. There have been a range of other contacts at ministerial and official level. We expect these to intensify next year, when Africa will be a priority for our G8 presidency.

Hugh Bayley: If the Commission for Africa is going to trigger a substantial policy change towards Africa from a number of G8 countries, it would be wrong to wait until the G8 summit occurs to seek commitments. During the period between the publication of the commission's report and the G8 summit, we want a series of commitments to be made by our G8 partners to intensify the aid to, and other political links with, Africa. Will that be happening and what are the Government doing to ensure that we get the response we want from our G8 partners?

Mr. Mullin: An extensive consultation programme is going on at the moment, with precisely that in mind. We expect the Commission for Africa to produce clear recommendations on how the international community can strengthen support for Africa's development. We are encouraging our G8 partners to contribute their views to the consultation. Our aim, of course, is to move Africa up the agenda during our presidencies of the European Union and the G8.

Mr. David Chidgey (Eastleigh) (LD): Given American policy not to support the New Partnership for Africa's Development, can the Minister tell us what compromises have been necessary to get the United States to support the Prime Minister's Commission for Africa?

Mr. Mullin: The Americans are very supportive of the Commission for Africa. I should say as well that they have, in recent years during George Bush's presidency, greatly increased their commitment to aid for Africa and also to the battle against AIDS. Their aid has been targeted specifically at 15 countries, where the most progress is being made and where the largest problem exists, 12 of which are in sub-Saharan Africa.

Jane Griffiths (Reading, East) (Lab): Will the Minister, during his deliberations on Africa, reflect on the African success story that is last week's presidential and parliamentary elections in Ghana, where there was an undisputed winner and no real concerns about the conduct of the election? Will he highlight that in future discussions?

Mr. Mullin: Yes; my hon. Friend, who I think has just come back from monitoring the election in Ghana, is quite right to draw attention to what was a very successful election last week. Improving governance in Africa is one of the key objectives of all those who wish Africa well. The improvements in the democratic process that have taken place in Ghana are an example to all other African states, and I commend them.

Sir Patrick Cormack (South Staffordshire) (Con): That is very well, and we agree with the Minister on it, but what hope can he offer the people of Zimbabwe?

Mr. Mullin: The people of Zimbabwe are, regrettably, at the mercy of a very rotten Government, as the hon. Gentleman knows. We have played a leading part in the EU and the United Nations in bringing international pressure such as can be brought on that Government, but it is true that, for the immediate future, the prospects in Zimbabwe are not good. We have hopes, however, that in the longer term there will be a return to democratic rule and the rule of law in Zimbabwe. We will continue to do everything in our power to achieve that.

Cuba

2. **Jim Sheridan** (West Renfrewshire) (Lab): What representations he has made to the US Administration on the future of Cuba. [204233]

The Minister for Trade and Investment (Mr. Douglas Alexander): Policy towards Cuba is regularly discussed with the US Administration. The US and the UK share the same goal—peaceful transition towards a pluralist democracy that respects human rights—but we differ in approach. Our position, as set out in the 1996 EU common position, which is well understood by the US, is that constructive engagement and dialogue, rather than isolation, are the best means of realising a better future for the people of Cuba.

Jim Sheridan: I thank my hon. Friend for that positive response. Does he agree that many of my constituents now see Cuba as an ideal holiday resort and that, when visiting there, they will see the consequences of the US embargo on that country? Will he use his good offices to encourage the US Administration to stretch out the

hand of peace and reconciliation to the good people of Cuba and offer them some hope and support for the future?

Mr. Alexander: Not least because my hon. Friend and I have adjacent constituencies, I fully appreciate the difference in climates between West Renfrewshire and the Caribbean, particularly at this time of year. I therefore take his point. We do not believe that sanctions offer the most effective means of promoting the transition to a pluralist democracy in Cuba, and I assure him that we make known our objections against the United States embargo every year at the United Nations. Indeed, on 28 October 2004, we again voted to adopt the resolution on the necessity of ending the economic, commercial and financial embargo imposed by the United States against Cuba.

Mr. Gary Streeter (South-West Devon) (Con): At least we know where the Minister will now be spending Christmas. But have the Government pointed out gently to our American friends that it is hardly an incentive to Cuba to improve its human rights record for the United States to continue to incarcerate, without access to due process of law, hundreds of detainees right on its doorstep in Guantanamo Bay? Is not it time that the US Administration set a better example in their own backyard?

Mr. Alexander: The Government's position in relation to Guantanamo Bay is well established. We are continuing our dialogue and discussion with the United States. No Government have done more to secure the release of their own citizens as detainees from Guantanamo Bay than the British Government, and I assure the hon. Gentleman that the matter is the subject of continued discussions with the American Administration.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): What are the Spanish and French up to in relation to Cuba? They appear to be flouting the EU common position. Surely that cannot be the case. Can the Minister assure me that the French and Spanish are adhering to the EU common position, and that that common position will be reviewed as quickly as possible?

Mr. Alexander: When my right hon. Friend asked what the Spanish and the French were up to, I thought that it was a general question; I am relieved that it was focused specifically on Cuba. A general evaluation of policy on Cuba is under way in order to re-evaluate the EU common position, and I assure him that the United Kingdom is fully engaged in those discussions, but no decision has yet been made. He may be thinking of the fact that the Cuban authorities have unfrozen the diplomatic representation of the Spanish in Havana, but that was a decision taken by the Cuban authorities rather than by the European Union.

Simon Hughes (Southwark, North and Bermondsey) (LD): Will the Minister assure the House again that the Government will continue to make sure that the American Administration understand that the world will not be satisfied until there is an independently acceptable system of criminal justice for those in Guantanamo Bay, and that the Cuban Government understand that their criminal justice system, too, must comply with the same internationally acceptable standards?

Mr. Alexander: I know of the hon. Gentleman's long-standing interest and concern in relation to these human rights matters. In relation to Guantanamo Bay, I assure him that that thinking underlay the British Government's approach and the discussions that have taken place at the highest level between the British Government and the American Administration. Also in relation to human rights, a number of key treaties and undertakings have not been accepted by the Cuban Government. The Cuban Government clearly understand our position: along with our European Union partners, we want to see real and significant progress in relation to human rights.

Tyrannical Regimes

3. **Mr. Graham Allen** (Nottingham, North) (Lab): What progress there has been in the last month in developing international law and the structure of the UN to end tyrannical regimes. [204234]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): The Government have long worked for the reform of the United Nations system, and for that reason we greatly welcomed the publication of the report last month from the United Nations Secretary-General's High-level Panel on Threats, Challenges and Change. This report offered two options for reform of the Security Council, and also proposed new approaches to the use by the Security Council of its chapter VII powers, including a self-denying ordinance on the use of the veto in cases of genocide and large-scale human rights abuses, and observations on the use of force preventively to stop latent threats becoming imminent. I shall reproduce the UN report as a Command Paper to the House, better to assist debate.

Mr. Allen: I hope that my right hon. Friend the Foreign Secretary will feel that there is no more important task on his agenda over the next year or so than trying to ensure, while not going over old ground, that we do not repeat any of the problems that the legality of action against previous tyrannies brought before the world and, indeed, this House. Will he accept that there is now an opportunity, given events in the last two or three weeks, to make real progress on developing a global legal system that will allow all of us to unite when faced with tyrannies and re-create the global coalition against terrorism on a sound legal basis?

Mr. Straw: I share my hon. Friend's views on this matter. Having read the report carefully, I believe that if it had existed and been adopted by the international community a decade ago, some of the major problems that we faced in securing agreement—for example, in respect of Kosovo, earlier; in respect of the genocide that was taking place in Bosnia; and in respect of Iraq—could almost certainly have been avoided. The report does not propose changes to the charter itself. They would be virtually impossible to achieve, except those

relating to membership of the Security Council. It does, however, propose major changes in, as it were, the jurisprudence of the United Nations.

We are fully behind the report and want a full debate about it, which is why I shall be making it available to the House. I hope that there will be a big input from both sides of this House and the House of Lords.

Mr. Michael Ancram (Devizes) (Con): Is not the most significant element of the report the UN's recognition for the first time – alongside the established doctrines of self-defence and imminent threat – of the concept, mentioned by the Foreign Secretary, of what it calls prevention? Does the right hon. Gentleman, like me, welcome the UN's engagement with the need for a responsible doctrine of pre-emption, which is what that means?

Does not the European Union's current flirtation with lifting the embargo on arms sales to China fly in the face of that new consensus? It sets Europe against the United States and threatens the cohesion of NATO. Surely, in the face of growing threats from tyrannical regimes and a growing need for international co-operation, the Foreign Secretary will refuse to sign up to the lifting of the embargo at this time.

Mr. Straw: I do not accept the hyperbolic phrases used by the right hon. and learned Gentleman. Circumstances have changed since 1989, when the embargo was imposed. In any event, its scope is limited and it has no legal force.

A key circumstance has changed during the intervening period. Following an initiative by my predecessor, my right hon. Friend the Member for Livingston (Mr. Cook), we now have a legally enforceable EU code of conduct on arms sales. More denials to China have taken place under that than have taken place under the embargo, and all but two of the denials under the embargo would have taken place in any event under the code of conduct.

I hope that we will not make a decision on the lifting of the embargo at the European Council on Thursday and Friday. We need more time before putting all the arrangements in place. The European Council's General Affairs Committee agreed yesterday that we should seek a strengthening of the code of conduct, and also greater transparency between member states, to reassure everyone including our allies.

I entirely agree with the right hon. and learned Gentleman's first point. I refer Members to an important passage in paragraph 194 of the report. According to the panel,

"the international community does have to be concerned about nightmare scenarios combining terrorists, weapons of mass destruction and irresponsible States, and much more besides, which may conceivably justify the use of force, not just reactively but preventatively and before a latent threat becomes imminent."

Mr. Malcolm Savidge (Aberdeen, North) (Lab): Will the Government impress on the Bush Administration that trying to undermine the International Criminal Court – not least by trying to blackmail small and poor states into bilateral agreements – contrasts starkly with their pretensions to spread democracy, human rights and justice?

Mr. Straw: The United States has taken a different view on the International Criminal Court from the United Kingdom Government and the European Union. We are four-square in support of the ICC. I can reassure my hon. Friend that a resolution which I think began as Security Council resolution 1414, sponsored by the United States, has now been allowed to lapse.

Sir Menzies Campbell (North-East Fife) (LD): I am sure that in the debate to come the Foreign Secretary will recognise the distinction between prevention and pre-emption, which is an extremely important doctrinal distinction.

I think that the whole House can welcome the High-level Panel's report, not least because it manages to be both balanced and authoritative. How can we ensure that it does not suffer the fate suffered by similar reports in the past, and find itself gathering dust in the archives of the United Nations? We have, after all, been here before.

Will the Foreign Secretary take this opportunity to confirm Her Majesty's Government's continuing support for the Secretary-General, Kofi Annan, and to deprecate the efforts of some across the Atlantic to undermine his authority?

Mr. Straw: I am grateful to the right hon. and learned Gentleman for his last point. I am delighted to confirm Her Majesty's Government's full-hearted support for Secretary-General Kofi Annan and his staff in the United Nations, and to emphasise the importance of the UN at the centre of our whole system of international order. The UN is not a perfect organisation, but it is essential and it is also essential that we support it. On whether this report will bite the dust or be taken forward, Secretary-General Kofi Annan, whom I spoke to last Friday, is determined that it should be implemented effectively, and that is our determination too. There is now a period of consultation within the UN system, and Kofi Annan hopes to make a further report to the UN General Assembly during its ministerial week in September of next year.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): The Secretary of State will know that I am a very strong supporter of the UN High-level Panel and his efforts to publicise it, but can we make absolutely clear the importance of this debate to the future of the world? We need to understand that the United Nations has been and will remain in danger of becoming a second League of Nations unless it can act more effectively against tyrannies in failing states, and in reforming the Security Council to make it more relevant to today's needs. This issue is of vital importance.

Mr. Straw: I entirely agree with my hon. Friend, and I commend his work and that of my hon. Friend the Member for Cynon Valley (Ann Clwyd). She had an important input into our thinking and consequently into the UN's, and the result is some of the report's recommendations, not least those in chapter VII. The key point about the report is that it emphasises the way in which the world has significantly changed since the charter was developed almost 60 years ago. The threats then were primarily from sovereign functioning states; today, they are primarily from failing states, terrorism and weapons of mass destruction.

In addition to the list of things mentioned by my hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Soley), I should point to one striking table in the report, which correlates civil wars and disruption with levels of income per head. There is a direct link between those states in which income per head is less than $1,000 a year, and those that are vulnerable to civil war.

Sudan

4. **Helen Jones** (Warrington, North) (Lab): What steps he is taking to encourage African states to send more peacekeepers to the Darfur region. [204235]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): We are in close touch with the African Union and other members of the international community about the AU mission in Darfur. We fully support the AU's decision to expand the mission from 500 troops to more than 3,000. In recent weeks, approximately 400 additional troops have arrived, and a further 400 are expected shortly. The UK is providing more than £14 million to aid the mission's expansion.

Helen Jones: I am grateful to my hon. Friend for that answer. Given the urgency of the situation in Darfur, can he tell the House what discussions have taken place on broadening the AU mission's remit? Has he had any discussions with our EU partners about the support that they could provide for the mission? Rather than bemoaning the fate of the people in Darfur, can we not encourage people to get on with doing something about it?

Mr. Mullin: On the last point, a number of our EU partners are already making substantial contributions. For example, the Dutch and the Germans are providing the AU force with communications equipment, and the Canadians—I accept that Canada is not in the EU—are providing helicopter support. With all due respect to my hon. Friend, the mandate is not the primary problem, as the existing mandate does give commanders the discretion to protect civilians. The principal problem is establishing a ceasefire between the parties, so that there is security on the ground. Once that is done, we can begin the process of returns and of helping people to rebuild their lives. Ultimately, of course, the need is to build a political solution, and the way to stabilise the situation on the ground is to start deploying these troops. If the mandate needs to be looked at again, we will do so.

Mr. Peter Pike (Burnley) (Lab): This is another great tragedy for Africa. People are very concerned about it, and my constituents have been raising money to help the civilian population in Darfur. The Minister will recognise that until we secure a ceasefire and start working towards a political solution, the situation in Darfur will remain another blot on the name of Africa. We must give whatever support we can to Darfur, and to the other African countries, in order to solve the problem there.

Mr. Mullin: I would not wish to understate in any way the gravity of the situation in Darfur. The priority is to get the AU mission up to full strength and then to get it properly deployed.

I continually hear reports of the situation in Darfur, often on the BBC, as if only one party—the Government of Sudan—were involved. In fact, there are two parties and, according to the UN special representative, Mr. Pronk, the rebel forces have been responsible for a greater number of violations than the Government side over the last two months. In October, the rebels were responsible for many ceasefire violations and in November, again according to Mr. Pronk, they aggressively violated their commitment to the Abuja protocols. It is important for people to bear it in mind that there are two sides to the dispute. It is a very complicated one and both sides are behaving badly, but we do ourselves no service in improving our understanding of what is happening there if we continually pretend that it is all due to the Government of Sudan. That is not the case.

Mr. Mark Simmonds (Boston and Skegness) (Con): It is clear that the situation in Darfur is continuing to deteriorate, with human rights violations, rape, murder and massive population displacement all occurring. Only yesterday, two Save the Children workers were killed. The Nairobi Security Council resolution has been severely criticised by aid agencies as a big step backwards. When will the UK Government put sufficient pressure on UN Security Council members to enforce a no-fly zone, upgrade the AU force from monitoring to peacekeeping, impose an arms embargo on all sides and agree that the atrocities are genocidal, thereby ensuring immediate international action?

Mr. Mullin: We are keeping up constant pressure, within the UN and elsewhere, but the primary difficulty—and the primary objective—at the moment is to get the AU force properly deployed. Until that happens, we cannot even talk of a meaningful ceasefire being enforced. That is the first thing that we need to do. If we need to look at the mandate and other issues mentioned by the hon. Gentleman, we will do.

Ukraine

5. **Mrs. Betty Williams** (Conwy) (Lab): What joint action is being taken by the EU to assist the political situation in Ukraine. [204236]

The Minister for Europe (Mr. Denis MacShane): Following the initial agreement, brokered by High Representative Javier Solana and the Presidents of Poland and Lithuania—a good example of Europe's common foreign policy in action—the EU and the UK are now calling on all parties to work for a free and fair repeat of the second round of the presidential election, which is taking place on Boxing day, on 26 December, this year.

Mrs. Williams: I thank my hon. Friend for that reply. Will hon. Members from the House or representatives of the other place be present as observers during the re-run of the presidential election on the 26th of this month?

Mr. MacShane: I pay tribute to our distinguished colleague and friend of all Members, my right hon. Friend the Member for Walsall, South (Mr. George),

who was present during the first election and contributed to the outlining of many aspects that had gone wrong. The UK is doubling the number of its observers for the re-run of the second round on 26 December. Our ambassador in Kiev informed me today that Terry Davis, our former right honourable friend who represented Birmingham, Hodge Hill—now the Secretary-General of the Council of Europe—was there yesterday. That will also contribute to the effort to ensure that the second round election is free and fair. Any hon. Members who would care to spend their Boxing day in Kiev should get in touch with me.

Angus Robertson (Moray) (SNP): Is the Minister content that the EU's near neighbourhood policy is robust enough to deal with the particular challenges that will be faced by the Ukraine in the months and years ahead? Does he agree that it is important for the EU to prioritise political and economic aid, especially to eastern Ukraine in order to avoid feelings of marginalisation there?

Mr. MacShane: Yes, I agree in general terms with that point.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab Co-op): I welcome what the Minister said, but does he accept that the best help that Europe can give to the democrats in Ukraine is to make clear the long-term relationship that we see Ukraine having with the EU? If we do not provide clarity about the relationship and Ukraine's eventual membership of the EU, we are likely in the long run to dash the hopes of the millions who have been demonstrating for democracy in the streets of Kiev.

Mr. MacShane: It is undoubtedly encouraging to see so many people demonstrating all over Ukraine in favour of the country having a much closer relationship with Europe, and I wish that Conservative Members would learn the odd lesson from that. What counts is that Ukraine has a positive relationship with Russia and its western neighbours. It now borders three EU member states. Kiev is one of the cradle cities of European culture and civilisation. I assure my hon. Friend that the Government will have talks with our European partners to develop further that positive European relationship with Ukraine.

Mr. Graham Brady (Altrincham and Sale, West) (Con): Hon. Members of all parties are united in their desire for free and fair elections in Ukraine. The role of British election monitors there will be crucial in that process. Does the Minister understand the personal sacrifice being made by those British citizens who have volunteered, at their own expense, for that important task? Will he show some Christmas spirit and undertake to fund the travel and accommodation costs of people giving their time to achieve a positive outcome? So far, getting sufficient numbers of people to sign up has been a real problem, because they have to meet those extraordinary costs at this time of year. Will the Minister help?

Mr. MacShane: I am very happy to look at that. The UK contributed £23.7 million to the Organisation for Security and Co-operation in Europe. We have spent £3 million already on helping to create the environment for more democratic elections. We have also spent £600,000 directly on the 2004 presidential election. I admire the fact that Britain is the nation with the greatest presence there. I cannot offer to underwrite every person who wants to go to Kiev but, if the hon. Gentleman wants to spend Boxing day in Kiev, I guarantee that I will pay for it myself.

Israel

6. **Dr. Brian Iddon** (Bolton, South-East) (Lab): What representations he made during his recent visit to Israel on the separation wall. [204237]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): During my visit to Israel on 24 November, I raised this issue with Israeli Foreign Minister Silvan Shalom. I reiterated the British Government's opinion that, while we understand Israel's legitimate security concerns, the construction of the barrier in occupied territory is unlawful and causes unacceptable humanitarian hardship for many Palestinians. With other EU colleagues, we voted in favour of a resolution to that effect in the UN General Assembly on 20 July.

Dr. Iddon: The wall is being built in such a way that it divides east Jerusalem into two cantons. New gates are being opened, and old ones closed. That is causing more Palestinian families to be separated and more land to be annexed. In addition, it will make final status talks on the future of the city of Jerusalem extremely difficult. Has my right hon. Friend had any discussions with the Israeli Government on that point?

Mr. Straw: Yes, indeed I have, and those discussions took place during my visit to Israel on 24 November. The illustration that my hon. Friend gives is further evidence of the hardship caused by the separation barrier where it is outwith the internationally accepted 1967 lines. As far as final status is concerned, those matters remain to be negotiated under phase 3 of the road map. However, both sets of Israeli Ministers to whom I spoke made it clear that they fully understand that they may have to move the separation barrier as part of any final status settlement. They pointed out that they had done that when there was a final settlement in Israel's disputes with Egypt.

Mr. James Clappison (Hertsmere) (Con): Does the right hon. Gentleman agree that, although the security fence has undoubtedly been effective in reducing terrorism and saving lives, it would be better still if the people of the region had the benefit of a durable and peaceful solution? Does he accept that the encouraging progress and momentum towards peace that has been evident in Israel recently should be met by a Palestinian leadership with a genuine determination to eradicate terrorism?

Mr. Straw: In his first remark, the hon. Gentleman states a fact: it is a reality of Israeli politics that, although it is highly disputatious about almost every issue, there is general agreement across the parties about the separation wall. That illustrates the degree to which the Israelis have been traumatised by the terrorism. That does not justify their decision, but it explains it.

I also agree with the hon. Gentleman's second point: we want there to be an active and responsible Palestinian leadership. We have every reason to expect that that is what we shall get as a result of the elections on 9 January.

Llew Smith (Blaenau Gwent) (Lab): On the behaviour of the Israeli Government, does my right hon. Friend accept that Israel is acting more like a tyrannical regime than a democracy in its treatment of one of the most courageous peacemakers of our time—Mordecai Vanunu?

Mr. Straw: I understand the point that my hon. Friend makes, but I do not believe that we should characterise Israel, which is a democracy, as a tyrannical regime. We have made representations in respect of Mr. Vanunu and I am happy to pass on those of my hon. Friend.

Richard Ottaway (Croydon, South) (Con): Does the Foreign Secretary agree that the best way to a lasting solution in the middle east is through implementation of the road map? To that extent, does he agree that it should be amended to include some form of dispute resolution and would he consider introducing a central figure who would do his best to bring both sides together to try to come up with a solution?

Mr. Straw: I understand the hon. Gentleman's point. However, given the difficulties of getting the road map agreed in the first place, we should not make the best the enemy of the good. What is crucial now is that we progress with implementing phase 1, phase 2 and then phase 3 of the road map as quickly as possible. Crucially, the withdrawal from Gaza and from four settlements in the north of the west bank needs to take place as quickly as possible, with international support so that it does not leave a vacuum that is filled by the terrorists but enables the Palestinian Authority to establish the beginnings of an independent and viable state of Palestine.

Palestine

7. **Richard Burden** (Birmingham, Northfield) (Lab): What assistance he is giving to ensure that Palestinian electors are able fully to participate in the forthcoming elections. [204238]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): The EU has provided €6 million to support voter registration and a further €4 million for the election. It is also sending a substantial observation mission, including UK observers. Key assistance by the UK, including our continuing work to help to improve the Palestinian Authority's security structure in the occupied territories, will be sustained. During my recent visit, I saw the central elections commission and expressed UK support for its work. I also pressed, and received undertakings from, the Israeli Government in respect of their facilitation of the elections in the west bank, Gaza and East Jerusalem. I have to say that both the Palestinian Authority and the Israelis were well aware of the potential for rejectionist terrorists to disrupt the electoral process and to damage democratic Palestinian causes as much as the Israelis. In that respect, I wish to condemn Hamas unequivocally for its attack and the killing of five Israeli defence force soldiers two days ago and for its boycott of the Palestinian Authority presidential elections.

Richard Burden: I welcome my right hon. Friend's statement and put it to him that if we are to enable Palestinian electors to participate fully in the elections it is important that they can meet candidates, and that means that candidates have to be able to move around. Does he therefore share my concern that last week Dr. Mustafa Barghouti—not to be confused with Marwan Barghouti—was held up between Jenin and Ramallah at a checkpoint? He and his colleagues were beaten by Israeli troops and forced to lie down for more than an hour. If we are to facilitate elections, it is important that the Israelis are told that such behaviour is not acceptable and that the freedom of movement guaranteed by the Israeli Foreign Minister really must be respected.

Mr. Straw: The Israeli Foreign Minister gave me clear undertakings, which were repeated in public, that the Israeli Government would, so far as is possible, respect the 1995 interim agreement, which was the basis for the arrangements for the 1996 Palestinian Authority elections. We are watching the situation carefully, as are our international partners, and we are happy to follow up any representations made to us in this House or by members of the Palestinian Authority.

Mr. Michael Ancram (Devizes) (Con): I join the Foreign Secretary in his condemnation of the behaviour of Hamas. I welcome the fact that the elections on 9 January will be held under the same rules and dispensations as in 1996 and I confirm that the Israeli Foreign Minister made the same undertaking to me. Members of the Palestinian Authority also told me in Ramallah last week that their concerns about the election in East Jerusalem have satisfactorily been met by the Israeli authorities, and that is encouraging.

Given that the elections are seen on all sides as a significant step in the return to the road map, is it not in the interests of all sides that the next Palestinian leader is elected with the strongest democratic mandate possible to carry the fraught peace process forward? Is it not also important that the courageous forthcoming disengagement of Israel from Gaza is seen, alongside the elections, not as a one-off but as another significant step towards the eventual resumption of dialogue upon which alone a final status settlement is possible?

Mr. Straw: I agree with everything that the right hon. and learned Gentleman said. The withdrawal from Gaza is welcome and courageous. It has, for example, led to most serious divisions inside Prime Minister's Sharon's coalition, yet he has none the less persisted with that decision and I am happy to say that it now

looks as though he will be joined in government by our Socialist International partners, the Israeli Labour party. However, it is crucial that the withdrawal from Gaza and the four settlements in the north of the west bank is seen as a necessary step towards implementation of the road map, although by no means a sufficient step.

Huw Irranca-Davies (Ogmore) (Lab): I welcome the Secretary of State's outright condemnation of Hamas and any terrorist activity that may happen in the run-up to the election, and also his urging the Israeli Government to bend over backwards to ensure that every Palestinian and delegates in every area have access to the election. Does he agree that this is a unique opportunity to find a way forward for the voices of moderation and that we should put back in the box those with the most strident voices and the extremists?

Mr. Straw: It is a unique opportunity and I was struck by the determination of both Israelis and Palestinians to seize it. However, it has to be made clear that the one group that could prevent the elections from taking place at all, or in a sensible and fair way, are the rejectionist terrorists who are not only fighting the Israeli people but seeking to disrupt their own elected Palestinian Authority and their own democratic institutions. It is utterly cynical of Hamas to boycott the elections as well as to take the kind of terrorist action that they took two days ago, and I hope that they hear the complete condemnation not just from people in this country but around the world. It would not even serve their real purpose, which is trying to improve the lot of poor Palestinians, were they to succeed in that disruption.

Dr. Jenny Tonge (Richmond Park) (LD): The Foreign Secretary must understand that the behaviour of Israeli troops at the checkpoint last week endangers free and fair elections just as much as actions by terrorist groups. Further to the question from the hon. Member for Birmingham, Northfield (Richard Burden), what demands has the Foreign Secretary made of the Israeli Government following that incident? Why were those men beaten up? Was it because they were presidential candidates or simply because they were Palestinians?

Mr. Straw: I do not know the full circumstances of what happened, although I am happy to make inquiries into them. I do not defend excesses by the Israeli defence force; I never have, and I have always been happy to follow them up. However, the hon. Lady makes a grave error if she is suggesting that there is some kind of moral equivalence between the position of the Israeli defence force and desperate, horrible terrorists such as Hamas.

China

8. **Mr. Mohammad Sarwar** (Glasgow, Govan) (Lab): If he will make a statement on the imprisonment and sentence of Tenzin Deleg Rinpoche by the Chinese Government. [204239]

The Minister for Trade and Investment (Mr. Douglas Alexander): We and our European Union partners have raised with the Chinese our serious concerns about the way in which the trial of Tenzin Deleg Rinpoche was conducted, the lack of transparency and the death sentence. We did so most recently on 25 November. The Chinese ministry of foreign affairs clarified that the two-year suspension period on the death penalty will end on 23 January 2005 and not on 2 December 2004. The Under-Secretary of State, my hon. Friend the Member for Harlow (Mr. Rammell), raised the case with the assistant Foreign Minister in December 2003. It was also on our list of individual cases of concern handed over at the UK-China human rights dialogue on 22 November in Beijing.

Mr. Sarwar: I am pleased that the Government have made strong representations on the issue. Can my hon. Friend assure me that the Government will continue to raise concerns about religious freedom and basic human rights with the Chinese Government?

Mr. Alexander: I can give my hon. Friend that assurance. We continue to have serious concerns about religious freedom in China, in particular for Christians and other religious practitioners, and I can assure him that those contacts will be maintained. The matter is of some personal interest, as both my grandparents were medical missionaries in China, so I take my hon. Friend's point on board.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Can Her Majesty's Government use the extra time that the Chinese authorities have provided to reiterate the pleas for clemency that have been made on Mr. Rinpoche's behalf, not only by the EU and the British Government but also by Members on both sides of the House, through an early-day motion that is currently on the Order Paper, and by people from the United States? Will the Minister also bear it in mind that the president of the Parliamentary Assembly of the Council of Europe recently paid a visit to the People's Republic of China and spoke to the Chinese authorities? That institution, too, is a guardian of human rights on our continent and we should be affronted if the death sentence were carried out.

Mr. Alexander: I agree with the points made by the hon. Gentleman and know of his concern and interest in these matters. I can assure him that we will continue to make representations to the Chinese Government in relation to that individual, who is, of course, a Tibetan religious figure of some note. I can also assure him that those representations will continue in the light of the time scale that I have set out today.

Tony Lloyd (Manchester, Central) (Lab): China still has a long way to go with its record on human rights, not simply in this case, but across the board. Even in an area where we have great national concern—Hong Kong—there are serious concerns about the lack of progress on the developments to which the Chinese committed themselves. In that context, although I sympathise enormously with the Foreign Secretary's earlier comments about the manner in which we will move forward away from the present arms embargo, does the Minister accept that it is important that no European country, in the pursuit of trade or self-interest, races so far ahead that it gives signals to the Chinese that human rights do not matter to us in Europe? They matter profoundly.

Mr. Alexander: There is little that I can usefully add to the Foreign Secretary's comments. We are not pre-empting the conclusion of the discussions that are under way in the European Union. I can assure my hon. Friend that the UK-China human rights dialogue will continue. The last meeting took place in November and the next is expected in the spring of 2005, when we will continue to make such representations.

Burma

9. **Mr. Iain Luke** (Dundee, East) (Lab): If he will make a statement on the continued house arrest of Aung San Suu Kyi. [204240]

The Minister for Trade and Investment (Mr. Douglas Alexander): I am very concerned that the Burmese military have formally extended Aung San Suu Kyi's house arrest. Her continued detention, together with that of all political prisoners in Burma, is completely unjustified and unacceptable. We have repeatedly called for the immediate release of Aung San Suu Kyi, so that she play an active role in national reconciliation, and we will continue to do so.

Mr. Luke: My hon. Friend will be aware of early-day motion 273, signed by 116 Members, drawing the House's attention to the plight of Aung San Suu Kyi, who is currently in complete isolation, without telephone calls, and visited only by her doctor. Will the Government ensure that the ambassador in Rangoon continues to put the case of the House and the Government for an immediate release and do all that he can to ensure that Burma's neighbours in the Association of South East Asian Nations play a fuller part in securing the release of Aung San Suu Kyi?

Mr. Alexander: I am indeed familiar both with the terms of the early-day motion and the strength of feeling among hon. Members on both sides of the House in relation to Burma. At a recent meeting of the all-party Burma group, at which my hon. Friend was represented, I was able to discuss the conversation that I had held with the ASEAN ambassadors in which I made categorically clear the British Government's position in relation to Burma. It is also worth pointing out that it was in large measure owing to the British Government's continued efforts that the European Union's common position on Burma has been strengthened recently, but I am happy to give the assurance that work will continue on this important issue.

Mr. John Bercow (Buckingham) (Con): Given the continued house arrest of Aung San Suu Kyi, the savage violation of human rights in Burma every day and the evidence to be published this week by Christian Solidarity Worldwide of the displacement of a further 7,000 people from Karen and Karenni in the past month alone, is it not a disgrace that Burma is never an agenda item for the United Nations Security Council? Will the hon. Gentleman fight to raise the issue, naming and shaming China in the process for its calculated obstructionism?

Mr. Alexander: I have had the opportunity to discuss this with the hon. Gentleman. It is fair to say that there is no consensus on the Security Council, as his question implied, but it is equally fair to say that the British Government continue to make representations on this issue in the UN. Indeed, we continue to raise it in relation to a resolution that I understand will come to the UN General Assembly later this year. However, the fact that, when we previously spoke on this matter, we had failed to secure the support of an Asian partner as a co-signatory to that UN General Assembly resolution is indicative of the fact that it is not simply a challenge facing one country but a matter that we continue to work on with a range of our international partners.

Spain

10. **Claire Ward** (Watford) (Lab): What discussions he has had with the Spanish authorities in respect of the recent racism and violence at the football match against England. [204241]

The Minister for Europe (Mr. Denis MacShane): My right hon. Friend the Foreign Secretary and I discussed this matter with our opposite numbers the day after the match and expressed the outrage felt throughout the UK. They, as well as the Spanish Prime Minister's office, have issued statements apologising and condemning the behaviour. The House may also be interested to know that the Spanish anti-violence commission has just asked the Spanish football association to open a disciplinary case against the Spanish national coach, Luis Aragones, for his remarks about British players, which the whole House will condemn as racist.

Claire Ward: I have received complaints from constituents who were at the match. It was not simply the fans but the Spanish police who were engaged in racism and appalling abuse. The Football Association here has received 75 complaints about that match in relation to the Spanish police. What future is there for relations between this country and Spain when we cannot have a friendly match with good support from fans or expect respect from the Spanish police for our tourists travelling abroad?

Mr. MacShane: My hon. Friend makes valid points. I am glad to convey her concerns to the Spanish authorities. She is, of course, a season ticket holder at Watford football club and a midfield star of the women's parliamentary football team—I understand that she bends it better than Beckham. I will take up her serious points with the embassy in Madrid and convey the concerns that she raises on behalf of Watford and all English football fans in respect of what happened on that sad night in Spain.

Mr. Andrew Mackay (Bracknell) (Con): Does the Minister think that those disgraceful scenes add to Madrid's claim to host the 2012 Olympics or does he share my view that they should come here to London?

Mr. MacShane: I profoundly believe that every sane and intelligent man—[HON. MEMBERS: "And woman."]—and woman, and Conservative, would wish the Olympics to come to London in 2012, but as a

Government, we are not directly involved. The decision will be made on the basis of the wonderful facilities that London offers, the great welcome that we offer to foreigners and our wonderful sporting achievements. I hope that by then the Conservative party will be pro-European.

Chris Bryant (Rhondda) (Lab): My hon. Friend seems to suggest that all is hunky-dory between Britain and Spain on this issue, but the truth of the matter is that the Spanish authorities were remarkably nonchalant for several days. None of the national newspapers, and neither the radio nor the television, presented the story as important. I wonder whether my hon. Friend the Minister could not raise it more assertively, perhaps through one of his hard-hitting articles in *El Pais* or another Spanish newspaper?

Mr. MacShane: My hon. Friend comments on how the Spanish media handled the story. All that I can say is that Spanish Ministers, and the Prime Minister's office, were swift to condemn and clear in their apology. I hope that, if similar complaints were ever made about an incident anywhere in Britain, all Members of Parliament would be swift to condemn any such behaviour—xenophobic, racist, or what you will.

Embassies (Commercial Departments)

11. **Sir Nicholas Winterton** (Macclesfield) (Con): How many commercial departments are operated by his Department in UK embassies in European capital cities. [204242]

The Minister for Trade and Investment (Mr. Douglas Alexander): We have commercial departments operating in all European capitals. My right hon. Friend the Foreign Secretary will make a statement in the House tomorrow setting out some limited changes to our representation overseas.

Sir Nicholas Winterton: Am I reliably informed by a business man who used to live in Cheshire and whom I have known for more than 20 years that the commercial departments in embassies throughout Europe are being downsized and that UK staff in particular are being made redundant? If that is the case, does the Minister appreciate the serious impact that that will have on UK industries exporting to countries in Europe and the huge problems that will be created for UK companies in establishing contacts that hitherto have been aided by the commercial departments in our embassies in Europe?

Mr. Alexander: I can assure the hon. Gentleman that, in the written ministerial statement that my right hon. Friend the Foreign Secretary will make tomorrow, a range of those issues will be covered. I equally assure him that we continue to place great importance on the work that is taken forward by the commercial departments in British embassies, not just in Europe but around the world, on the work of UK Trade and Investment and in particular the opportunities that are provided through that network for effective exporting of British services and products.

Mr. Ian Davidson (Glasgow, Pollok) (Lab/Co-op): Will the Minister clarify whether it is part of the remit of commercial departments in British embassies in European capitals to solicit donations from foreign-owned companies on behalf of Britain in Europe so that they may participate in the referendum? If that is not part of their remit, what steps is he taking to ensure that such practices cease forthwith? I understand that he has not had notice of my question, so if he is unaware of individual examples of that practice, will he undertake to investigate the matter and write to me more fully?

Mr. Alexander: I would be keen to see evidence of the situation that my hon. Friend raises, although it might be injudicious of me to say in advance of seeing that that the suggestion is a giant red herring. I shall certainly make inquiries and will happily take the matter forward with him.

Mr. Henry Bellingham (North-West Norfolk) (Con): Does the Minister agree that there are big opportunities for small and medium-sized enterprises in the accession countries and other eastern European countries with aspirations to join the EU? Surely we should boost our commercial departments in those countries' embassies. Would it not make sense for the Secretary of State to make an oral statement tomorrow so that we may go into the subject in more detail?

Mr. Alexander: As my right hon. Friend the Foreign Secretary has indicated, there will be plenty of opportunity to ask him questions during tomorrow's debate. On the hon. Gentleman's specific point about opportunities for British SMEs in accession countries, I recently had the opportunity to travel to Prague, where I met a range of British businesses that are working in the Czech Republic. They left me in no doubt about both the commercial opportunities that exist in the Czech Republic and the support and encouragement that they had received from UKTI and others in their endeavours.

Brazil

13. **Mr. Bob Blizzard** (Waveney) (Lab): When he next plans to visit Brazil to discuss world trade issues. [204244]

The Minister for Europe (Mr. Denis MacShane): My right hon. Friend the Secretary of State for Environment, Food and Rural Affairs is in Brasilia as we speak. International trade is naturally a key issue in all her meetings.

Mr. Blizzard: There could be no better answer than that. Will my hon. Friend indicate to the House the reaction of the Secretary of State for Environment, Food and Rural Affairs and his Department to last week's creation of the South American Community of Nations, which in outline merges Mercosul and the Andean Community? What bearing does he think that that will have on negotiations between the European Union and Mercosul? Given Brazil's key position in the World Trade Organisation, Mercosul and the new body, and its desire to balance its relations with America with

those with the European Union, does he agree that close political contact with President Lula's Government should be of the highest priority for this Government?

Mr. MacShane: I agree with that point. It was a pleasure to have President Lula in London last summer at the progressive governance conference, at which he made the point that dismantling trade barriers in south America, and those between south and north America and south America and Europe, was of the highest priority. He is very much at the forefront of that and I welcome all the steps that he is taking to move in that direction. Luckily, we now have an excellent EU Trade Commissioner in post in Brussels and I shall ensure that my hon. Friend's remarks are addressed to him as he takes forward the EU's relationship with Brazil.

Miss Anne McIntosh (Vale of York) (Con): Will the Secretary of State for Environment, Food and Rural Affairs be examining such trade issues as the production of sugar beet, turkey and chicken in Brazil, which is having a negative impact on producers in the Vale of York and other parts of the UK? Will the Government examine some rather dubious currency fluctuations in the Brazilian economy?

Mr. MacShane: Those reasonable questions should perhaps be addressed to other Departments. Her Majesty's Government's general view is that free trade is a good thing and protectionism is a bad thing.

Cyprus

14. **Mr. Ben Chapman** (Wirral, South) (Lab): What plans he has to take forward the Annan plan on Cyprus, with particular reference to direct flights from the UK to the Turkish Republic of Northern Cyprus. [204245]

The Minister for Europe (Mr. Denis MacShane): The Government remain strongly committed to achieving a Cyprus settlement. We continue to believe that the Annan plan represents the only realistic basis for a comprehensive solution. Ending the isolation of the Turkish Cypriot community will help moves towards a settlement and it is clear that direct flights to the north of Cyprus would contribute to ending that isolation.

Mr. Chapman: The Turkish Cypriots voted for the Annan plan and find themselves in isolation. The Greek Cypriots did not vote for it and have the full benefit of EU membership. Does my hon. Friend agree that the best way to end Turkish Cypriot isolation is not just through the establishment of direct flights, but through the flow of EU aid, direct trade and movement on Annan?

Mr. MacShane: My hon. Friend is right on all three points. The EU is contributing €259 million-worth of aid to the north, but he is right to stress that trade and investment are by far the best ways forward. We are in active discussion with all our EU partners on the matter. If we get a positive result on Turkish accession at the European summit this Friday, I hope that that will also send a signal that the time has come to allow trade 360° around the compass to develop on the island of Cyprus.

Mr. Roger Gale (North Thanet) (Con): Will the Minister confirm that there is no such thing as the Turkish Republic of Northern Cyprus as a recognised entity? If he believes that there is still life in the Annan plan, can he tell the House what the Government are doing to secure, first, the removal of the illegal army of occupation in the north, and secondly, a restitution of the property stolen from Cypriots?

Mr. MacShane: The hon. Gentleman is right to say that the Government do not recognise the Turkish Republic of Northern Cyprus. We have seen a clear commitment from the Turkish Cypriots in favour of Annan, but alas, a rejection from the Greek Cypriots. We are where we are. I have raised the issues that the hon. Gentleman mentioned with the Turkish Government and on the record, publicly, in Turkey, but it needs two sides to talk. On a recent visit to Cyprus, I urged both the Greek Cypriots and Turkish Cypriots to come together and have their own meetings at all levels to find their own solutions, because ultimately the problem of Cyprus needs to be resolved by the Cypriots themselves.

Mental Capacity Bill (Programme) (No. 3)

12.31 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): I beg to move,

That the Order of 11th October 2004 (Mental Capacity Bill (Programme)) (as amended by the Order of 12th October 2004 (Mental Capacity Bill (Programme) (No. 2)) be varied as follows—

Consideration and Third Reading

1. Paragraphs 4 and 5 of the Order of 11th October 2004 shall be omitted.

2. The proceedings shown in the first column of the following table shall (so far as not previously concluded) be brought to a conclusion at the time specified in the second column—

New Clauses relating to life-sustaining treatment and best interests.	3.30 p.m. on the day on which proceedings on consideration are begun.
New Clauses relating to research and to independent consultees	5.30 p.m. on that day.
Remaining proceedings on consideration	6 p.m. on that day.

3. Proceedings on Third Reading shall, so far as not previously concluded, be brought to a conclusion at 7 p.m. on that day.

The Government want to ensure that there is sufficient time to debate the important issues that arise in the Bill, and we recognise the need to allow adequate time to debate the amendments relating to best interests and advance decisions. That is why we have provided for the debate to last until 3.30 pm on all the amendments in the first group. It is also important that we allow time to discuss the other important issues—independent consultees and research. A number of amendments have been tabled on those subjects, which concerned hon. Members on Second Reading and in Committee. I hope the time allocated this afternoon will allow us to debate all the amendments and the technical arrangements in the three groups.

12.33 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab): There have been reports that the Government would table new amendments to respond to concerns in the House. In response to my hon. Friend the Member for Chorley (Mr. Hoyle) and myself at business questions last Thursday, the Leader of the House said that the Government would table new amendments today. There are no new amendments. That undertaking has not been fulfilled.

How are we to proceed today? Will we get some kind of assurance—which, if it is not backed by amendment, will be worthless—from the Minister in charge, about what the Government intend to do in another place or at some other time? How can the House of Commons proceed reasonably on a Bill that affects large numbers of people, which affects the consciences of Members in all parts of the House, and on which the two Opposition parties have a free vote, whereas we do not?

How is the House of Commons to proceed in a sensible, reasoned way on issues that touch the heart of the life of human beings, if the Government are not fulfilling the commitment that they made that new amendments would be tabled, and if the all the backdoor conversations that appear to have been going on during the past few hours have not resulted in anything on the Order Paper?

12.34 pm

Sir Nicholas Winterton (Macclesfield) (Con): May I warmly support that point, which the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) has made extremely well? On Thursday, I was here for business questions, when the Leader of the House clearly indicated that the Government would table new amendments. I share the view of the right hon. Member for Manchester, Gorton that unless the words appear on the face of the Bill, all the whispers and assurances given in a quiet corner are valueless.

Before we proceed this afternoon, I hope that the Minister will indicate precisely where the Government stand, because the amendments, which the Leader of the House properly promised last Thursday at business questions, have not materialised. Are we to trust the Government? This is a matter of high moral principle, and before we proceed any further, I hope that the Minister will give assurances that satisfy me, the right hon. Member for Manchester, Gorton, and many other hon. Members who feel strongly about the subject.

12.36 pm

Mr. Kevin McNamara (Hull, North) (Lab): It would be helpful if we knew the Government's intention on new clause 4. We have received correspondence that indicates that the Government will accept new clause 4, which has been tabled by my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth), subject to a little bit of tweaking here and there. I do not like new clause 4, but if undertakings have been given, we must know what they are.

It would be useful if we knew the issues on which we can divide—I can see three such issues in the first batch of amendments.

Sir Gerald Kaufman: My hon. Friend is discussing what we know and what we do not know. Hon. Friends have been in touch with me on the telephone and in other ways to say that they have had conversations with senior members of the Government, who have given assurances about the changes that they intend to make to the Bill, but no changes have been produced. Assurances were given in conversations held yesterday evening and perhaps today—so far as I can gather, they were given to assuage the strong feelings of a number of hon. Members—but they have not materialised. The Minister could give us some information about those assurances before our detailed discussion of the clauses.

Mr. McNamara: I am grateful to my right hon. Friend for that timely and short interjection in my speech. He has, however, deprived me of at least half a column on the subject in *Hansard*.

Many Labour Members fear that they will make a lot of points and that the Government will stand firm, before capitulating in the Lords. It would be better if the Government capitulated to elected Members rather to their lordships.

12.38 pm

Mr. Lammy: Once we get to the debate, I hope to satisfy hon. Members. Government amendments have been tabled today. On the delicate issues in the Bill, the Government have continued to talk to interested parties and hon. Members. I look forward to getting into the debate, acknowledging where we have made progress and examining whether any outstanding issues remain between us.

Sir Gerald Kaufman: Will the Minister allow me, before he sits down?

Mr. Speaker: Order. The Minister has sat down.

Question put and agreed to.

Orders of the Day

Mental Capacity Bill

As amended in the Standing Committee in the last Session of Parliament, considered.

[Relevant document: The Twenty-third Report from the Joint Committee on Human Rights, Session 2003–04, on Scrutiny of Bills: Final Progress Report, HC 1282.]

New Clause 1

EXCLUDED DECISIONS

'(1) Nothing in this Act permits, authorises or gives validity to any decision made with a purpose of bringing about the death of the person about whose welfare the decision is made.

(2) The provisions of subsection (1) do not apply to—

(a) a decision that a life-sustaining treatment is not to be carried out or continued because it would be unreasonably burdensome to the person; or

(b) the power of the court to make such order concerning the continuance of life-sustaining treatment as it considers to be in the best interests of a person whom it has determined to be irreversibly unconscious.'.—*[Mr. Dobbin.]*

Brought up, and read the First time.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): On a point of order, Mr. Speaker. The Minister just said in response to my hon. Friend the Member for Hull, North (Mr. McNamara) that there are new Government amendments. I have the selection list in front of me, and there is not a single starred Government amendment. Are there amendments that we do not know about?

Mr. Speaker: I say to the right hon. Gentleman that all the amendments are there. My selection of amendments is published, and the House will know about them.

12.40 pm

Jim Dobbin (Heywood and Middleton) (Lab/Co-op): I beg to move, That the clause be read a Second time.

Mr. Speaker: With this we may consider the following:

New clause 2—*Excluded decisions (No. 2)*—

'(1) Nothing in this Act authorises the withdrawal of palliative care.

(2) "palliative care" includes the provision of—

(a) relief of pain, suffering and discomfort;

(b) nutrition and hydration, however provided.

(3) The provisions of subsection (1) do not apply to—

(a) a decision that nutrition and hydration is to be discontinued because it would be unreasonably burdensome to the person; or

(b) the power of the court to make such order concerning the continuance of life sustaining treatment as it considers to be in the best interests of a person whom it has determined to be irreversibly unconscious.'.

New clause 4—*Palliative care*—

'Nothing in this Act authorises the withdrawal of palliative care.'.

Amendment No. 46, in clause 1, page 1, line 16, at end insert—

'(7) An act done, or decision made under this Act by any person acting in a professional capacity, or for remuneration, for or on behalf of a person who lacks capacity must:

(a) not be done in a way that is less favourable than the way in which it would be done or made for, or on behalf of any other person who lacks capacity, or for a person who had capacity, in a comparable situation.

(b) be done without prejudice to the person's age, sex, sexual orientation, disability, religious persuasion, racial origin, cultural and linguistic background and membership of any ethnic group.'.

Government amendments Nos. 3 and 4.

Amendment No. 1, in clause 4, page 2, line 4, at end insert—

'(3A) Where the determination concerns or affects the person's personal welfare, he must consider the person's life and health as basic to that welfare.'.

Amendment No. 45, in page 3, line 3, at end insert—

'(4A) This must include the provision of communication support appropriate to the person, in particular in relation to the matters mentioned in section 4(5).'.

Amendment No. 2, in page 3, line 3, at end insert—

'(4A) He must, where the determination relates to life-sustaining treatment, begin by assuming that it will be in the person's best interests for his life to continue.'.

Government amendment (a) to amendment No. 2, in line 2, leave out 'best'.

Government amendment No. 5, in page 3, line 27, at end insert—

'( ) "Relevant circumstances" are those—

(a) of which the person making the determination is aware, and

(b) which it would be reasonable to regard as relevant.'.

Amendment (a) to Government amendment No. 5, in line 2, after 'determination', insert 'acting with due diligence'.

Government amendments Nos. 37, 38 and 6.

Amendment No. 32, in page 14, line 10, leave out clause 24.

Amendment No. 42, in clause 25, page 15, line 5 at end insert—

'and it was explained to P before reaching his decision that the withdrawal of the treatment in question might include the withdrawal of artificial nutrition and hydration'.

Government amendment No. 39.

I call Iain Duncan Smith to move new clause 1. [HON. MEMBERS: "Jim Dobbin."] I call Jim Dobbin.

Jim Dobbin: Thank you, Mr. Speaker.

It is important to say at the beginning that there are several very important amendments that colleagues want to discuss, and time is short. It is therefore important that we get on with the debate and reach as many of those amendments as possible.

Like many hon. Members, I welcome the Bill, which is long overdue and contains many good things that will benefit and protect those in a vulnerable position. As the Minister said, there has been genuine dialogue, which I have been part of, and some welcome changes have been made to the Bill, especially on clause 58, which makes it clear that the Bill does not change the law on murder, manslaughter or assisted suicide. I made that point on Second Reading, and it has been taken up.

Nevertheless, I still have concerns. One danger that needs to be addressed is that clause 58 would inadvertently allow euthanasia by omission. I know that that is not, and never has been, the intention, and that euthanasia forms no part of the Government's policy. That has been made clear in many statements over the last few years. However, if the wording in this area were strengthened, the danger of euthanasia by omission would be averted.

Unamended, the Bill would mean that those making proxy decisions to withdraw or to omit medical treatment could commit euthanasia without infringing clause 58. As it stands, if a proxy instructed a doctor to stop life-sustaining treatment, the doctor could do so with impunity because the purpose of his doing so would be to uphold the law which gives enforcement to the proxy's instructions. Even if the proxy had an unlawful purpose in making a decision to stop life-sustaining treatment, it would not be the proxy's decision that would cause death, but the doctor's action in withdrawing the life-sustaining treatment. Many proxies and decision makers would have been persuaded that because of the patient's feelings and values, death would be in the patient's best interests. They would argue that the lawful purpose of bringing about death by omission should be pursued. At present, under this jurisdiction only a court makes that decision and it is made only in rare and exceptional circumstances.

Unfortunately, if unamended, the Bill would allow proxies and decision makers to withhold life-sustaining treatment, including food and fluid, and in numerous circumstances. That would not be a problem if all decision makers and proxies were influenced by the purest motives and sought only the patient's best interests, but we know that in some cases the motive of proxies may be their own self-interest. What is best for the patient could be replaced by what is best for the proxy. A doctor does not have to challenge the proxy's decision in court if he or she feels that the withdrawal of life-sustaining treatment is not in the patient's best interests: who then is going to protect the patient? If we adopt new clause 1, doctors will be able to resist a proxy if they think, in their clinical judgment, that continuing treatment would be in the patient's best interests.

Mr. Kevin McNamara (Hull, North) (Lab): My hon. Friend will be aware of the statement made by the noble Baroness Warnock over the weekend in which she urged people going into homes to consider the financial implications for their relatives. Would not this be the start of a slippery slope towards the impure motives that attorneys or personal representatives might have, and to which my hon. Friend alluded? Did not the Baroness inadvertently do us all a favour by saying what the true interests of many people may be?

Jim Dobbin: Yes, I heard Baroness Warnock commenting on the matter on television. Those implications are the reason for tabling new clause 1, which would enable doctors to resist a proxy if, in their clinical judgment, they believed that continuing treatment would be in the patient's best interests. It would also allow doctors to withdraw treatment that is

[Jim Dobbin]

"unreasonably burdensome" to the patient. I hope that that shows that new clause 1 would not change existing law.

12.45 pm

Chris Bryant (Rhondda) (Lab): I believe that I am as opposed as my hon. Friend to euthanasia. However, what precisely does he mean by the phrase "unreasonably burdensome", which appears in new clauses 1 and 2?

Jim Dobbin: We do not want to subject the patient to undue hardship or pain—that is what "unreasonably burdensome" means.

New clause 1 would not change existing law.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): There is another aspect to "unreasonably burdensome". Let us take the case of someone in their last days who is likely to die and finds it uncomfortable to be fed or receive fluids. The new clause would allow withholding in those specific circumstances so that there would not be court cases or judgments against anyone. That covers one cause for concern.

Jim Dobbin: The right hon. Gentleman clarifies my comments.

The purpose of the new clause is to prevent the extension of the law to proxies and its widening to other circumstances that were not established in the original judgment. I am convinced that that is not the Government's intention, but that will be the effect if the Bill goes through without amendment. We need to close the loophole.

Mr. Frank Field (Birkenhead) (Lab): My hon. Friend says that widening the law is not the Government's intention. Would it not help all hon. Members if the Government clearly stated that, by medical support, they do not mean food and liquids?

Jim Dobbin: I agree with my right hon. Friend. That has been part of the discussion in the past year or so. We are anxious for those words to appear in the Bill.

Mrs. Angela Browning (Tiverton and Honiton) (Con): The hon. Gentleman knows that, on Second Reading and in our deliberations in Committee, the Under-Secretary was repeatedly asked to confirm or deny that the word "treatment" in the Bill included nutrition and fluid. He failed to do that. If he did that today, there would be much greater clarity in the debate.

Jim Dobbin: I hope that my hon. Friend the Under-Secretary has listened to the hon. Lady's comments.

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): In the past few weeks, we have examined the specific difficulty that, although food, fluid and palliative care for someone in their dying stages is vital and doctors and nurses would fail in their duty if they did not offer comfort, especially through moistening the mouth, we all know old people who do not want tubes and feeding in those last days. Those people can make an advance decision that they do not want to be fed by tube. That is the central issue.

Jim Dobbin: That is a totally different matter.

We need to establish clearly and unambiguously that proxies and decision makers are not authorised to make decisions with the purpose of bringing about the death of the patient.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): My hon. Friend has heard the views of my hon. Friend the Under-Secretary, who implied that the new clause is about imposing burdensome treatments on individuals at the end of their lives. Will my hon. Friend take the opportunity to restate that the new clause would not impose burdensome treatment but ensure that people who are comfortable in their condition receive hydration and nutrition rather than being starved to death or left to die of hunger?

Jim Dobbin: My hon. Friend is right that the new clause deals with that.

Although the Shipman case was exceptional, it shows how the unscrupulous can misuse a position of trust. The aim of the Bill is to provide security and sound legislation to protect the vulnerable. The intention is to benefit those who are not in a position to look after themselves. It is up to us to ensure that the wording is not detrimental to those whom we are trying to protect.

I stress that new clause 1 is not designed to overturn the Bland judgment, but I accept that there has been concern that it might. It is a declaratory provision and does not create any new criminal offence or civil wrong. If it did, it could be argued that it seeks to overturn the Bland judgment. However, that is not so. It is a declaratory provision that makes it clear that provisions with the purpose of causing death have no place in the Bill. New clause 2 (2) expressly reserves the power of the court to make decisions on withholding or withdrawing life-sustaining treatment, which is an important safeguard against the exercise of unscrupulous motives. We have not tabled new clauses 1 and 2 because we are vitalists and seek to preserve life at all costs. It is right that we should limit medical care where it will not work, where it is futile or when it is burdensome. Having worked in the health service for more than 33 years, I accept that that is done regularly in clinical practice.

It is, however, an entirely different matter to require that treatment and/or assisted food and fluid be withdrawn or withheld from patients who are not dying. If unamended, the Bill would allow that in certain circumstances. We are trying to protect the most vulnerable people. The question should always be, "Is the treatment worth while?"

Mr. Frank Field: I am grateful to my hon. Friend for allowing me to emphasise that those of us who are worried about this will support his amendments if necessary in the Lobby. His aim is not to keep people alive at all costs. We want people to die well, and we should not strive officiously to keep them alive when they are dying. However, we do not want to bop people off when they have quite a lot of life ahead of them. That

is the emphasis of new clauses 1 and 2. If we do not receive a satisfactory response from the Minister, we should support my hon. Friend in the Lobby this afternoon.

Jim Dobbin: I agree.

I shall conclude, because many Members wish to take part in the debate. For the record, I would like to make the purpose of new clause 1 crystal clear. In *The Times* today, my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) said that new clause 1 would leave doctors with no alternative but to keep people alive as long as possible. That is categorically not true. New clause 1 allows life-sustaining treatment, including assisted food and fluid, to be withdrawn in cases where it is futile or burdensome and where doing so would not interfere with good palliative care.

Mr. Lammy: Does my hon. Friend accept the advice of many oncologists or cancer specialists that some cancerous tumours are fed by artificial nutrition and hydration, and thus hasten death?

Jim Dobbin: The Minister has raised that issue with me in the past, but I do not agree with him.

Mrs. Browning: In the cases that the Minister mentioned, where a tumour is at an advanced stage and hydration and nutrition are withdrawn, inevitably, painkilling drugs have to be increased. As a result, the patient is unable to take sustenance through the mouth, but carers must still make sure that in their dying hours that they have moisture around the mouth. It is incredibly uncomfortable not to have hydration, even if it is not swallowed down.

Jim Dobbin: The hon. Lady makes the point very clearly.

I have spoken long enough on this issue because, as I have said, there are other important amendments to be discussed.

Mrs. Curtis-Thomas: My hon. Friend will have heard the Minister, who again implied that people would be forced to take hydration and food when it was blatantly obvious that that would be burdensome for them. Will my hon. Friend take the opportunity once again to assert that we would like people to receive hydration and nutrition, but not when it is burdensome for them?

Jim Dobbin: I have made that point a number of times, and I am grateful to my hon. Friend for reiterating it.

Mr. Duncan Smith: I support new clauses 1 and 2. The hon. Member for Heywood and Middleton (Jim Dobbin) has set out a strong, factual case as to why the Government should support our proposal. I shall concentrate on only one thing, because there is a tendency to overcomplicate the issue. This group of amendments is at the heart of our debate today and we should consider whether or not, at the end of it all, we should withdraw food or fluids from people who would otherwise live. That is the critical point. The problem with the Bill is that it would give powerful legal backing to a certain interpretation of living wills. By the way, many Members may not know that a living will does not have to be a written document, and could result from a general conversation while watching a television programme which, like one shown in the United States, graphically depicts what happens to people who are in pain later in life. Someone might say to someone else, "Look, you are going to be my advocate. I do not want to be kept alive unnecessarily, and I do not want medical intervention to keep me alive." When the individual is incapacitated, their advocate can say that they made it clear that they did not want any medical intervention. However, the individual concerned would not have said that they wanted food and water, the most natural form of treatment, to be withheld. That is at the heart of our proposals which, as the hon. Member for Heywood and Middleton said, do not aim to overturn the Bland judgment.

To make my position clear, I think that the Bland judgment was wrong. I have tabled amendments proposing that Parliament should make such decisions and not leave them to the courts. Why, after all, are we elected to the House if not to represent the interests of our constituents and make these decisions on their behalf, having discussed the matter with them? However, I am prepared to compromise, and I support new clauses 1 and 2, which will not reverse the Bland judgment, much as I would have liked them to do so. They make it clear that we should find in favour of life—that is the critical issue. Some people have asked for a definition of "burdensome". At the moment, however, the priorities are the other way round, and under the Bill it would be easy to withdraw food and fluids from an individual.

Doctors and nurses in other parts of the world often disagree with the advocate's judgment. Some of them say that they can communicate with the individual, but their arguments have failed in court. That is the problem with the Bill, which removes the opportunity to reconsider what happens to a loved one. If the person concerned is conscious, even briefly, it prevents them from making a final judgment. That is the key issue. Many hon. Members on both sides of the House will agree that the hon. Member for Crosby (Mrs. Curtis-Thomas) spoke movingly about her experience when her mother died. If they have not already done so, I recommend that they read her speech, which makes it clear that we should make a judgment in favour of life. If we persistently confuse medical treatment with administering food and water, we will find against life.

Mr. Lammy: Does the right hon. Gentleman accept that people can make a living will under common law, and that the Bill provides the safeguards that doctors have been calling for when making those advanced decisions? Does he accept that that is why Age Concern, Help the Aged and the Alzheimer's Society have asked for such legislation?

Mr. Duncan Smith: With respect, we have been through that many times. People are not against the principle of clarifying the position on living wills. However, new clause 1 deals with the problem that food and fluids are deemed to be medical treatment by the

[Mr. Duncan Smith]

courts. Someone who specifies the withdrawal of medical treatment or tells someone else that that is what they want is unlikely to mean that they wish to be starved or dehydrated to death. That is the problem at the heart of the bill.

1 pm

Claire Ward (Watford) (Lab): I am listening carefully to what the right hon. Gentleman is saying. He makes the point that he does not agree with the Bland judgment. I agree with it, although, at the other end of the scale, I do not agree, under any circumstances, with euthanasia. He is essentially arguing against Bland, which makes things difficult as it is confusing the issue surrounding new clause 1. I find that extremely difficult, since he does not agree with the Bland judgment, yet he is arguing the case for new clause 1.

Mr. Duncan Smith: The hon. Lady says that she does not agree with euthanasia, but what is being done to someone in terms of bringing about their death when food and fluids are withdrawn? I do not understand this ludicrous debate—dancing on the head of a pin—about what happens to somebody: if I stop someone eating and drinking, they will die and I would be assisting them to die. That, in essence, is euthanasia.

I have said all along that I do not necessarily agree with how the Bland judgment has classified food and water as medical treatment, but I am prepared to accept that we should not overturn it through the Bill. I am saying that the declaratory position would change the emphasis and move the question to whether a treatment is worth while, which is what we should be asking, rather than whether a patient's life is worth while, as will be the case under the Bill. That is a fundamental difference, that is what the new clauses would do and that is what I am prepared to accept.

Mr. Frank Field: Does the right hon. Gentleman accept that we are not discussing the Bland judgment? That comes later, but it is important to make that clear. My hon. Friend the Minister has trotted out Age Concern and all those other great organisations, but how many of their representatives have living wills? The vast majority of our constituents do not have living wills in any form, written or unwritten.

In considering the Bill, we are dealing with those who are incapable of making a judgment. What should the legal framework be to protect their interest? That is the judgment we have to make, but not for those of us who have decided that we want to go out of this world in a certain way. There is a case for debating that issue in respect of living wills and for honestly debating euthanasia, but there is no case for having euthanasia by the back door—withdrawing food and liquids from people when we are professing to do something else.

Mr. Duncan Smith: I agree: that is where we are and what I began with in speaking in support of the new clause. I genuinely cannot understand why any Member of the House would not support the new clause, because as has just been made clear and as I made clear earlier, this does not deal with the Bland judgment. It would make it clear, should these issues go to court, that the favour rests on whether a treatment is worth while. That is what the two new clauses address and I do not consider this such a radical move. It would be a fair decision that took into consideration concerns that the Minister raised in Committee, I gather, and on Second Reading. It would do no Member any harm to vote for the new clause, because it would help to reshape the Bill with regard to the issues that all those charities referred to.

I accept it from the Minister that there are many who want the Bill. I have said that a large chunk of it is welcome, but this area leaves it very open to challenge.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): Can the right hon. Gentleman assure me that his new clauses are so well drafted that they would not allow circumstances in which someone moving inevitably towards a dignified and peaceful death was disturbed by unnecessary and uncomfortable medical treatment?

Mr. Duncan Smith: I can give the hon. Gentleman the assurance of a non-lawyer and of someone who, I hope, comes to the House with a certain amount of common sense. These new clauses were drafted so that that could not happen. If the Government think that areas of the new clauses would cause a problem, please come forward and help us to redraft them. Let us do that right now and vote on them, but they will not do that, as they seem almost scared stiff of any amendment to the Bill. We heard from the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), who said that Members of the House were all promised that amendments would be tabled. No such serious amendments have been tabled. The reason is that the Government do not want this area to be dealt with at all.

I simply say to hon. and right hon. Members in all parts of the House that we have in front of us today a very serious question: do we make a presumption for life or a presumption that, in some circumstances an individual may have their life ended, and assisted to be ended, by doctors and others who might be against such a presumption for life?

Mr. Lammy: The right hon. Gentleman frames his contribution around the advance decision as it pertains to new clause 1. Does he accept that the advance decision is exceptional in the Bill, as most of it concerns best interests? In dealing with the individual's right when he has capacity to say, "One day, when I no longer have capacity, I do not want this kind of treatment," we are not dealing with best interests in that regard. Also, quite rightly, we say at clause 25(5) that the person should be specific when life-sustaining treatment is involved. That is an important hurdle and something that we should all take seriously.

Mr. Duncan Smith: So presumably, the Minister is going to move an amendment that will result in all these living wills being written down and legally checked. Is he going to move such an amendment right now? No, although I will give way to him if he wants to tell me that that is the case. He knows very well that he will not, so let us not have this stupid and silly game in the House. The fact is that he knows that had he said to many of his

colleagues that this would be written down and regularly checked. There might have been a reasonable debate on this matter.

I do not know why the Government are playing this game. Someone might have said such a thing to another person five or six years previously, but are we presuming that they never thought about it again and that their mind did not change over that period? Of course not. The Minister knows very well that, as the hon. Member for Crosby said, people change their minds. We know that most people who attempt suicide do not want to die. That is the reality. Many such people have said it subsequently—they changed their mind. The Bill does not allow for that, which is the key issue.

Mr. Lammy: We had that debate on Second Reading. Suicide notes are ruled out. A suicide note could never, ever be an advance decision. The right hon. Gentleman makes an important point about the written statement. If the Government were to give such an undertaking, would he vote with us today?

Sir Gerald Kaufman (Manchester, Gorton) (Lab) *rose—*

Mr. Duncan Smith: I give way to the right hon. Gentleman.

Sir Gerald Kaufman: May I suggest that if that is the calibre of the Minister's interventions today, he would do better to remain seated? May I make this point to the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith), which has been illustrated by my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas)? It is one thing for a person to signify an advance wish when they are articulate, but a time may come when they are no longer articulate although their mental activity is as strong as it was and they want to change their mind. The Bill before the House slams the door on that change of mind.

Mr. Duncan Smith: That is exactly right and it is my main reason for supporting the new clauses. I say to the Minister, with respect to him, that it is a bit late in the day to come here and play this game. "If I say that I might say this, would you say something else?" I thought that, in government, the object is to lay one's position on the table so that we can all decide whether we agree.

The Minister has had plenty of time to come to the House with specific amendments to allow us to vote on what is in his mind, not on what he might do. He has time—if he wants to do that, let him do it—but I am not going to play this game. "If you do one thing, I might do the other."

I feel passionately about this issue, which is not party political, and I have been inspired by speeches made from the Labour Benches and by actions of many of the Minister's colleagues who are opposed to this proposal. I simply say to them all that this is a chance for Members of the House, once and for all, to represent our constituents and to do something that perhaps the courts do not do—take genuine consideration of real people who suffer and worry about such events. People who are not necessarily members of the judiciary or legally qualified—that is us—can do something with a bit of passion and heart. We can put some heart and soul into a soulless Bill. We should vote for these new clauses.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I wish to speak to amendment No. 2, which is in my name and that of the hon. Member for Tiverton and Honiton (Mrs. Browning), and new clause 4, which is in my name and that of several of my hon. Friends.

Amendment No. 2 represents a genuine effort to build a consensus, which we hope addresses the key objectives that must be addressed if we are to resolve the issue. From the debate so far, I have a clear sense of what the House does not wish to condone in respect of patients who are in a coma or are otherwise incapacitated and unable to make a realistic or meaningful decision, who may be inappropriately subjected to invasive procedures to sustain or hydrate them in the last hours of their lives. Furthermore, I do not believe that we should in any way undermine the principle of advance directives, on which there is also some consensus, in terms of the circumstances in which those directives might be taken seriously. In that regard, the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) made an interesting point about a conversation held while sitting watching the television, but advance directives and the intent behind them should be judged more seriously than that.

Mr. Duncan Smith: With respect to the hon. Gentleman, I notice that new clause 4 says:

"Nothing in this Act authorises the withdrawal of palliative care".

In our new clauses, we define palliative care as including food and fluids. Is that included in his definition?

Mr. Howarth: I will talk about new clause 4 in a moment, and try to explain the point about which the right hon. Gentleman has asked me. I want to develop the argument in a logical way.

Mrs. Curtis-Thomas: My hon. Friend has expressed some reservation about the way in which advance directives are articulated. This morning, I spoke to a consultant from the Netherlands, who talked about the Dutch rules and regulations on euthanasia. He said categorically that there would be no moves to euthanise a body without express written consent that indicates that the individual has been made fully aware of the consequences of the decisions that they are about to make. Would he be keen to see a move made that would formally require advance directives to be written rather than verbally communicated?

Mr. Howarth: My hon. Friend will forgive me if I do not address that point at this stage. I have tabled new clause 4, I will speak to it, and I will listen with interest to what my hon. Friend the Minister says in response. My approach to this matter will become apparent, I hope, during the course of my speech. My hon. Friend almost certainly will not agree with me by the end of it, but she will at least see where I am coming from.

I do not want people without capacity to be unnecessarily deprived of sustenance or liquids. Most of us do not want people to be unreasonably subjected to invasive procedures in the last hours of their lives. Moreover, there is the issue of advance directives.

Mrs. Browning: In the context of people in the last hours of their lives, it is not just what the Bill does in terms of their wishes that is the issue, but how the medical profession will interpret the Bill in terms of possible litigation against them, if it is not interpreted in the way that they see it as drafted. The worry is about getting the balance right between sustaining fluid and nutrition until the point at which someone does not naturally take it, and then having invasive procedures. Under those circumstances, nobody would ever die peacefully at home.

1.15 pm

Mr. Howarth: I thank the hon. Lady for that intervention. Just as the right hon. Member for Chingford and Woodford Green was inspired by my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas), it was a speech made by the hon. Member for Tiverton and Honiton (Mrs. Browning) in Standing Committee that set me off along this track. I will address exactly her point in a few moments.

Many of the views expressed already in the debate reflect people's decency and straightforwardness in terms of how they wish to interpret the Bill. To be fair and honest, it is not reasonable to say that those qualities exist on one side of the argument but not on the other. Everybody is struggling to find a way through these difficult issues. In the course of trying to arrive at a form of words that makes some kind of sense, I sat through almost all of the Standing Committee, and consulted the British Medical Association and as many of the faiths groups as I could—some chose not to respond, for whatever reason—and I feel that there is a genuine wish in the House and elsewhere to arrive at a decent, straightforward conclusion that reflects in the best way possible the many circumstances in which the provisions will have to be applied.

Mr. Frank Field: Does my hon. Friend accept that many of us could vote for his new clause but also for the others? He is dealing with an immensely important area that strengthens the role of the doctor. He will know that one of our most distinguished doctors, Professor Tallis, has written that he has undertaken treatment when he believed that he should not do so, because, like all other doctors, he was scared of what the relatives would do to him in the courts. The new clause strengthens the hand of doctors in saying that treatment is not right at such a stage, and it is therefore fair for some of us to support him in the Lobby on his new clause while also voting for the other new clauses that are down for discussion.

Mr. Howarth: I have known my right hon. Friend for many years and have found that the best course of action with him is not to provide him with any advice, as he has his own opinions and arrives at them in his own way. I am confident that he has the intellectual capacity to work out his own position. What I would say, however, is that there is some merit in his argument. Earlier, we both took part in a Merseyside radio programme—we were not on the same programme simultaneously, but I had the benefit of hearing his contribution—and he made that point then. The climate is difficult, and we live in what people have referred to as a compensation culture. His concern is genuine and I am sure that, if a distinguished medical practitioner says that it is a problem, we must take it seriously. I hope that my hon. Friend the Minister will address that point when he speaks later in the debate.

Mr. Andy Reed (Loughborough) (Lab/Co-op): On consensus, it is clear that most people in the House would not want any form of euthanasia. For people such as me, who feel strongly about that, there is a certain amount of confusion at this stage about exactly what is being proposed. Having listened to my hon. Friend's contribution so far, I am looking forward to hearing more of it. I also have a great deal of sympathy with what the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) said, following our discussion earlier this morning. As my hon. Friend makes progress in his speech, will he enlighten us as to what he believes are the deficiencies of new clauses 1 and 2, and how his new clause would make the position much clearer, as many of us are genuinely struggling with this issue even at this late stage, despite the thousands of briefings that we have received from all parts of the country?

Mr. Howarth: What my hon. Friend says reflects the anxieties of many Members on both sides of the House. I do not suggest that this should be the final word, but I think it relevant to remind Members of the wording of clause 58, entitled "Scope of the Act". It says

> "For the avoidance of doubt, it is hereby declared that nothing in this Act is to be taken to affect the law relating to murder or manslaughter or the operation of section 2 of the Suicide Act 1961 (c. 60) (assisting suicide)."

Mr. David Drew (Stroud) (Lab/Co-op): Will my hon. Friend give way?

Mr. Howarth: I will, if my hon. Friend will allow me to go on replying to my hon. Friend the Member for Loughborough (Mr. Reed) first.

Both the right hon. Member for Chingford and Woodford Green and my hon. Friend the Member for Heywood and Middleton (Jim Dobbin) pointed out that the debate on euthanasia was a separate debate, although some Members might prefer it not to be. A Bill on the subject is currently before the House of Lords. To avoid any doubt, however, my hon. Friend the Minister chose to include clause 58, and I consider that helpful.

Mr. Drew *rose*—

Sir Gerald Kaufman *rose*—

Mr. Howarth: I did say that I would give way to my hon. Friend the Member for Stroud (Mr. Drew). I will give way to my right hon. Friend after that.

Mr. Drew: Some of us would find the whole debate much easier if Lord Joffe's Bill had reached this place and we had made a clear decision—which, in my case, would have been totally against euthanasia. The debate has a backcloth of uncertainty, which is why some of us are finding it difficult. Once we have put that issue to rest, we can return to what this Bill is trying to do. Would my hon. Friend care to comment?

Mr. Howarth: To be honest, no. It is not that I am afraid of the argument; my hon. Friend is trying to get me to debate something that is not part of new clause 4 or amendment No. 2. As those who support new clause 1 have conceded, and as clause 58 makes clear, it forms no part of the Bill. I agree with my hon. Friend on one point, however. Had I had any responsibility for the programming, I would have concluded that it would be easier to have this debate if we had had the other debate first. But unfortunately we do not have that luxury, and must deal with what is before us.

I promised to give way to my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman), but I feel that I should make progress after that.

Sir Gerald Kaufman: My hon. Friend thought it appropriate, and necessary, to read out clause 58. Does he nevertheless agree that if the fear that the Bill would bring in euthanasia by the back door did not exist, the Government would not have found it necessary to table that clause? In seeking to say that the Bill is not about euthanasia, it demonstrates that however much the Government may try to dodge the issue, euthanasia is a factor in consideration of the Bill.

Mr. Howarth: My right hon. Friend and I crossed swords in a slightly different context last night. I said then that I was always loth to enter into a disagreement with him, on two grounds: the ground that I have enormous respect for him, and the ground of self-protection.

My right hon. Friend makes his own serious point in his own serious way, and I think it would be more appropriate for my hon. Friend the Minister to respond to it. I cannot take responsibility for my hon. Friend. I should be delighted to do so were he to ask me, but as he has never asked me I shall not.

I have been trying for some time to make one or two general points about the amendment and the new clause before moving on to the more detailed argument. When I tabled the amendment, I was deeply conscious that I risked offending Members who have the same broad objectives as me, but wish to arrive at the same conclusion by a different route. To an extent, that risk has already been evident. I can only say that I recognise the absolute sincerity that those Members have brought to the debate, and hope they recognise that I am equally sincere. My disagreement with them relates not to their sincerity or objectives, but to how we can get to the best possible place. I believe that most Members, and most of the general public, want to get to the same place. The choice between the new clauses and amendments we are discussing is about how we get there. It is not that we want to be in different places; it is a question of which route we take.

I hope that I shall not offend too many Members, because the hon. Member for Tiverton and Honiton and I are genuinely trying to build a realistic consensus. Like the right hon. Member for Chingford and Woodford Green, I am not a lawyer, but I have some years' experience as a Member of Parliament. That has given me insight into the need for the language of legislation to be kept simple, and the need always to be alert to the fact that the more words we apply to complex moral issues such as this, the more the meaning of those words and the intention behind them can cause confusion and lead to misinterpretation. For those reasons, as I said earlier, I have gone to a great deal of trouble to consult those who take a strong interest in this matter, in the House and elsewhere. That includes my hon. Friend the Minister.

I do not claim that the wording of amendment No. 2 and new clause 4 is perfect as it stands, but I believe it serves the objectives that I mentioned a moment ago. In what I considered a thoughtful speech, the right hon. Member for Chingford and Woodford Green said that he wanted to apply a simple test—to find in favour of life. I do not think that I have misquoted him. That is why, in amendment No. 2, I refer in terms to that very issue. The presumption in the amendment is that it is in a person's interests to stay alive—to be alive—rather than the alternative.

I made the wording simple because I think it carries the spirit of the Bill with it. It adds a qualification to the "best interests" referred to in clause 1(5). In other words, it is in the patient's best interests, in most circumstances, to stay alive. In my view, that gives a strong and clear signal to medical practitioners, and anyone appointed to act as a proxy or advocate, without giving them a set of instructions that in many cases they might be obliged to follow, even though they would not add to the comfort or dignity of the patient. Indeed, there will be cases in which the opposite will be the case.

Mr. Gordon Marsden (Blackpool, South) (Lab): As was made clear at the start of the debate, a key issue is the ability of some advance decisions to be flexible. Does it worry my hon. Friend that, in taking account of what the best interests of a patient might be, doctors and medical authorities might place too much emphasis on what might or might not have been said by that patient five or 10 years earlier? We have all heard the eloquent description given by my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas) of the case of her mother, which is a classic illustration of why it is important to preserve flexibility. Does my hon. Friend feel that the wording of his amendment would allow doctors to make their decisions largely on the basis of the physical state of the person before them, rather than on what they might have said five or 10 years earlier?

1.30 pm

Mr. Howarth: This is a hugely complicated area, and I hope that so far I have avoided trying to score points or to make party political or other arguments. The reality is that the circumstances that my hon. Friend describes—and which were indeed described eloquently on a previous occasion by my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas)—will not always be as simple as he suggests. There might be an advance directive or a living will that makes clear the person's wishes in terms that are appropriate in those circumstances. Most such cases could be dealt with, but it may well be that somebody has made an advance directive that does not take account of their current circumstances. Such cases will prove a struggle, and there is no way of avoiding that. There is the question of what is in the person's best interest medically, and the proxy's view as to what is in their best interest. Both will have to be taken into account.

[Mr. Howarth]

Let me deal briefly with an issue to which I shall perhaps return at the end of my speech—if I ever get there. *[Interruption.]* I am going as quickly as I can; I have accepted a lot of interventions. I accept that whatever we decide today, a great many cases will still have to be decided in the courts. That is an inescapable fact of life.

Mr. David Kidney (Stafford) (Lab): Will my hon. Friend give way?

Mr. Howarth: If my hon. Friend will forgive me, I will not. There is a time limit and several Members seem to be indicating that I am taking up time that in their opinion, they should be able to use to express their views. For that reason, I shall not take any further interventions but move towards my conclusion.

One of the strengths of the debate surrounding this issue has been the personal examples on which many people have been able to draw, not the least of which are the experiences that my hon. Friend the Member for Crosby described on Second Reading. Such experiences are difficult and emotionally wrought, and they have added to our understanding of what can go wrong, as well as what can go right. But we need to be conscious of the fact that it is very difficult to arrive at a general legislative proposition from particular examples. In fact, because each case is unique, it would be wrong to create a single template to govern an infinite variety of individual circumstances, and my fear is—I say this in as friendly a way as possible—that new clauses 1 and 2 do exactly that. They establish a set of instructions for people to follow in these very difficult circumstances. As the adage has it, hard cases make bad law.

It was the hon. Member for Tiverton and Honiton who caused me to think further about this issue. Initially, I held the view that the "best interest" test, which first appears in clause 1(5) and subsequently in clause 4, was the right approach, in that it was sufficiently straightforward but also allowed adequate discretion as to what was appropriate in each individual case. However, the hon. Lady pointed out that in cases where hydration might not be appropriate, it could still be extremely uncomfortable for a patient to be left with a dry mouth, for example. Moreover, since such patients would probably be unable to communicate their discomfort, in many cases their need could be left unmet, either through lack of awareness—that is always a possibility in a busy hospital ward—or neglect, which is also possible. It was that concern that set me on this course.

The British Medical Association tells me that this is a matter of basic care, which is normally down to good nursing practice. Thirst can be detected by a simple oral sponge test and remedied by proper oral care. I should make it clear that amendment No. 2 expects such basic care to be carried out in those circumstances.

Ann Winterton (Congleton) (Con): Will the hon. Gentleman give way?

Mr. Howarth: Yes, but this really must be the last time.

Ann Winterton: I am very grateful to the hon. Gentleman, who has made great efforts to simplify this issue. My only criticism of his amendment is that it asks the House to judge whether a person's life is worth while or otherwise; in my view, the issue should be not that, but treatment. He cites the BMA in respect of basic care, but he has not dealt with the issue, raised by my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith), of withdrawal of hydration and nutrition in palliative care. We call such care basic care. Does the hon. Gentleman agree, and does he believe that it should not be withdrawn from a person who is not dying?

Mr. Howarth: In the overwhelming majority of cases, the point made by the hon. Lady and the right hon. Member for Chingford and Woodford Green will apply, but as I have said, every case is unique. As the Minister made clear in an intervention, in some circumstances and in respect of some conditions, hydration and sustenance, far from helping, would actually make matters worse. I do not want to leave scope for any misinterpretation in that regard. Basic care is one thing; hydration and sustenance is another. In the overwhelming majority of cases, they will be the same thing, but in some circumstances they might not be. I want to make it clear that even in cases where hydration is inappropriate, it is not appropriate to leave somebody with a dry mouth, for example. That would be very uncomfortable for them, and it would make the dignity and comfort of their last hours worse, rather than better. Let the House be in no doubt about that.

I and my hon. Friends the Members for Ealing, North (Mr. Pound) and for Dartford (Dr. Stoate) have tabled new clause 4, which deals with new clause 2 in simple terms; in fact, it consists solely of the first line of new clause 2 and eliminates the subsequent elaboration. I do not know what the Minister's response to it will be, but it is a genuine effort to retain the sentiment behind clause 4 without allowing it to be read as a set of instructions in every circumstance, which would be a mistake. That is the intention behind our provision, and if the Minister can satisfy me on this point I will be very happy indeed.

If there is a flaw in amendment No. 2, as the Government amendment to it implies, I stand ready to correct it and I will listen very carefully to the Minister's explanation as to why his amendment is necessary. That apart, I believe that my amendment strikes the right balance. It accepts that sustenance and liquid will normally be made available, but by stating the principle in simple terms, it allows for cases where doing so is undesirable and not in the patient's best interests. To put it starkly, I believe that it avoids setting up a practice that too often leads, albeit unintentionally, to people being attached to tubes or subjected to other invasive procedures to no useful purpose, with all the attendant discomfort and indignity caused to people in their final hours.

I commend the amendment to the House. Subject to what the Minister says, I hope that we can form a consensus around its principles and make the legislation better.

Mr. Paul Burstow (Sutton and Cheam) (LD): I rise to speak primarily in support of my amendment No. 46, but also in support of the amendments and new clauses

proposed by the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth). I shall also speak to support the proposals tabled by the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) that I have also signed.

I want to make it clear from the outset that I do not believe that the Bill gives the green light to euthanasia. That is not just my view, but that of the Catholic bishops conference, which said in its briefing to the Bill on Second Reading:

"We had argued that the inclusion of a clause such as Clause 58 was the minimum required to provide the necessary assurance that nothing in the Bill permits euthanasia. With such a clause now in the Mental Capacity Bill, together with other important changes made to meet our concerns, we do not believe that the Bill can be described correctly as a Bill introducing a permission for euthanasia".

That is an important and clear statement. Some of the press comments on the Bill seem light years away from the measured tone of the Catholic bishops. Some of the reporting over the last few days has been ill informed, misleading and, in going out of its way to frighten people, arguably mischievous. That is a real cause of concern.

The Bill is about giving people who lack capacity greater control over their day-to-day lives.

Mr. McNamara *rose—*

Mr. Burstow: If the hon. Gentleman has a question about the Catholic bishops, I am more than happy to take his intervention now.

Mr. McNamara: I am most grateful. The hon. Gentleman cited what the Catholic bishops said. However, they also said that although clause 58 could not be correctly described as introducing a permission for euthanasia, which would have meant opposition for that reason, it still had two serious and remediable weaknesses. They said that, unless the weaknesses were addressed, the Bill could still unintentionally become a vehicle for euthanasia by omission or withdrawal of medical treatment.

Mr. Burstow: The hon. Gentleman is right. That is why, in Committee, I tabled an amendment that was not dissimilar to the new clauses before the House today. It posed the question of the central purpose behind the action. Is it to hasten a person's death or is it to palliate and provide care, comfort and support? That is central to today's debate and I am clear in my personal view that the new clauses provide the additional reassurance that both the Church of England and the Catholic bishops conference are seeking from the House today. That is why I started my remarks by observing that they have been assured on certain points, but the hon. Gentleman is quite right to draw attention to the fact that some further matters remain before the House today.

As I was saying, the Bill is about giving people who lack capacity more control over the way they live their day-to-day lives. Understandably, our debate is focusing on end-of-life decision making, but the bulk of the Bill is about the millions of people in this country who lack capacity to take decisions and it provides a proper framework in which they can take more decisions and exert more control over their own lives. It is about decisions as simple as what people eat, what they wear, when they go out and when they go to bed; everyday decisions that we in the House and many of our fellow citizens take for granted.

The central purpose of the Bill is to maximise the opportunities for people to take such decisions for themselves. It enshrines in law a new starting point—a presumption of capacity—and only when it is proven that capacity is lacking can someone else start to take proxy decisions. Those outside the House who want to portray the Bill as somehow having an evil intention are doing a disservice to millions of our fellow citizens who will benefit from it. That, as well as the concerns of the Catholic bishops and others, needs to be put on the record.

That does not mean that certain issues do not remain to be debated at this stage of the Bill or that the new clauses and amendments in the group would not help to further strengthen the safeguards. Indeed, the Bill will be strengthened considerably if they are passed today. I do not mean to imply that no further safeguards are needed in respect of such matters as advance decision making. I believe that, as a general rule, they should be put in writing, but that is sadly not the case in the Bill as it stands at the moment.

1.45 pm

I want to make it clear that Liberal Democrat Members have a free vote on new clauses 1, 2 and 4 and on amendments Nos. 1 and 2. I will personally support new clauses 1 and 2 and will deal in a moment with my reasons for doing so. The hon. Member for Knowsley, North and Sefton, East is right that people on all sides of the debate are trying to strike a balance and to find a way through and make it absolutely clear that the Bill is not about euthanasia. The best way of striking that balance is by testing opinion through free votes in the House. I regret the unwillingness in certain quarters to allow free votes on this matter. It reflects a weakness in the argument, but I appreciate that it is not the hon. Gentleman's fault.

I want to speak to amendment No. 46. I believe that people have the right to expect that they will be cared for to the highest standards. The purpose of my amendment is to introduce an equal consideration clause into the statement of principles in the Bill. Such a clause would ensure that a person who lacks capacity is treated no less favourably than a person—any other person—who either lacks capacity or has capacity in similar circumstances. The purpose is to make it clear that proxy decision makers must banish their personal prejudices and attitudes when they come to act on behalf of a person who lacks capacity.

Dr. Brian Iddon (Bolton, South-East) (Lab): Is the hon. Gentleman aware of research showing that when a person is appointed a proxy or attorney—whatever one calls it—in many cases they do not always carry out the wishes of the person who gave them that power?

Mr. Burstow: That is the sort of evidence that led me to draft my amendment before the House today. It is all

[Mr. Burstow]

about ensuring that a person who lacks capacity is treated no less favourably than a person who has capacity.

Mr. Tim Boswell (Daventry) (Con): I have considerable sympathy with the hon. Gentleman's amendment. In cases of persons with learning disabilities, does he agree that there is a sad history of second-rate medical treatment—physical as well as in relation to their specific mental disability—because some members of the medical profession still somehow feel that they are less important priorities for treatment?

Mr. Burstow: I am coming on to an example that addresses precisely that point. Sadly, that is what anecdotal, and some research, evidence suggests, so if we are putting in place statutory safeguards and arrangements for proxy decision-making, we must try to ensure that we avoid those pitfalls in future. That is what my amendment is designed to do. We should never make the assumption that life has less value for people who have difficulty in making decisions or need support to do so or who may not be able to make them at all. The adoption of the new principle would further increase confidence in the operation of the Bill.

The amendment stems from evidence that has already been referred to and from anecdotal and other evidence that prejudices and attitudes about the quality of life of people with serious learning disabilities, serious mental health problems, head injuries or other conditions that affect capacity can get in the way of supporting those people as they are in respect of what they want and need. For example, decisions about treatment for elderly people or those with severe learning disabilities who lack capacity can sometimes be made by professionals on the basis that their lives are of less value than that of a much younger person.

In other words, the date of a person's birth can determine access to treatment in a most unsatisfactory and inappropriate way. Such decisions can also be taken in a perfunctory way when it comes to consultation with families. There have been examples of families coming to visit an elderly relative in hospital to find a "do not resuscitate" notice hanging on the end of the person's bed without any proper dialogue with relatives or the individual in the bed about whether that was wanted. Amendment No. 46, therefore, will also complement families' new legal right to be consulted about the care and treatment provided to a relative who lacks capacity.

In Committee, I raised a similar problem with the Minister, who argued that the Disability Discrimination Act 1995 and the Disability Discrimination Bill currently going through the House would provide protection for decisions and actions taken under this Bill. That may be so in many situations, but there are concerns that the Disability Discrimination Bill excludes a significant number of people who lack capacity. In particular, the requirement that a disability must have a long-term effect—and "long-term" is defined as a period of at least 12 months—will mean the people who lack capacity because of an illness or injury for less than 12 months will not be covered by the discrimination legislation currently going through the House.

The Minister may say that such matters should be dealt with in the discrimination legislation, but I want to give the House an example. An older person who has an accident and loses capacity temporarily, but who is likely to recover, will still need professionals to make decisions on his or her behalf. Without the new clause as amended, there would be no protection for that person against prejudicial decisions based on age alone, especially if the person involved had no relatives to make representations. If the Bill makes no reference to discrimination legislation, it will create a lack of clarity for medical professionals and others about whether they are behaving in a lawful way.

In the end, the courts will have to make decisions about the interface between this Bill and the Disability Discrimination Act 1995. Amendment No. 46 would close that gap and ensure that people are treated with equal consideration, regardless of capacity.

I turn now to new clauses 1 and 2. The latest briefing from the Catholic bishops conference makes some important points. It states:

> "It is both moral and legal to withhold treatment when it is judged that the treatment, even if necessary to sustain a patient's life, is not in the patient's best interests because, given the patient's condition, the burdens it imposes are excessive compared with the benefits it offers . . . It is not true that life must be sustained at all costs . . . One can legitimately choose to forgo or withhold treatment because its burdensomeness is disproportionate to any likely benefit from it. One can do so even though one is sure that without it death will come soon, or come sooner."

The new clauses recognise that reality. They accept that the courts still have jurisdiction in terms of making decisions. As the right hon. Member for Chingford and Woodford Green said, they do not change the Bland judgment, but they do prevent that judgment from being extended by means of a statutory provision. The focus should be on whether the treatment is beneficial or burdensome, and the aim is not to keep a person alive at all costs. Hon. Members noted earlier that we should not strive officiously to keep people alive and, ultimately, such matters must be settled in the courts.

Dr. John Pugh (Southport) (LD): Does my hon. Friend agree that one virtue of new clauses 1 and 2 is that they are highly specific? I have some sympathy for amendment No. 2, tabled by the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth). Some people have criticised it and said that it may have the effect of reversing the Bland judgment. Will my hon. Friend comment on that?

Mr. Burstow: One concern mentioned in the briefings is that focusing on quality of life, and on whether a person's life is worthwhile, causes us to miss the point. We should ask, "Is this treatment worthwhile?" That is why I shall not support the amendment tabled by the hon. Member for Knowsley, North and Sefton, East even though I know that it is well intentioned and attempts to bridge gaps.

Mr. George Howarth: I am greatly honoured to be patronised by the hon. Gentleman, and I am aware that there may be difficulties with the wording, along the

lines described by the hon. Member for Southport (Dr. Pugh). I shall wait to hear what my hon. Friend the Minister has to say before I form my judgment.

Mr. Burstow: I am grateful for that intervention, and I am sorry for the hon. Gentleman's misunderstanding of my comments on the amendment.

Dr. Pugh: My hon. Friend and I seem to be conducting a dialogue through the hon. Member for Knowsley, North and Sefton, East), but I wanted to point out that, if the hon. Gentleman's amendment were amended by the Minister in the way proposed, it would lose the support of one of those who supported it originally.

Mr. Burstow: I believe that that is so. I shall move on, as I do not want to patronise the hon. Member for Knowsley, North and Sefton, East any further.

Mrs. Browning: Will the hon. Gentleman give way?

Mr. Burstow: I want to make one more point—I hope in a non-patronising manner—and then I will give way.

Earlier, the Minister referred to certain forms of tumour that can grow larger as a result of continued hydration and nutrition. However, surely a court would decide that to withdraw treatment in those circumstances was to confer a benefit, as that would slow the progress of the condition and thus reduce the likelihood that the person involved would die sooner. That seems to be the debate that we are trying to have.

Mr. Lammy: How is the benefit conferred by the amendment? We have all been working to ensure that no one can cause death, but the amendment as drafted deals with what is burdensome, and with a situation in which a person is unconscious. The Government have spoken to the medical professionals about the circumstances of people with cancer, because we are in sympathy with the aims of the amendment. They have told us that ANH might hasten death, but that that is not covered by the amendment as drafted.

Mr. Burstow: The Government have considerable resources when it comes to drafting. The Catholic bishops have been very engaged with the Government, and very positive about their desire for dialogue. Today's debate is an opportunity to move that dialogue forward. If the Minister is able to reply to the debate by saying that he is seriously willing to enter into further dialogue with the aim of devising an amendment that would achieve a closing of the gap that has been described, that would be fine and wonderful.

Mr. Lammy: Conversations continue, and of course I will be saying that.

Mr. Burstow: I hope that the Minister will make it clear that the intention is to find a further amendment that will address this concern.

Mrs. Browning: I want to have a go at trying to persuade the hon. Gentleman to vote for amendment No. 2, which deals with the principle of the matter. The Bill talks about many ways in which life can end, and it is always difficult to address such matters adequately, but the principle behind amendment No. 2 is that it is in a person's best interest for life to continue. That may be for only a short while, or in circumstances in which invasive treatment cannot be considered, but surely the principle that life must continue must be placed on the face of the Bill. If not, the Bill will be specifically about ending life, and it should not be about that.

Mr. Burstow: No, it should not. I am still uneasy about the interaction between the drafting of amendment No. 2 and the new clause. The danger is that the Bill may be tilted towards asking whether a person's life has worth and so is worth saving. A better question is, "Is this treatment worthwhile and beneficial?" My amendment would try to change the presumption.

Mr. George Howarth: Will the hon. Gentleman give way?

Mr. Burstow: The hon. Gentleman said earlier that many hon. Members wish to speak, and I do want to make some progress, but I will let him intervene.

Mr. Howarth: I am grateful to the hon. Gentleman for giving way, but I think that he is misrepresenting amendment No. 2. The presumption in the amendment is not that it is the quality of a person's life that should be judged. It is simply that it is better for a life to continue than not to continue. Questions of quality have to do with what is appropriate in the period between a decision being made and the end of that person's life. As the hon. Member for Tiverton and Honiton (Mrs. Browning) said, that will vary in every case.

Mr. Burstow: My anxiety is made worse by the fact that an amendment proposed to amendment No. 2 would delete the word "best", and water down the original in other ways. I accept that that is not the hon. Gentleman's doing, but that is the proposition before us today, and it gives rise to further concern.

The amendments that I support are about clarity and reassurance. They are about ensuring that we are focused on treatment that is beneficial, not burdensome. We must make it clear that the courts still have jurisdiction in such decisions. Those amendments will be the subject of a free vote, but amendment No. 46 is about ensuring that regardless of whether someone retains capacity, he or she is treated in an equal fashion and is not the subject of prejudice, or bogus assumptions that lead to inappropriate treatment. That is the key to amendment No. 46 and I look forward to the Minister's response to it.

2 pm

Dr. Iddon: I speak in support of amendment No. 32, in my name and that of other right hon. and hon. Members. The amendment has the clear aim of removing advance directives, or living wills, from the Bill. I should say at the start that I do not belong to any pro-life organisations and I do not practise any religion actively, so I am not under any pressure from that direction. I am disappointed that we can have a free vote

[Dr. Iddon]

on beginning-of-life issues, but not on end-of-life issues. I would have preferred it if Labour Members had a free vote on this issue.

I remind the Government that 102 Members of Parliament have signed early-day motion 336, which recognises that there is a problem with this Bill. I cannot vote for advance directives—sometimes ironically called living wills—to become part of our statute law, because they have always been abhorrent to me. However, to those who believe in them, I say that I have no objection to people making living wills provided that they remain in common law and are not enshrined in this Bill.

I shall explain why I cannot vote to include advance directives in the Bill. First, we had a considerable debate on living wills when similar legislation passed through the Scottish Parliament. That resulted in the Adults with Incapacity (Scotland) Act 2000. The debate there resulted in similar clauses to those we are discussing being removed from the Scottish legislation. That is a significant point that we should remember. Secondly, the House of Lords Select Committee on Medical Ethics recommended in 1994 that advance directives should never be legally binding, as is proposed this afternoon. In paragraph 264 of its report, the Committee stated:

"We suggest that it could well be impossible to give Advanced Directives in general greater legal force without depriving patients of the benefit of the doctor's professional expertise and of new treatments and procedures which may become available since the Advanced Directive was signed."

The rest of the report contained similar comments.

Thirdly, there is the uncertainty cast on advance directives by the recent challenge to them by Leslie Burke of Lancaster. The General Medical Council has appealed that decision and Parliament is awaiting the result, but it is pertinent to the decision that we will take this afternoon. Leslie Burke made the point that advance directives are very negative. One can ask the doctor not to do things, but one cannot ask the doctor to do things. That is the challenge by Leslie Burke and it is pertinent to our vote today. I cannot vote for advance directives when I do not know the result of that appeal.

Fourthly and significantly, the 23rd report of Session 2003–04 from the Joint House of Commons and House of Lords Committee on Human Rights, published as recently as 29 November, casts serious doubts on the Government's assertion that the Bill is compatible with human rights legislation. The Joint Committee believes that the Bill raises serious human rights concerns, which include putting advance directives in the Bill. It was not that long ago that the Government were against including advance directives in statute law. Why have the Government done a U-turn on that?

I accept the good intentions of the Government in introducing the Bill that has had a long gestation—about 15 years, in fact—and I am only sorry that the Bill has been spoiled by the failure to listen to its opponents. I am very disappointed that it came out of Committee unamended. Not a single principal amendment was accepted in the course of a fairly long Committee stage, and that concerns me.

My fifth point is my real message: it is not what is in the Bill that counts, nor even what is left out of the Bill, but the signal that the Bill sends. I shall explain that by reminding the House of the origins of advance directives. They were launched in the United States of America in 1969 in a law journal article entitled, "Due Process of Euthanasia: The Living Will, a Proposal". That is the paper from which the subject of our debate arose. In 1977, a US health department official, Robert Derzon, advised President Carter to

"change social values regarding cost-inducing activities".

He continued:

"The cost-saving from a nation-wide push toward Living Wills is likely to be enormous. Over one fifth of Medicare expenditures are for persons in the last year of their life".

In 1991, the US Government made it compulsory for all patients admitted to a hospital, for whatever reason, to be presented with living will forms to complete. We might argue that that could never happen here. Well, it just has. In 2003, the Hammersmith Hospitals NHS Trust decided that it would offer living wills to all those admitted. It was followed by Imperial college hospital. Will that bandwagon roll further? Will the Government allow the NHS to give everyone admitted to hospital a living will? If someone is given a living will on entry to hospital, it puts them under pressure at a time when they are already sick and possibly depressed. What a time to give people a living will—as they are admitted to hospital. I condemn Hammersmith Hospitals NHS Trust and Imperial college hospital for that.

Mrs. Browning: Given that the Bill is about people who lack capacity and would be unable, therefore, to fill in such a living will, should a relative be able to fill in the form for them?

Dr. Iddon: I do not know what Hammersmith Hospitals NHS Trust has in mind. I do not know the details of its agreement. However, I would be worried about it whether or not a relative filled it in. I am against the principle, which comes from the US.

Is it any wonder that some of us link the Bill to euthanasia? In fact, the Voluntary Euthanasia Society and other organisations appear to be behind the move to enshrine advance directives in the Bill. If they are successful this afternoon, they will get a signal that the bandwagon is beginning to roll. There have been three attempts, including this one, by people such as Lord Joffe, to bring assisted suicide or voluntary euthanasia before Parliament. This Bill sends out the signal that the Government might—I emphasise the word 'might"—be willing to listen to those people at some time in the future.

Let us be fair to the Voluntary Euthanasia Society—it is, after all, one of the main propagators of living wills: its path is clear and if we do not know that, or cannot understand it, we should. Its path is to bring assisted suicide, or voluntary euthanasia, to this country, as has happened in the Netherlands, Belgium, Oregon and elsewhere. I am against that.

The bioethicists march on. In a leading article, published in 1997 in the "Hastings Center Report", one of the pre-eminent journals on bioethics, Professor John Hardwig argued that there was a duty to die and published criteria to help people make that decision. I am horrified that in the *Daily Mail* this week, Baroness Warnock told the elderly something similar, under the headline, "Kill yourself, so you won't be a burden". That is reprehensible stuff. Where is the country going?

People can change their mind. My hon. Friend the Member for Crosby (Mrs. Curtis-Thomas) gave us an example when she talked of her mother. The respected journalist Claire Rayner signed a living will. Unfortunately, she had to go into intensive care where doctors could twice have switched off her life, but her relatives were not happy about it. I do not think that the doctors were happy either, but at the time living wills came under common law—not statute law. She survived and the first thing she did when she came out of hospital was to tear up her living will.

At a conference in Holland in 1990, right to die groups pushed a pamphlet on living wills; on the back was the heading, "The Living Will: Passport to Euthanasia". If Members do not believe that people who push living wills will not be pushing assisted suicide or voluntary euthanasia next, they are living in cloud cuckoo land. That is why I am so against enshrining living wills in the Bill, and that is why I shall vote against it today, good as other parts of it are.

At a meeting of the education council of the Euthanasia Society of America, a new document was proposed, whose stated purpose was to provoke a gradual change—a gradual change—in public attitudes to euthanasia. The author of the document also made a link between living wills and euthanasia. That is why some of us—perhaps only a minority—link the application of living wills under the Bill to euthanasia by omission, if not by commission. People who sign advance directives are usually convinced that they are taking greater control of their life, whereas in fact they may be giving up control of their life. That is one of the dangers.

The concept behind an advance directive must surely be that the patient be allowed to die with dignity and in the absence of pain, yet by refusing some medical treatments the patient could suffer a lengthy, painful and bedridden existence, simply because they wanted doctors to carry out an advance directive.

I am also concerned about the pressure that such provisions would put on the health service. The Minister wants people to obtain advice from their doctors, but are not general practitioners already hard pressed? How would such provisions operate in a hospital, especially in an accident and emergency department? How much bureaucracy will they pile on the NHS? If living wills are accepted in the Bill, more people will think, "They're a good thing, I'll make one, too." Relatives will start to talk. The whole process will gain momentum—the very thing the Voluntary Euthanasia Society wants. The more of them that are written, the more bureaucracy will be piled on the NHS. That is another reason why I am against enshrining advance directives in the Bill.

Mr. Patrick Hall (Bedford) (Lab): Does my hon. Friend agree that there is no euthanasia under English law, only murder, and there is no way under English law that a person can ask someone else to murder them?

Dr. Iddon: That is true, but I am talking about euthanasia by omission, which would be the danger under the Bill, and about which many of us are worried.

Mr. Duncan Smith: May I, through the hon. Gentleman, answer the question put by the hon. Member for Bedford (Mr. Hall)? If one withdraws food and water from someone, one brings about their death. That may not be termed murder, but it is exactly the same thing.

2.15 pm

Dr. Iddon: I do not want to comment on that point of view. I respect the right hon. Gentleman's opinion.

I am concerned that we are developing negative attitudes in our health care and social care systems. We hear about the burden of care and we talk about the quality of life as though people who have a poor quality of life should no longer live. Those are negative attitudes. We should rejoice that people have had a good life and help them to die in dignity. We should promote palliative care and hospices. We should fund children's hospices properly. That is the direction that Parliament should take, rather than the negativity of some parts of the Bill.

Mr. Lammy: Does my hon. Friend agree that there are currently three positions on this matter? He makes a strong and impassioned case for altogether abandoning living wills and advance decisions. Under common law, people can seek to make living wills. People with Alzheimer's want to be able to say, "This is what I want to happen to me when my mental faculties go completely"—which is why the society supports the provision—and that is what they tell their loved ones. We either abandon living wills altogether, as my hon. Friend says, or we seek to make them safer and stronger so that the clinicians who have to apply them can do so in the right circumstances. In essence, that is the situation that we are debating.

Dr. Iddon: I never said that we should abandon living wills altogether. People have a right to make them, if only to flag up their wishes to their relatives—if not to their doctors—but I do not want to enshrine them in the Bill and send a signal to the Voluntary Euthanasia Society that it is winning the argument. That is the point I was trying to make.

Mr. Lammy: If we leave living wills as they are, they remain unregulated, unsupervised and unchecked. Doctors tell us that they do not know where they are.

Dr. Iddon: As I have tried to explain, if we accept the provisions in the Bill, more people will think that living wills are a good thing. I have already explained the consequences of that so I shall not go over that ground.

Other Members want to speak, so I shall finish by reading out a statement that was referred to on Second Reading, but it is worth repeating. The pro-euthanasia bioethicist Dr. Helga Kuhse said:

> "If we can get people to accept the removal of all treatment and care—especially removal of food and fluids—they will see what a painful way this is to die and then, in the patient's best interests, they will accept the lethal injection."

I do not want to take even the first step on the path that the Voluntary Euthanasia Society wants us to tread, and that is why I shall vote against the inclusion of living wills in the Bill. I hope, Mr. Deputy Speaker, that you will put amendment No. 32 to the vote.

Ann Winterton: I support new clauses 1 and 2. Neither has been proposed because we, on our side of the argument, are vitalists who seek to preserve life at all costs. It is right that we must limit medical care where it will not work, where it is futile or burdensome, and that is done regularly in clinical practice. However, that is a different matter entirely from requiring, as the Bill would in certain circumstances, that treatment and/or assisted food and fluids be withheld or withdrawn from non-dying patients. The question should always be: is this treatment worth while? It should not be: is this patient's life worth while? That is why I cannot support amendment No. 2, tabled by the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth).

I want to speak, as briefly as I can, on best interests in relation to amendment No. 1, because the Bill pivots around the definition of best interests. All acts done or decisions made under the Bill for or on behalf of a person who lacks capacity will be required to be done or made in his best interests, but the Bill's explanation of best interests makes no reference to the fact that persons, even when unconscious of or mistaken about their interests, have an objective interest in their own life, health and well-being. Instead, it says:

"In determining ... what is in a person's best interests, the person making the determination must consider all the circumstances appearing to him to be relevant."

The Government have tabled an amendment to clause 4 that would introduce a slightly greater element of objectivity, but I do not believe that that amendment is sufficient.

The Bill goes on to say that, "in particular", there must be consideration of a range of factors, all of which relate to predicted capacity or incapacity, participation in decision making,

"past and present wishes and feelings ... beliefs and values that would be likely to influence his decision if he had capacity, the other factors that he would be likely to consider if he were able to do so",

and the views of interested persons on

"what would be in the person's best interests and, in particular, as to the matters"

just mentioned. Those matters to be considered "in particular" all relate, as can be seen, to subjective interests—desires, wishes, beliefs and values—not to the real dignity and value of the person's existence: life, health, and well-being as such. What is to prevent or even discourage those making such determinations from determining that it is in a patient's best interests not to receive treatment, that it is in the patient's interest to die because "That is what they would have wanted"? How many times have we heard that—even when a reasonable medical judgment would show that treatment would be neither futile nor unduly burdensome, but beneficial?

The Government say that medical professionals will continue to use the traditional concept of best interests, which includes the patient's interest in life and health as central elements of his or her real welfare, but is it reasonable to suppose that professional attitudes will not be affected by the subjective character of the Bill's approach to best interests? I remind the House that the ethics of the medical profession, as has been rigorously documented and demonstrated, were rapidly and profoundly affected for the worse by the Abortion Act 1967. I do not think that anyone could disagree with that statement.

Does the word "circumstances" securely imply a reference to the person's intrinsic interest in health and life? Will the medical insurers whose advice affects professional thinking regard it as safe for medical professionals to think in terms of medical best interests when proxies appointed under clauses 9 or 16 have made determinations relying on non-medical, subjective criteria? Is it not highly significant that those proxy decision makers will not be subject to the professional responsibilities and ethics that the Government presume will continue to apply to medical professionals? Is it even clear whether the new offence of ill treatment or neglect by a proxy will include improper determination of a patient's best interests, or refusing treatment on the basis of such an improper determination? How many doctors will have the time, energy and motivation to ask a court to override a proxy whose determination of best interests appears to them defective or questionable?

Mr. Julian Brazier (Canterbury) (Con): I am most grateful to my hon. Friend for giving way in her powerful speech. Did she see the testimony in *The Times* only a week or two ago that related to a case where the doctors were continually pressed by the relatives who constantly visited a lady of 59, to give her more and more pain killers to a clinically dangerous degree? Only when she turned 60 and the relatives ceased to turn up, did the doctors discover that they had a life assurance policy to be paid if she died before she was 60.

Ann Winterton: I did not see that story, but it is horrific, and I am grateful to my hon. Friend for drawing it to the attention of the House. I had a letter from one of my local hospices to say that the only time that its staff have been pressed to end a patient's life more quickly than it would have ended naturally, or ended through the double effect, was when the relatives would have benefited from the patient's will.

Mr. George Howarth: Does the hon. Lady accept that, in the example given by the hon. Member for Canterbury (Mr. Brazier), it would be wholly wrong for a member of the medical profession to go along with such a request?

Ann Winterton: I believe that it would be wholly wrong for a member of the medical profession to go along with such a request, but the case is well documented, so it has happened. I did not see the story; I merely believe what my hon. Friend has said.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): Will the hon. Lady give way?

Ann Winterton: I intend to make a little more progress.

The Government say:

"It is not possible to introduce the concept of 'medical' best interests into clause 4 because the Bill does not only apply to medical situations."

Can that sensibly be thought an adequate reason? In the absence of amendment No. 1, there is a severe risk that the objective interest of vulnerable patients may be submerged by the wishes—now given statutory force—of persons who may have a conflict of interest with the patient, or by wishes, feelings and concerns of the

patient that may now acquire statutory force, despite having been unduly narrowed or deflected by inclinations or external pressures towards self-destruction, or simply by lack of self-respect. How can it be right to leave such important elements of the Bill's central concept to be dealt with in a code of practice? Surely, all decisions taken in respect of the personal welfare of a mentally incapacitated patient must be in his or her best interests. Best interests is the pivotal principle in the Bill, so we must get the definition of best interests right.

Mrs. Browning: I think that I heard my hon. Friend say that she did not support amendment No. 2, but that defines very clearly that the fundamental assumption should be that the person's best interests are for his life to continue.

Ann Winterton: I gave the reasons earlier why I do not believe that amendment No. 2 is the right one to support because it poses the rhetorical question of whether we consider that person's life is worth while or beneficial. In my view, it should have referred to the treatment, so we have a slight difference of opinion.

Mrs. Browning: That is not what is written in amendment No. 2, on page 46 of the amendment paper. I wonder whether my hon. Friend will take a look at it again.

Ann Winterton: Yes, I shall, and I have amendment No. 2 in front of me. Let me read it out:

"He must, where the determination relates to life-sustaining treatment, begin by assuming",

which is weak in itself,

"that it will be in the person's best interests for his life to continue."

The amendment would have been better if it said, "that it will be in the person's best interests for the treatment to continue"—a slight difference of opinion.

It is vital that an element of objectivity is introduced into the definition of best interests by making it clear in the Bill that the consideration of best interests must take into account the patient's medical or clinical best interests. In common law, the term "best interests" includes treatment given to save the patient's life, or to improve or prevent deterioration in the patient's physical or mental health. Surely, it is relatively simple to establish whether a given treatment is appropriate to saving life and preventing deterioration, for example. That can be proved reasonably objectively on the basis of evidence of a physical examination of the patient and expert testimony on the treatment proposed.

The disability rights groups are very concerned about the Bill's definition of best interests. Disability Awareness in Action says:

"The Mental Capacity Bill will permit appointed deputies, independent consultees and those given lasting powers of attorney to make serious medical treatment decisions based on the 'best interests' of the 'incapacitated' person. But how is 'best interests' defined? It can essentially be anything those making the decision want it to be. Past and present wishes and feelings of both the individual and their family can be taken into account. Guesses as to what the individual may have wanted! This is totally unacceptable when such decisions could involve the withdrawal of treatment."

For those and the other reasons that I have given, I believe that in the definition of "best interests" we must include the most essential element, which is the life and health of the person involved.

2.30 pm

Mr. McNamara: On a point of order, Mr. Deputy Speaker. A letter sent to the Lord Chancellor by Archbishop Peter Smith of Cardiff has just come into my hands. It seems to say that the Government have given an undertaking to him about the content of the debate today, which to some extent could terminate the Bill. He says:

"My understanding now is that you are giving an undertaking to make explicit in the Mental Capacity Bill that the Bill does not authorise any 'decision' where the motive is to kill, as distinct from relieving or preventing suffering or ending treatment where the patient is in an irreversible coma.

In the context 'decision' includes of course an act or omission, and extends to decisions made by proxies or others given powers by the Bill to decide whether or not a person is given life sustaining medical treatment. Any decision must be in the person's best interests.

I greatly welcome this undertaking—"

Mr. Deputy Speaker (Sir Michael Lord): Order. I think that I have got the general drift of what the hon. Gentleman is trying to say, but it is more of a contribution to today's debate than a matter for the Chair.

Mr. Boswell: Further to that point of order, Mr. Deputy Speaker, I should be grateful if you could make inquiries about whether such a letter has issued from a Government Department without the Minister giving any intimation to the House that it was in his mind to do so.

Mr. Deputy Speaker: Order. I think that we should continue the debate. The Minister will have the opportunity to wind up in a little while. No doubt he can deal with both points then. We are now taking time out of the debate. I think that the hon. Member for Hull, North (Mr. McNamara) wishes to catch my eye later, as do other hon. Members. He will not be lucky if we take up any more time now on the matter that he has raised.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): The points that have just been made are crucial to the decision that the House might take later. It would be helpful if the Minister dealt with the second to last sentence in the letter from Archbishop Peter Smith, which says:

"I greatly welcome this undertaking which suitably worded on the face of the Bill will remove the substantial objection which I and many others have had."

It is vital that my hon. Friend the Minister should clarify whether that reflects the Government's position. The House is entitled to know.

Mr. David Heath (Somerton and Frome) (LD): Does the right hon. Gentleman agree that it would be a contempt of the House if such an undertaking had been given and the House had not had the opportunity to express an opinion on wording of that sort during the Report stage of an important Bill?

Mr. Clarke: We must not fuel the atmosphere. It is important that we take the right decisions. I have confidence that my hon. Friend the Minister will deal with the serious points in the way that the House would expect.

Mrs. Browning: Will the right hon. Gentleman give way?

Mr. Clarke: I will not give way too often because some of us are frustrated that, having served on the Standing Committee which considered the Bill, we may well be talking out others who gave equal time to the Bill at other stages. However, I will give way to the hon. Lady.

Mrs. Browning: In the context of the Archbishop's letter—he talks about best interests—has the right hon. Gentleman noticed that, in an amendment to amendment No. 2, the Government seek to delete the word "best"?

Mr. Clarke: That is all the more reason why what the Minister has to say becomes profoundly important. I look forward to it.

I will now make the brief speech that I wanted to make at this point. In most of the debates, including Second Reading, I concentrated my remarks on the parts of the Bill that dealt with advocacy. I hope to have the chance to speak on that aspect later. That did not mean that I was not interested in the end-of-life issues. I am profoundly involved in all the discussions that are taking place, especially in my constituency, where I have received many representations and people are anxious to hear what we decide today.

The fact that I did not take part in most of those discussions in Committee did not mean that that was the position in Coatbridge and Chryston. I want to summarise what my constituents feel and what they expect from today's debate. It could become extremely complex. Indeed, very often in Committee, it did. We had opinion and counter-opinion, but I supported Second Reading in order to give the Government the opportunity to clarify where they stood.

I regret to say that I left Committee thinking that this was unfinished business on two crucial issues. That is why I am attracted to new clauses 1 and 2. I found very acceptable the views of my hon. Friend the Member for Heywood and Middleton (Jim Dobbin) and of the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith). Although we could make the matter complex, it seems to me, having listened to hours and hours of debate, that there are two issues that need to be resolved, two issues that call for clarity and two issues that do not seem to me to be intellectually demanding.

On the issue of food and liquid—hydration and nutrition—have we made it clear that our priority is in respect of treatment and not of life? Have we made it clear that we are on the side of the patient until the end of his or her natural life? As this is all about perception, I want the medical profession to know where it stands. I do not want to see court case after court case. The obligation is on us to offer that clarity. That is one of two important issues on which simplicity invites itself. It is whether hydration and nutrition can be withdrawn legally—something that all of us, because we have said that we are opposed to euthanasia, do not want to see. We are entitled to an answer to that question. I am afraid that we did not get it during the whole process of consideration in Committee.

The second point was raised at great length in Committee and in the Second Reading speech of my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas). What is the mechanism for taking on board the view of someone who, at an early stage in their life makes a written will, gives their instructions, signs an advance directive or gives some indication that they want to do so and later changes their mind? Those were the two crucial end-of-life issues, and they have not been resolved.

Mr. Edward Leigh (Gainsborough) (Con): The right hon. Gentleman is making a clear and cogent speech. The debate has been over-complicated, and he is trying to set matters right. Is there not a third point that has to be articulated strongly? It is surely the point of new clauses 1 and 2. The decision of proxies or the existence of the advance should not override the clinical judgment of a doctor, which at that stage may well be to preserve life and provide treatment.

Mr. Clarke: If I were to follow what the hon. Gentleman says, I think that I would make things even more complicated. I have no desire to do that because I am trying to stick to the simple issues that have emerged after long discussions and on which I have received many representations from my constituents.

I plead with my hon. Friend the Minister to offer much more clarity on the two issues that I have raised than has been the case so far. Incidentally, I do not agree with my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) because I think that Ministers acted before the Committee with great courtesy. Clearly, however, they are carrying out whatever Government directive has been given to them, although I know that they will take on board the strong views expressed by hon. Members on both sides of the House.

The scrutiny of the Joint Committee has helped our considerations. The Committee was headed by Lord Carter, who is a fine person, and was made up of Members of the Lords and Commons. On the Committee's advice, a clause to exclude euthanasia was included in the Bill. I accept that, but why then are people including representatives of the Church of England and the Catholic Church—until we receive an explanation about the archbishop's letter—still pressing for the clarification that I am seeking? I suggest that it is because they think that they have not received answers to the two simple questions that I posed. I also suggest that they rightly have it in mind that the Bill deals with a special group of people. All individuals in the group have a right to life, but nevertheless experience limited capacity. For that reason, they are entitled to even more protection from the House in our legislation than might otherwise be the case, and I hope that we will decide to give them that following today's deliberations.

Mr. Robert Key (Salisbury) (Con): At the beginning and the end of human life, science, medicine and technology are rapidly pushing out the boundaries of

the possible. Humanity moves on, as must we, but we must decide where to draw the line on behalf of the people of this country. Only last week I met a constituent in the House of Commons who had been in a coma for a year following a vehicle accident. His parents had been asked whether they agreed to the withdrawal of his hydration and nutrition. They said no, and five years later that young man is running his own business in Salisbury.

Fortunately death is no longer a taboo in this country, and we have heard moving personal testimonies to that today. Our personal experiences always colour the way in which we think about such matters and no doubt the way we vote. I am no exception to that. I recall having to make a life-and-death decision about my baby son while my wife was under sedation—that was one of the loneliest decisions I ever had to make, although I am confident that I made the right one. Many of us have seen our parents dying, and I saw my dear sister-in-law dying from motor neurone disease, so I have my own opinions, just as I have my own faith to cope with that. However, what about the views of others? We must all have been influenced by the views of charities, the Making Decisions Alliance and other people and organisations who have been in touch with us.

I shall vote to give the Bill its Third Reading, but first, on behalf of my constituents, I want to try even at this late stage to improve it. We in Salisbury are fortunate to have the Salisbury hospice care trust, which is made up of a group of dedicated professionals and clinicians who are held in the warmest esteem throughout our community. Indeed, I think that they are part of our extended family in Salisbury. I held conversations only this morning with several retired professionals who had worked in palliative care. I also asked a practising sister on the ward and a consultant in palliative care for their views this morning. Perhaps the views of such people have not been heard to a great extent—they have certainly not been heard so far in this debate. The doctor said that advance directives were helpful because, as he put it, they help professionals to know what makes a patient tick. Forward care planning is seen as a good thing from a clinical point of view because it opens up lines of communication that would otherwise not exist. However, there is great concern about the validity of advance directives that were made 20 or 30—or even five—years previously. We need solutions to the problems that patients will face as they come closer to death.

2.45 pm

Andy Burnham (Leigh) (Lab): The hon. Gentleman mentions patients making choices as they get closer to death. Does he accept that in some cases, albeit not all, a powerful survival instinct takes over meaning that patients can display amazing powers of recovery of which they might not have been able to conceive? Does that not emphasise the purpose behind the amendment tabled by my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth): when possible, the presumption should be in favour of saving life?

Mr. Key: I entirely agree that the presumption must be in favour of life.

As the clinical staff put it to me, they face the problem of "demedicalising" end-of-life care when they know that they can do nothing further. Once again, they are taking a new view as medical technology moves on—it is doing so rapidly. I have never spoken to anyone in the hospice movement who is in favour of euthanasia, but it is a sign of the times that end-of-life care is changing in the way in which the Bill represents.

I have been greatly moved by what my constituents have said. I was pleased that Church of England bishops, in addition to the Roman Catholic Church, expressed concerns in the past year or so. Church of England bishops tell us that difficulties remain with withholding and withdrawing assisted feeding and hydration. They have been in touch with many hon. Members about amending the Bill by including a presumption in favour of continuing life-sustaining treatment, yet not requiring such treatment in inappropriate circumstances. As the Bishop of St. Albans said in a letter to *The Times* this morning:

"If such clarifications can be put in place we would conclude that the Bill's safeguards in this area are probably satisfactory."

It is important for us to realise, as the bishop says, that the

"Bill deals with complex and difficult issues on which morally sensitive people can disagree."

There has not been a great deal of disagreement in the debate thus far. I believe passionately that the House of Commons is the place in which such debates should be held. On beginning-of-life issues, we know about the tangle into which the Human Fertilisation and Embryology Authority has got because it is has been asked to do too much within the framework of existing legislation, which has meant that the Government have had to review it. We do not need bioethics committees, but debates of this calibre in the House, with the one difference that all hon. Members should have a free vote.

I shall support new clauses 1 and 2 because it is important to probe the Government to find out whether they are prepared to go the extra mile. If they win the vote, I have no doubt that the matter will be reopened in another place. The Bill is important and I am quite sure that it should receive its Third Reading after 15 years of debate in the country. However, we do not yet have the assurances that we require to be completely confident about it, so we look to the Minister to give us such confidence this afternoon.

Mr. McNamara: Thank you for calling me to speak, Mr. Deputy Speaker. I am glad that I did not go on for too long before.

The letter that the Archbishop of Cardiff has sent to the Lord Chancellor in reply to his earlier letter will greatly affect the decision of many hon. Members. The situation would have been helped considerably if my hon. Friend the Minister had been able to give us some indication of the position at the start of the debate. If we had known that, it would have saved a lot of problems. Indeed, as my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) said to me earlier, it seems rather like the Government have lost a lot of the credit that they could have had on the matter by apparently holding on to the end. We have had to see an acrimonious row among their supporters before reaching a sensible conclusion.

Mr. George Howarth *rose—*

Mr. McNamara: My hon. Friend spoke for more than half an hour, but I hope to speak for less than 10 minutes.

[Mr. McNamara]

The Government's attitude makes nonsense of some Government amendments—for example, the amendment that would remove the word "best" from an amendment dealing with a person's best interests. We have an undertaking that these matters will be dealt with in the Bill, but regrettably that will occur in the other place again, not in this place, before the elected representatives.

The Archbishop states:

"I accept that the Bill as thus made more explicit will leave unaffected the jurisdiction of the Courts affirmed in the Bland case".

so there is no change from that case. The right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) said that he would have liked to see that change and so would I, but that was part of the arrangements that were made. The undertaking that we have received is an important one.

I therefore welcome the decision. It makes a good Bill a very good Bill. A Bill that would help us to look after and care for people less fortunate than ourselves was asked for by all the non-governmental organisations that care for people with mental illness or mental incapacity. Those requests have now been met. Removing the fear of euthanasia by omission, as the Government have now specifically and directly undertaken to do, and writing that into the Bill is an important step forward and to a large extent overcomes the major prinicipled objection that I and others had to the Bill.

There are other matters to which the Joint Committee on Human Rights, of which I am a member, drew attention in its last report. The Committee wanted advance directives to be in writing. I hope we will get that. The Committee stated that

"the classification of artificial nutrition and hydration ("ANH") as treatment may not be well known to lay people. The requirement that an advance directive specify the particular treatment for which consent is refused in advance should mean in practice that a specific advance refusal of ANH would be required in order to be effective."

The Committee wrote to the Minister about that, and I hope the reply that we receive will address both matters.

The undertaking given by the Minister seems to back the decision of the High Court in the Burke case. One wonders whether the Government are helping the General Medical Council in its appeal against that case. In respect of withdrawal of treatment where there is no advance directive, the court pointed out that the guidance fell short because it seemed to accept that ANH can be withdrawn from patients who are not dying, if they are in a "very serious condition", and that it can be enough to justify withdrawing ANH from a patient who is not dying if it "may cause suffering" or be

"too burdensome in relationship to the possible benefits".

Important articles of the European convention on human rights are involved—article 2, on the right to life; article 3, on cruel and undignified treatment; and article 8, on dignity and privacy. The criticisms advanced by the Committee seem to have been met by the Government.

Mr. William Cash (Stone) (Con): The letter to which the hon. Gentleman refers mentions that the Bill does not authorise any decision where the motive is to kill. Will he compare the word "motive" with an alternative, such as "deliberate consequence"? Motive is a difficult matter to deal with. Does he agree that the words "deliberate consequence" might be better?

Mr. McNamara: That is a matter for the parliamentary draftsman. The archbishop may be a distinguished social theologian, but he is not a parliamentary draftsman. I think the archbishop and the Lord Chancellor know what they mean in this matter. The motive must be to end the life. The question has always been whether the withdrawal of treatment is to end the life, and not what is in the best interests of the patient and is not burdensome.

On new clause 4, the failure of my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) to define "palliative care" will give lawyers a field day, whereas new clause 2 makes clear what is meant by "palliative care". Having seen the agreement that has been reached between the Government and Archbishop Smith, I will not vote against new clauses 1 and 2, but I will not vote for them because of the good will that I expressed to the Government for the undertakings that they have given.

Mr. Tim Boswell (Daventry) (Con): I shall speak briefly, as I am conscious that the Minister has a good deal of explanation to give to the House. I begin by reminding the House that there will be a free vote on all occasions today for my party, as there is for the Liberal Democrats and others on the Opposition Benches. The nature of the exchanges today has perhaps taught the Government that on issues of conscience it is well worth offering hon. Members a free vote. The Government may find their response and the debate more constructive, and the Government may have had an easier ride if they had done that.

Mr. John Redwood (Wokingham) (Con): Has my hon. Friend been given a copy of the text agreed between the Lord Chancellor and the archbishop? Is this not a farce of a debate if we cannot have the words that the Government might want us to look at when we are arguing about other words, not knowing whether their amendment will be good enough?

Mr. Boswell: I want to compress my remarks, but I shall come to the point that my right hon. Friend has raised.

My second concern is the unwisdom of trying to force through a measure with inadequate time for debate. We could either oppose the programme motion, thereby wasting further time, or get on with it. With a little more consideration, we might have got on a lot better. If we had had the letter that enshrined an agreement reached by the Lord Chancellor with the archbishop yesterday, which is now expressed in a letter from the archbishop to the Lord Chancellor today, and if the Minister had at least been able to tell the House at the beginning of the debate three hours ago that he intended to speak to amendments along those lines, that would have been extremely useful.

In response to my right hon. Friend the Member for Wokingham (Mr. Redwood), I must point out that there is no specific text yet. Anyone who has spoken, including the hon. Member for Knowsley, North and Sefton, East (Mr. Howarth), who has gone to great trouble to try and hammer out consensus in the matter, has been hung out to dry by the very recent decisions that have been taken.

Mr. George Howarth: The hon. Gentleman may feel, uncharacteristically, that he has to make the point that he has just made, but if the agreement takes matters forward, I will not feel that I have been hung out to dry. I will feel that we have achieved something.

Mr. Boswell: I entirely share the hon. Gentleman's sentiments. If only we had had the information three hours ago, we could have gone on to other concerning issues such as research and had more time to debate the Bill. However, let us not waste time on that now.

The genesis of the debate lies in what might be termed the legal defence—the argument that the concept of "best interests" already exists in common law, that advance decisions are permitted under common law, that euthanasia is explicitly prohibited by law, which is enshrined again in clause 58, and that euthanasia should not be divided as between acts of commission or omission, both of which are unacceptable under law. That is agreed, but there is, nevertheless, concern about how the law works in practice.

3 pm

For a modern statement of the position, I refer the House to the judgment reported in *The Times* law report on 9 December, in which the Court of Appeal considered and upheld a judgment by Mr. Justice Coleridge in relation to a person who lacked capacity. Rather than reading out the text, I shall summarise: it is clear from that judgment, which was upheld, that the withdrawal of non-intrusive hydration or nutrition in the absence of either an unequivocal advance decision, which did not apply in that case, or any conclusion by the court either that the person was in a permanent vegetative state or that the continuation of life would be intolerable would neither be permitted under the present law nor sanctioned by the Bill.

That comforts lawyers, but real world concerns exist. First, past practice has often been uneasy and, frankly, disturbing. Secondly—the hon. Member for Bolton, South-East (Dr. Iddon) spoke eloquently about this—there is a euthanasiast agenda, which must be watched all the time and is not acceptable to this House.

New clause 1 would introduce a separate test from the treatment provisions in relation to purpose. Personally, I would have preferred it to specify "the purpose" rather than "a purpose". From what I have seen of the text that the Government are considering, the word "motive" may appear rather than "purpose". However, the plain fact is that if one is considering matters of deliberate killing, motive is important as well as delivery, which might occur through the withdrawal of treatment.

New clause 2, which I have signed and find acceptable, would stiffen the requirement on treatment. The hon. Member for Knowsley, North and Sefton, East worked long and hard to produce compromise amendments, which would have been helpful if we did not have the full text. Liberal Democrat amendment No. 46 is also acceptable in principle.

The interesting amendments have already been referred to. I give the Government some credit for the objective test of relevant circumstances. I hope that the Minister understands that my amendment to his amendment is designed to put the burden on the decision maker of taking reasonable care to ascertain the circumstances rather than simply saying that they did not know anything about the case and could not therefore have taken the circumstances into account. I hope that the Minister will reflect on that specific point.

We have all piled in with additional safeguards. My safeguard would ensure that any person who signs an advance directive is, as the Joint Committee on Human Rights suggested, clearly apprised of its implications for artificial nutrition and hydration. We await the Minister's response to the letter, which is due by tomorrow and has not yet reached the public. I also hope that he will consider the issue of instructions in writing—I cannot see why advanced decisions should not be in writing.

I have compressed my remarks because the House has spoken for itself in its concern about those matters. We would all vote for greater and better safeguards than those so far offered by the Minister. This is not a good way to proceed and we could have saved ourselves a lot of time. However, the hon. Member for Knowsley, North and Sefton, East is right to say that it is better to get on with it now. If we get the matter right at the end of the day, the process will not concern us.

We want further safeguards, which should not operate at the expense of the person without capacity. At the same time, they should not operate at the expense of either doctors or carers, because we do not want to create an unworkably intrusive system. We want to strengthen the Government's resolve and are irritated by the way in which the matter has been handled. The most important thing is to get the matter right for everyone concerned. We look forward to the Minister's response.

Mr. Lammy: I am grateful to the hon. Member for Daventry (Mr. Boswell) for indicating that the important point is that we get the spirit right. We are debating the Mental Capacity Bill because we are concerned about protecting vulnerable people. Although today's debate has centred, rightly, around the difficult issue of what happens to vulnerable people as they approach the end of their lives, we should not forget that the entirety of the Bill concerns carers, parents and doctors who deal on a day-to-day basis with people who have Down's syndrome or autism and those who have had a stroke or been injured in car accidents.

My right hon. Friend the Member for Coatbridge and Chryston (Mr. Clarke), the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith), my hon. Friends the Members for Knowsley, North and Sefton, East (Mr. Howarth), for Heywood and Middleton (Jim Dobbin), for Bolton, South-East (Dr. Iddon) and for Crosby (Mrs. Curtis-Thomas) and the hon. Members for Sutton and Cheam (Mr. Burstow), for Congleton (Ann Winterton) and for Southport (Dr. Pugh), along with many others, have been engaged in the discussion on a Bill that will help up to 2 million people.

[Mr. Lammy]

The crucial issue at the heart of this afternoon's discussion is the interface between euthanasia and assisted suicide and the Bill. The Government have proposed clause 58 because of the work of the Joint Committee on Human Rights. The Bill categorically states that nothing in the Bill is outside the law on suicide, manslaughter and murder.

Several hon. Members *rose—*

Mr. Lammy: We have also sought to work with the Catholic Church. We have introduced amendments on advanced decisions and objective measures.

Helen Jones (Warrington, North) (Lab): The letter that the Minister has circulated from Archbishop Peter Smith welcomes the undertaking given by the Lord Chancellor, but states:

"which suitably worded on the face of the Bill will remove the substantial objection which I and many others have had."

That would satisfy me and many hon. Members. Will the Minister give an undertaking that he will discuss the wording with both the Churches and hon. Members? The amendments will be tabled in the other place, so will he also undertake to make sure that there is sufficient time to discuss them when the Bill returns to this House?

Mr. Lammy: Yes, absolutely. Let us not forget that the Bill began 15 years ago under another Administration. We have continued the dialogue and have engaged in discussions with both my right hon. Friend the Member for Bristol, East (Jean Corston), the Chairman of the Joint Committee on Human Rights, and Peter Smith. Notwithstanding the detail on the purpose amendment, which we will get into shortly and which centres on new clauses 1 and 2 in particular, the Government are with the sentiment behind those new clauses, but the wording and unintended consequences would cause some problems.

Jean Corston (Bristol, East) (Lab): The Minister knows the concerns of the Joint Committee on Human Rights, which I chair. We were particularly concerned about advance directives. People who are required to sign advance directives would have to say that they agreed to the withdrawal of treatment. We are concerned that they will not know that treatment includes artificial nutrition and hydration, which would put people, and sometimes their medical carers and families, in an impossible situation. Will he undertake to introduce measures to make sure that people give consent, that consent is independently witnessed and that the procedure is agreed throughout the medical profession? The consent should be in writing or, for people who are unable to write, some form that gauges intention.

Mr. Lammy: I am grateful to my right hon. Friend, as is the Lord Chancellor, for our continuing discussions on this issue over the past few weeks. I can give her that undertaking. She will know that we put it in the code of practice, which has statutory power under the Bill. However, she has tried to see to it that advance decisions in relation to life-sustaining treatment are covered by the Bill, and I can give her that undertaking on the basis of what her Committee has said.

Mr. John McFall (Dumbarton) (Lab/Co-op): It was my intention to vote for new clauses 1 and 2, but given the appearance of the letter from Archbishop Peter Smith of Cardiff and the commitments that seem to have been given, I ask the Minister to assure me that the spirit of new clauses 1 and 2 will be embraced as the Bill goes to the House of Lords and that constructive engagement will take place so that those who have objections can feel assured that they are being taken seriously.

Mr. Lammy: I can say that. Let me come to new clause 1—

Several hon. Members *rose—*

Mr. Lammy: What I need to say—

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. I do not think that the Minister intends to give way at the moment. It would be helpful if he indicated whether he intended to give way to hon. Members when they stand.

Mr. Lammy: I intend to make some progress so that I can explain the situation that we have reached today.

I am of course sympathetic—

Mr. Crispin Blunt (Reigate) (Con): On a point of order, Mr. Deputy Speaker. I think that it is important that this letter be clarified. The hon. Member for Warrington, North (Helen Jones) said that it had been circulated by the Minister, in which case he should simply say whether it reflects the position of the Government; that would assist everybody.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. It would be helpful if the Minister were allowed to continue to clarify these matters.

Mr. Redwood: On a point of order, Mr. Deputy Speaker. Would it be possible for us to have the Lord Chancellor's letter, as it is the most relevant document and it is missing from this debate?

Mr. Deputy Speaker: As I understand it, arrangements are now being made for it to be available in the Vote Office.

Mr. Lammy: It is precisely because I want to explain the position that we have reached today that I am going to make some progress.

Mr. Cash: On a point of order, Mr. Deputy Speaker. It seems to me that these proceedings are degenerating into something of a shambles. I am personally very much in favour of new clauses 1 and 2, but in the light of this letter, could we look to you to give us some guidance on the manner in which any amendments that are received in this House from the House of Lords

properly reflect the matters that are being discussed? We do not want to find, I am sure, that inadequate time is given in this House to consider these vital matters, whatever the House of Lords may have to say.

Mr. Deputy Speaker: The hon. Gentleman is an experienced Member of this House, and he will understand that we will consider whatever amendments come back from the House of Lords in the normal way.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. I do not want to stifle points of order, but time is running out, and I think that the Minister should be given the opportunity to respond. It would be helpful if he directed his remarks to the letter that seems crucial to the debate.

Mr. Lammy: Can I say—

Mr. George Howarth: I am sorry to intervene on my hon. Friend, but in view of the assurances that he gave to my right hon. Friend the Member for Dumbarton (Mr. McFall), unless he can give a further explanation I will feel obliged to press amendment No. 2 to a vote.

Mr. Mike Hancock (Portsmouth, South) (LD): On a point of order, Mr. Deputy Speaker. Further to what you said about the letter to the Lord Chancellor being made available to Members in the Vote Office, may we have an assurance that if it is not available before the vote at 3.30, the Minister will read the letter to the House before he concludes his speech?

Mr. Deputy Speaker: I am not in a position to direct the Minister in this debate, but I think that he should now be allowed to make his response.

Mr. Lammy: Thank you, Mr. Deputy Speaker.

I am of course sympathetic to hon. Members' concerns when they say that they do not want decisions surrounding the end of life to be motivated by a desire to bring about a person's death.

Mr. Duncan Smith *rose—*

Mr. Lammy: I recognise that real reassurance is needed here. It is for that reason that we have continued to work with the Catholic Church to achieve that.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order.

Mr. Lammy: That is why, as a result of the discussions in Committee—

Mr. Deputy Speaker: Order. The Minister really must obey the Chair. When Members stand in the House and ask the Minister to give way, it is helpful to the Chair if he indicates whether he intends to do so. Hon. Members are asking him whether he will give way, and he must indicate yes or no as he is speaking; otherwise, we will have Members standing up all over the House and we will not make the progress that the House wants to make.

Several hon. Members *rose—*

Mr. Lammy: I am not going to give way, because I must make some progress and cover these important issues.

As a result of the discussions in Committee and outside the House, the Government tabled amendments Nos. 4 and 5, which enhance the best interests clause and deal with the points that were made by my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas) to ensure that someone does not substitute—

Mr. Duncan Smith: Will the Minister give way?

Mr. Lammy: I will not give way.

They will ensure that someone does not substitute their own decision for that of the patient. I hope that hon. Members will read amendments Nos. 4 and 5, which will ensure that the provision is more objective.

3.15 pm

On the purpose clause and on palliative care, it is important—I say this particularly to the right hon. Member for Chingford and Woodford Green—that others proposed an amendment that would rule out any decision made with the purpose of causing death. I assure the right hon. Gentleman that we have looked hard at that amendment, and we have continued to work on it, particularly with the Catholic Church, but the problem with it centres on the issues of palliative care and of purpose, in that the definition, as framed, includes artificial hydration and nutrition. That would contradict Bland. The right hon. Gentleman has been clear that he is against the Bland decision, but the vast majority of people, including the archbishop himself, have sought not to overturn it.

Several hon. Members *rose—*

Mr. Lammy: I will not give way, as I want to make some progress and I am running out of time.

The other key aspect of the amendment addresses the issue of offering pain relief to someone at the last stages of life, such as an elderly person with cancer who is given morphine where that may well hasten death but that is not the intention.

Mr. Boswell: On a point of order, Mr. Deputy Speaker. I have just sent messengers out to the Vote Office, which has indeed circulated further texts of the letter to the Lord Chancellor from the archbishop. Apparently, however, it does not anticipate the receipt of any text of a letter from the Lord Chancellor to the archbishop.

In these circumstances, and given that there are 12 minutes left for debate, the Minister—if I can concede a point to him—will have some difficulty, however hard he tries, in explaining this without a text. All this has arisen because we are under a tight programme motion. I believe that it would be open to Government Front

[Mr. Boswell]

Benchers now to move an emergency modification to it. Will they reflect on that, because at least it would give us a little thinking time to try to get the matter resolved?

Mr. Deputy Speaker: That is a matter mainly for debate, although I have to say that it would be much simpler had the letter been before the House before the debate started. I am loth to get involved in the proceedings from the Chair, but I do think that the Minister should direct his remarks to the questions that are being asked about the letter that seems to have played such a great part in our affairs this afternoon.

Mr. Lammy: I am attempting to do that and, in so doing, explain the discussion that has been going on between us and others, including the Catholic Church, on the amendments. Offering pain relief to someone with cancer would not be covered by "burdensome" and other issues.

Mrs. Helen Liddell (Airdrie and Shotts) (Lab): I am grateful to my hon. Friend for giving way and I hope to give him an opportunity to cut to the chase. The letter that we have received this afternoon from His Grace Archbishop Smith clearly responds to several commitments that the Lord Chancellor has made. It would greatly assist those of us who are in some doubt about whether to support new clauses 1 and 2 if my hon. Friend gave us the gist of the Lord Chancellor's commitments and read the comments of Archbishop Smith into the record. We could then end the debate harmoniously.

Mr. Lammy: That is exactly what I intend to do. I want to explain that we have been seeking agreement and that discussion has, quite properly, taken place about such important subjects. Provisions arose out of the Bland decision and the 36 cases that followed.

Mr. Patrick McLoughlin (West Derbyshire) (Con): On a point of order, Mr. Deputy Speaker. The letter to the Lord Chancellor from the Archbishop of Cardiff states:

"I am grateful to you for our conversations yesterday, for your letter this morning and our subsequent conversation."

That letter should be in the public domain. We are asking for that and the Under-Secretary should make it available. He has made available a copy of the letter to the Lord Chancellor but what about the letter from the Lord Chancellor?

Mr. Deputy Speaker: It is clearly the Government's duty and that of Ministers to make available to the House all official Government papers that are necessary for the House to debate such serious matters properly and reach the right decisions.

Mr. Lammy: We have continued discussions and tried to meet hon. Members' concerns and the archbishop has made his point and said—

Mr. Frank Field: On a point of order, Mr. Deputy Speaker. Do not you feel that there is an element of farce in the proceedings, given that we are insisting that advance directives should be clearly stated, understood and witnessed, yet we are about to vote on a crucial aspect of the Bill without seeing the documents?

Mr. Deputy Speaker: From the Chair, I am doing my best to make sense of the proceedings this afternoon. I have said more than once to the Under-Secretary that it is clear that all hon. Members believe that the precise—*[Interruption.]* Order. We are considering serious matters and people outside will not take kindly to our not being more orderly. The letter that hon. Members mention is clearly crucial; its precise terms are crucial. Hon. Members are entitled to expect—*[Interruption.]* Order. I hope that the Under-Secretary will deal precisely with the contents, which have now become central to the debate.

Mr. Lammy: His Grace wrote:

"I am grateful to you for our conversations yesterday, for your letter this morning and our subsequent conversation.

My understanding now is that you are giving an undertaking to make explicit in the Mental Capacity Bill that the Bill does not authorise any 'decisions'"—

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. *[Interruption.]* Order. The House and the Minister must appreciate that when the occupant of the Chair stands, everyone else must resume their seats.

Mr. Duncan Smith: On a point of order, Mr. Deputy Speaker. We are about to vote on the new clause. I suspect that the Government have circulated the archbishop's letter in the hope that many Labour Members will not vote. It is therefore critical that the Under-Secretary now reads into the record the undertakings that the Lord Chancellor has given to the archbishop. Surely the Under-Secretary must give a guarantee that the undertakings will form a substantive element of the Bill when it goes to the other place.

Mr. Deputy Speaker: That is not precisely a point of order for the Chair. *[Interruption.]* Order. Hon. Members who have participated in the debate will have now seen the letter's contents and the part that they have played in our discussions. It is up to all hon. Members to make up their minds about the whole position when they cast their votes.

Mr. Cash *rose*—

Mr. Deputy Speaker: Order. Time is running out. I shall not take any more points of order for the time being. I want the Under-Secretary to have the opportunity, in the few minutes that are left, to respond to the debate.

Mr. Lammy: If I may finish reading the Archbishop's letter, I shall then read the Lord Chancellor's letter. The Archbishop's letter continues:

"In the context 'decision' includes of course an act or omission, and extends to decisions made by proxies or others given powers by the Bill to decide whether or not a person is given life sustaining medical treatment. Any decision must be in a person's best interests.

I greatly welcome this undertaking which suitably worded on the face of the Bill will remove the substantial objection which I and many others have had."

The Lord Chancellor's letter to the Archbishop states:

"Further to our conversations we agreed that neither of us want the Mental Capacity Bill to authorise any decision where the motive is to kill, as opposed to relieving or preventing suffering, or ending treatment where the patient is in an irreversible coma. Any decisions must be in the patient's best interests.

I believe that this is clearly its effect, but we will seek to make it explicit in the Bill.

As you made clear to me on the telephone, and in your briefing note, the Bland decision is unaffected by the Bill."

We have sought not to affect the Bland decision and the 36 cases thereafter and we have had to continue dialogue for that reason. I am pleased that we have reached a form of words that enables us to table an amendment that will provide that, when a determination relates to life-sustaining treatment, the decision maker must not be motivated by the desire to bring about a person's death regardless of what is in that person's best interests. I am convinced that that fully covers the concerns that surround new clauses 1, 2 and 4.

Mr. Stephen Byers (Tyneside, North) (Lab): I understand that the Lord Chancellor's letter does not state that "decision" includes acts or omissions. Will my hon. Friend confirm that it is the Government's intention, in line with Archbishop Smith's letter, that "decision" will include acts and omissions?

Mr. Lammy: I can absolutely confirm that to my right hon. Friend. As I said, the dividing line between assisted suicide and acts of omission is the reason for the dialogue. We have ensured that our lawyers have worked together to achieve the outcome.

Ann Winterton: Will the Government include food and fluids, however delivered, in the definition of act of omission?

Mr. Lammy: I have said that we engaged in that dialogue with Archbishop Peter Smith. The Bland decision defines artificial nutrition and hydration as medical treatment, as the hon. Lady knows. Nevertheless, we want to make it clear in the Bill that doctors cannot withdraw treatments against the best interests of an individual and that acts of omission would be contrary to the intention behind the measure. We have tried to do that.

Mr. Hancock: Will the Minister explain why it was not possible to table a suitably worded amendment this afternoon, on which the Commons could have voted before the Bill goes to the House of Lords?

Mr. Lammy: There have been ongoing discussions, and we are dealing with a decision by the House of Lords. Government lawyers have disagreed with the Catholic Church in particular about the effect of new clauses 1 and 2. We have now concluded that the decision must take as its starting point the assumption that it is in the person's best interests for life to continue. Those making the decision must not be motivated—as opposed to having the purpose—by the desire to bring about someone's death, regardless of what is in their best interests.

Jim Dobbin: This is very confusing for everybody. Despite the clarifications that the Minister has offered us, we are still confused. I accept what he said about omission, but will he make the position clear on the withdrawal of food and fluid, which is the essential point?

Mr. Lammy: I must say from the Dispatch Box that we are not seeking to undermine Bland. That is precisely what Archbishop Peter Smith and Cardinal Cormac Murphy-O'Connor said—the Bill does not seek to undermine Bland. We want to ensure, however, that under the Bill it is not possible for someone by omission to act to assist suicide or euthanasia. That is the position that we have reached and that is the nature of the discussion that we have had today.

It being half-past Three o'clock, MR. DEPUTY SPEAKER, *put the Question already proposed from the Chair, pursuant to Order [this day].*

Question put, That the clause be read a Second time:—

The House divided: Ayes 203, Noes 297.

Division No. 11] **[3.30 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Battle, rh John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Benton, Joe *(Bootle)*
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Tom *(Coatbridge & Chryston)*
Collins, Tim
Colman, Tony
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cox, Tom *(Tooting)*
Crausby, David
Cummings, John
Cunningham, Jim *(Coventry S)*
Curry, rh David
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Dawson, Hilton
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Fallon, Michael
Field, rh Frank *(Birkenhead)*
Field, Mark *(Cities of London & Westminster)*
Fisher, Mark
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Gale, Roger *(N Thanet)*
Galloway, George
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*

Green, Matthew *(Ludlow)*
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Iddon, Dr. Brian
Johnson, Boris *(Henley)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Luff, Peter *(M-Worcs)*
Lyons, John *(Strathkelvin)*
MacDonald, Calum
McIntosh, Miss Anne
Mackay, rh Andrew
Mackinlay, Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Mallon, Seamus
Mates, Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Mudie, George
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
O'Hara, Edward
Osborne, George *(Tatton)*
Page, Richard
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Roy, Frank *(Motherwell)*
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Singh, Marsha
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Tapsell, Sir Peter
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Viggers, Peter
Walter, Robert
Wareing, Robert N.
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Wray, James *(Glasgow Baillieston)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Miss Ann Widdecombe and Ann Winterton

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Blunt, Crispin
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher

Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Oaten, Mark *(Winchester)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Opik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Walley, Ms Joan
Ward, Claire
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Nick Ainger and Paul Clark

Question accordingly negatived.

3.45 pm

Mr. McLoughlin: On a point of order, Mr. Deputy Speaker. You were in the Chair during the closing stages of the debate when a letter from the Lord Chancellor became crucial to the House's deliberations. We were informed that the letter would be available in the Vote Office. It is still not available in the Vote Office; I have just been there to check. However, I did see people hand a copy of a letter, from a Box in the Chamber, to Government supporters and Government Whips. It was then passed along the lines. That letter is from the Lord Chancellor to Archbishop Peter Smith. It is dated 14 December. The letter back to him from Peter Smith is also dated 14 December.

The point of order for you, Mr Deputy Speaker, is whether it is right that a document that became so crucial to the debate was made available only on the Labour Benches and was not made available in the Vote Office, as we were told it would be? Is that not a gross discourtesy to the whole House?

Mr. Deputy Speaker: Let me say to the hon. Gentleman and the whole House that it is crucial for us to conduct our affairs in the House in an orderly manner, not just for our own sakes in terms of debate and reaching the right decisions, but because people outside the House are watching our proceedings and are very concerned about the decisions that we reach.

It is vital, too, that any document relating to and important to the debate that we are having should be before Members in all parts of the House before the debate starts. Officials are in the House to advise Ministers; they are not here in any way to distribute material that is not available to every Member of the House before the debate starts. I hope that Members in all parts of the House, particularly on the Government side, will have learned lessons from today's debate—which has not been organised as things ought to be organised here—and that this kind of thing will not happen again.

Mr. Andrew Turner (Isle of Wight) (Con) *rose—*

Mr. George Howarth *rose—*

Mr. Deputy Speaker: Order. I will take no more points of order. I think we have dealt with the matter sufficiently for now.

Mr. Howarth: On a point of order, Mr. Deputy Speaker. This may not strictly be a point of order, but it might be helpful to the House to know that my hon. Friend the Minister is content to accept my amendment—

Mr. Deputy Speaker: Order. The hon. Gentleman is clearly starting to develop his argument all over again. This is not a point of order for the Chair. I call Mr. Andrew Turner—but apparently he has decided not to pursue his point of order. What a blessing.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

New Clause 2

EXCLUDED DECISIONS (NO. 2)

'(1) Nothing in this Act authorises the withdrawal of palliative care.

(2) "palliative care" includes the provision of—

(a) relief of pain, suffering and discomfort;

(b) nutrition and hydration, however provided.

(3) The provisions of subsection (1) do not apply to—

(a) a decision that nutrition and hydration is to be discontinued because it would be unreasonably burdensome to the person; or

(b) the power of the court to make such order concerning the continuance of life sustaining treatment as it considers to be in the best interests of a person whom it has determined to be irreversibly unconscious.'.—*[Ann Winterton.]*

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The House divided: Ayes 198, Noes 296.

Division No. 12] **[3.48 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Battle, rh John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Benton, Joe *(Bootle)*
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Tom *(Coatbridge & Chryston)*
Collins, Tim
Colman, Tony
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cox, Tom *(Tooting)*
Crausby, David
Cummings, John
Cunningham, Jim *(Coventry S)*
Curry, rh David
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Field, rh Frank *(Birkenhead)*
Field, Mark *(Cities of <i>London & Westminster)*
Fisher, Mark
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Galloway, George
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hoey, Kate *(Vauxhall)*
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Iddon, Dr. Brian
Johnson, Boris *(Henley)*
Jones, Helen *(Warrington N)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Luff, Peter *(M-Worcs)*
Lyons, John *(Strathkelvin)*
MacDonald, Calum
McIntosh, Miss Anne
Mackay, rh Andrew
Mackinlay, Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Mallon, Seamus
Mates, Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Mudie, George
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
O'Hara, Edward
Osborne, George *(Tatton)*
Page, Richard
Paisley, Rev. Ian
Paterson, Owen
Pope, Greg *(Hyndburn)*
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Roy, Frank *(Motherwell)*
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Singh, Marsha
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Tapsell, Sir Peter
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Walter, Robert
Wareing, Robert N.
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Wray, James *(Glasgow Bailleston)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Ann Winterton and
Mr. Kerry Pollard

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary

Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunt, Crispin
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cabom, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCafferty, Chris
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Oaten, Mark *(Winchester)*
Olner, Bill
O'Neill, Martin
Opik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Walley, Ms Joan
Ward, Claire
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony

Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Nick Ainger and Paul Clark

Question accordingly negatived.

New Clause 3

NON-THERAPEUTIC PROCEDURES

'The Secretary of State may by order applying either generally or in cases of a specified description authorise the carrying out of any medical or surgical procedure in relation to a person without capacity to consent which, although not carried out for his benefit, will in the opinion of the Secretary of State not cause him significant harm and be of significant benefit to others.'.—*[Mr. Barron]*

Brought up, and read the First time.

Mr. Kevin Barron (Rother Valley) (Lab): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to take the following: Government amendment No. 7.

Amendment No. 43, in page 17, line 24, at end insert—

'(c) be in the best interests of P.'.

Government amendment Nos. 8 and 9.

Amendment No. 44, in page 18, line 18, leave out 'or is P's deputy.'.

Government amendments Nos. 10 to 14.

Mr. Barron: The House will be pleased to hear that I have not written to the Lord Chancellor or any bishops about this new clause. Hon. Members who served on the Standing Committee will be familiar with the arguments that I am about to make in respect of research. I remind my hon. Friend the Minister that she said in Committee:

"My right hon. Friend was right to raise the point of needlestick injury, and it is important that we look at that. Some of that is covered by clauses 4, 5 and 6, and some of it may cross over with the Human Tissue Bill."—[*Official Report, Standing Committee A*, 2 November 2004; c. 279.]

I shall be interested to hear her response to what I have to say this afternoon.

The provision to include non-therapeutic procedures that will benefit other third parties was originally included in the 1995 report into mental incapacity by the Law Commission. The report said that an order made by the Secretary of State should stipulate whether a procedure required the prior approval of the court or, alternatively, a certificate from an independent medical practitioner. I understand that the Bill aims to protect the interests of the individual, especially when that person lacks the capacity to take decisions. New clause 3 has been proposed because of the worry in the medical profession that the Bill may inhibit those factors that contribute towards looking after the interests of health professionals.

The Bill does not tackle the question of minimally invasive interventions that are not directly in the best interests of the incapacitated person but which are not harmful and which provide a significant benefit for third parties. The British Medical Association has brought to my attention two examples of that. Although I have no direct connection with the BMA, I remind the House that I am a lay member of the General Medical Council. As a result, other associations in the UK occasionally talk to me about matters such as this.

The BMA is worried about testing health professionals for blood-borne diseases after they have suffered a needlestick injury when there are good reasons to think that the patient involved might have a condition such as HIV, for which prophylactic treatment is available. As the Bill is drafted, it would be illegal to take a blood sample for testing in circumstances where an individual is unconscious and unlikely to regain consciousness in the short term. A doctor who has received a needlestick injury cannot make an informed decision about ongoing treatment if a test cannot be undertaken to determine the patient's infection status. With my GMC hat on, the GMC's guidance to the profession on that issue, entitled "Serious Communicable Diseases", makes it clear that taking a blood sample for testing in such circumstances may leave a doctor open to criminal charges and that testing an existing sample without consent may also be challenged in the courts or before the GMC under its fitness to practise procedures.

The medical profession is worried about exactly how the Bill will affect doctors. The BMA has said that it would like the Bill to address the issue and allow doctors to take steps to protect their health and that of other professionals when such incidents occur. The BMA is pleased to note that provision is to be made in the Human Tissue Bill for regulations to allow genetic testing of a sample from an incapacitated adult for limited purposes other than their personal medical benefit. Clearly, in some circumstances information obtained from DNA analysis would be of huge benefit to other family members, and the BMA hopes that those circumstances will be covered by regulation. However, the BMA is concerned that this Bill makes no provision for samples to be taken for that purpose. It is not clear that taking blood for genetic testing for the benefit of a relative will satisfy the best interest test as a matter of law. In discussing the issue, the Human Genetics Commission said that

"the position of the adult without capacity remains unsatisfactory. The lack of any specific legal authority means that whether or not such an intervention is lawful remains open to doubt."

The BMA would like the issue to be clarified in the Bill.

When I raised the issue in Committee, my hon. Friend the Minister said that she would look at it, and I hope that she will say something further about it this afternoon. I know that individuals and organisations have wanted this legislation for more than a decade. Indeed, I support the Bill and the need to protect people who lack capacity when it comes to medical research. However, when a health professional has been put into a difficult situation, to say the least, after an accident, they would not be able to demand that a sample be taken on their behalf.

Mr. Cash: As a lay member of the GMC, the right hon. Gentleman will know that considerable concern was expressed in a report published only two days ago about the manner in which it carries out its functions. The matters that he raises could clearly give rise to questions of disciplinary action and procedures. Can he

give us an assurance that the GMC will consider those issues in the course of applying the remedies required to put its procedures on to a proper footing?

Mr. Barron: There are some issues in the fifth report of the Shipman inquiry to which I take exception. In my five years on the GMC, I sat on fitness to practise committees for three years and I did not conclude that the GMC was soft on doctors. Nor was it the case that lay members felt differently about cases from the medical members of the committee. I hope that we will return to that issue in the future and I know that my hon. Friend the Minister will have discussions with the GMC about the implications of Dame Janet Smith's report. I would just say that in the past five years the GMC has had referred to it some 700 doctors, 500 of whom had findings against them on various levels of the fitness to practise procedures and 200 of whom were struck from the register. Those statistics do not suggest to me that the GMC is soft on doctors, so I dispute that point. Indeed, in its favour, Dame Janet did not say that the council had done anything wrong in 1976 when it was acting in the case of Dr. Harold Shipman. That was a bit before my time on the GMC—indeed, it was a bit before my time in the House.

Mrs. Patsy Calton (Cheadle) (LD) Will the right hon. Gentleman give way?

Mr. Barron: I shall give way, but I do not want to be distracted from the clauses.

Mrs. Calton *rose—*

Madam Deputy Speaker: Order. The right hon. Gentleman was reading my mind. We are actually debating new clause 3, so a brief reference was all I was hoping for. Is the hon. Lady's intervention on a different point?

Mrs. Calton: It is on a completely different point, Madam Deputy Speaker.

I am considerably worried about the scope that the new clause could give. Although I fully understand that the right hon. Member for Rother Valley (Mr. Barron) is talking about relatively trivial procedures, such as taking a blood sample for HIV or DNA testing, does he agree that authorising any medical or surgical procedure on a person could give scope for considerably more than that? It might involve drug testing or all sorts of things that would not, in any sense, be in the best interests of the person concerned.

Mr. Barron: I do not disagree; it would depend on the circumstances. The problem that I am raising is one that concerns health professionals. There are four clauses on research and several Government amendments in the group and I should like us to get on to them. The provisions, rightly, are for the protection of people in particular circumstances, but questions arise about those working with them and about incidents such as the one I described earlier. What would be done to protect the interests of health professionals such as doctors, nurses or others working in close proximity to the patient?

Mr. Dominic Grieve (Beaconsfield) (Con): I appreciate that the new clause was presented to the right hon. Gentleman by medical bodies, and it is necessary for us to debate it, but have those bodies taken adequate legal advice? The test in the right hon. Gentleman's illustration—the need to carry out a blood test so as to provide, for instance, the right conditions in which to nurse a patient—would always be in the patient's interests; indeed, such tests would be directly related to their care, because without them adequate nursing care could not be provided. The medical bodies may be worrying about nothing on that point.

Mr. Barron: I do not disagree. If someone is suffering from HIV, it is in their interests to know about it, but there may be circumstances—for whatever reason—when permissions cannot be given by the individual, certainly if they lack capacity. Apart from that, the victim of a road accident, for example, would not have been able to give pre-permission and, due to the accident, would be unable to give any form of permission at the time.

The Bill has been drawn up to protect the interests of the patient and I completely agree that that should be so. However, we need to probe—and the purpose of the new clause is to probe exactly what is likely to happen when such situations arise. We have just had a long debate about clinicians' decisions and there were questions about what would be within the law or what professional advisers or regulatory bodies would think. The new clause is useful because Ministers will be able to consider it and tell us what they feel about the situation.

I support the clauses on research and do not want to amend them in any way. All research plans will be checked by independent experts through research ethics committees. That is important to ensure that research on people who lack capacity is safe, relates only to that person's condition and could not be carried out on a person who has capacity. That will apply in many cases, but I should like to know Ministers' thinking about the circumstances where it does not apply.

4.15 pm

Sir John Butterfill (Bournemouth, West) (Con): I am very concerned about new clause 3, which seems to open very widely a range of procedures that may not be of the sort described by the right hon. Member for Rother Valley (Mr. Barron) in moving the motion. For example, I am not sure whether carrying out blood tests on patients incapable of giving consent could be in their interests, although it might be necessary to carry out a blood test in any event to discover what is wrong with someone and that probably would be justified. I am worried about the extremely wide scope of the new clause, the huge discretion that it gives to the Secretary of State and the lack of any independent adjudication on the appropriateness of such actions.

May I just recount what happened to my mother? When she was in her late 70s, she was dying of cancer. She went to the Salisbury hospital, where she had an exploratory operation—*[Interruption.]*

Madam Deputy Speaker: Order. An electronic instrument is playing a musical tune. Will the person involved please ensure that it is switched off?

Sir John Butterfill: As a result of that operation, it was discovered that my mother had advanced cancer of the pancreas. When I spoke to the surgeon afterwards and asked, "Well, what's the prospect?" he said, "Well, she's absolutely riddled with it. All I've done is sew her up, and all we can do is make her comfortable for the few months that she has got left to live." I said, "Do we tell her?" and he said, "Well, if she asks directly, yes, but a lot of patients don't want to know, so unless she asks me or asks you, we probably won't tell her the situation."

My mother then came to live with my family in the final months of her condition because she needed fairly constant nursing, but it came to a stage where it was not possible for her to stay in the home and she went into the Royal Surrey county hospital, Guildford. We went to visit her one day and she said, "Oh, wonderful news: they're going to operate on me, and they think that they can possibly cure it; they think that they know what it might be." I said, "Oh, wonderful, mum. Yes, good; I'm jolly pleased." I then contacted the surgeon concerned and asked, "What's going on? You know perfectly well that she's in a terminal condition. We have been told already that she can't be cured. What are you doing this for?"

As it was a teaching hospital, I said, "Is this just to open up an old lady, so that students can see what a terminal pancreatic cancer condition looks like?" and the surgeon had to admit that it was. I asked, "Will it in any way benefit or advance the cause of medical science?" and the response was "Probably not." I said, "I shall report you to the GMC if you go ahead with this." The operation was not proceeded with and the staff said, "Well, how are we going to tell her?" I said, "Well, that's your problem. You've raised her expectations, and you'll have to deal with deflating them." I say that purely to illustrate the attitude of some members of the medical profession to the way that they interpret what they may or may not do.

What worries me about the new clause is not the sort of minor procedures that the right hon. Member for Rother Valley proposes, but the huge breadth of authorisations that may be included by the phrase

"any medical or surgical procedure in relation to any person without capacity to consent which, although not carried out for his benefit, will in the opinion of the Secretary of State not cause him significant harm and be of significant benefit to others."

That is extraordinarily broad. No checks and balances are built into the new clause, and it is not sustainable. That is where the Nazis were with Dr. Mengele. I am not suggesting that any of our Secretaries of State is ever likely to act in that way, but the new clause is far too broad, and it could not possibly be accepted without proper checks and balances being built into it.

Mrs. Browning: When the Joint Committee considered this part of the Bill, I expressed quite a few reservations about the principle of carrying out research on people who lacked capacity. We have had a long debate this afternoon about advance decisions. Of course, if someone who has capacity, but knows that they have a condition which means that they will eventually lose it, gives their full consent while they are compos mentis to some research being carried out on them, that is a different matter. However, like my hon. Friend the Member for Bournemouth, West (Sir John Butterfill), I share concern about the scope of the new clause.

One of the concerns of the Scrutiny Committee, which was accepted by the Government, was that the principles of the Bill should be clearly stated at its beginning. The fifth principle is that

"An act done, or decision made, under this Act for or on behalf of a person who lacks capacity must be done, or made, in his best interests."

I am not sure that the new clause complies with that important principle.

Mr. Boswell: Does my hon. Friend believe that clause 1(5), let alone the new clause tabled by the right hon. Member for Rother Valley (Mr. Barron), represents an adequate exposition of the best interests principle?

Mrs. Browning: I have expressed my reservations about it. We were lobbied both in the Joint Committee and the Standing Committee by organisations, some of which I am personally associated with. I am sure that where there is a lack of research into certain medical conditions we all want to give as much opportunity as possible for research, but in the back of my mind I have a nagging problem about research being done on people who lack capacity, not for their own benefit but for the wider good of others, without their specific consent in an advance directive.

New clause 3 is extremely wide in scope. It says that the research should not cause the patient significant harm and should be of significant benefit to others.

Mr. Grieve: That must mean, must it not, that it can cause the patient some harm?

Mrs. Browning: Indeed. My hon. Friend has, as always, identified the nuances in the choice of language. What is significant harm and what are degrees of significant harm that would be acceptable for someone who lacks capacity? Would exactly the same things apply to someone who had capacity?

I have an interest in the matter in another context that is appropriate to the points made by the right hon. Member for Rother Valley (Mr. Barron). I worked with the Government a couple of years ago to persuade them to change a Home Office Bill in respect of the perpetrators of road traffic accidents who were suspected of drink-driving but who went into a casualty department unconscious—without capacity. The police had difficulty obtaining a blood sample from an unconscious perpetrator of an accident. It took three years, but we got there in the end and the legislation was amended. It was decided that a police surgeon, with the permission of the casualty admitting doctor, could take a sample under all the necessary constraints. When the person gained capacity, they had the right to say whether the blood sample could be used. The new clause would apply to many people who would never regain capacity and would not be able to exercise their right to make decisions.

The right hon. Member for Rother Valley gave the example of a patient with a disease or condition that might be of harm to others, including the medical practitioners looking after them. I am not convinced that procedures do not already exist to allow the medical profession to address specific concerns about spreading disease and contaminating others, including those working with patients.

The Bill is an inappropriate vehicle for such requirements on research. New clause 3 would represent a movement away from the Bill's best principles, so I must tell the right hon. Member for Rother Valley that I cannot support it.

Mr. Cash: I had not intended to speak about new clause 3, but the more I read it, the more worried I become. Given the position of the right hon. Member for Rother Valley (Mr. Barron), I take it that he is proposing a measure that has been approved by the General Medical Council. *[Interruption.]* I am glad to know that that is not the case. New clause 3 is well drafted for the purpose for which it seems to be intended, so I wonder what its origins are.

Mr. Barron: The provision came to me through the British Medical Association, not the General Medical Council.

Mr. Cash: That reinforces my worry in many respects because the BMA is of course the trade union for the medical profession. Although I have already indicated the necessity to improve the GMC's procedures so that its self-regulatory processes work effectively within a statutory framework—many people, including Dame Janet Smith, who sat in judgment during the recent inquiry, clearly remain deeply concerned about that—the points that I am about to make must be carefully considered by the BMA. If we do not reach a conclusion today, I sincerely hope that another place will bear my points in mind.

As I said on a point of order about the shambles of the debate on new clauses 1 and 2, the House must be given adequate time after the Bill has returned from the House of Lords to consider such matters properly. We should not be constrained by an artificial programme motion that does not give us the time to do so. We should consider amendments for a full time on behalf of our electors, who are the reason why we are in the House. The shambles that we saw indicates—

Madam Deputy Speaker: Order. Will the hon. Gentleman direct his remarks to new clause 3 rather than what took place previously?

Mr. Cash: I hear what you say, Madam Deputy Speaker, and I shall abide by the generality of it. However, my point also relates to new clause 3. If we are to have a proper debate about the matter, I trust that we will also be able to consider it when the Bill returns from the House of Lords.

The Secretary of State would invoke a power by order to carry out the injunctions set out in new clause 3, so the rest of the Bill's provisions on statutory instruments would be applied. I am worried that the power would be incredibly wide because it could be used

"generally or in cases of a specified description".

It would thus apply to almost any circumstances that could be conceived.

The Secretary of State could, by such an order,

"authorise the carrying out of any"

not some—

"medical or surgical procedure".

That could include virtually anything that a doctor, consultant or similarly qualified person could do. Such a procedure might be not merely specific to, but in relation to, a person. That raises the question of who is a person. Does it mean, for example, an unborn child? The amendment describes the person as being "without capacity to consent". Of course an unborn child does not have capacity to consent. Of course, in certain circumstances, a person in severe medical trauma does not have capacity to consent. We covered that in the previous debate.

The amendment goes on to qualify the procedure as

"although not carried out for his benefit".

What may or may not be for the person's benefit certainly would not include abortion.

4.30 pm

Mrs. Browning: Has my hon. Friend considered whether sterilisation would fall within the scope of the amendment? I can think of circumstances where someone might lack capacity and have a hereditary disease, and in case they ever became pregnant or made someone pregnant, it might be deemed better for them to be sterilised for the benefit of any children that might otherwise be born in the future?

Mr. Cash: Indeed. I should be grateful if the right hon. Member for Rother Valley could tell me what would not be included under the provisions of the new clause. On my reading of it, there is virtually nothing that would not be included.

The new clause continues with the words

"will in the opinion of the Secretary of State".

The words "in the opinion of" mean in law that, for practical purposes, there is no means of challenging the basis upon which the Secretary of State arrives at that conclusion. The new clause states that the procedure

"will in the opinion of the Secretary of State not cause him"

that is, the person without capacity to consent

"significant harm and be of significant benefit to others."

If that is presumed to mean that although not carried out for his benefit, the procedure could not cause him significant harm, and that that is intended to deal with the question of abortion, and to be of significant benefit to others, I would certainly take account of what the right hon. Gentleman says.

New clause 3 is enormously wide. I cannot see much that would be excluded from it. I would be happy to hear that it is not intended to apply to abortion, among other things. In the light of what is contained in the Bill, I am rather concerned about what will happen once these issues have been taken out of the arena of the common law and the conventions and ethics of the medical profession, and transformed through statute and codes of practice into legal rules, which are enforceable and would need to be adjudicated. I am worried that there may be an attempt, driven by the profession and/or by insurers, to make sure that the buck is passed, making doctors and others in the medical profession less accountable than they are at present.

There is an important question lurking in the back of my mind about all these matters. This is not intended as a criticism of a noble profession and the wonderful

[Mr. Cash]

doctors, surgeons, consultants and so on, whom we know and trust. However, in the course of proceedings on the Bill, I detect a growing tendency that there is meant to be a change in the manner in which decisions will be adjudicated, just as, for example, we in the House have to form judgments on a daily basis about what we believe to be in the interests of our constituents. That is the duty that we have to discharge. Sometimes it is extremely difficult—in certain respects, it is difficult in the context of this Bill—particularly when conscience matters arise.

My final thought is that just as it is intrinsic to our duties to arrive at difficult decisions on our own responsibility, which is one of the reasons why our deliberations are not constrained as if this House were a court of law, so the ultimate responsibility and accountability of doctors and others in those professions depends upon their judgment of what is or is not in the interests of their patients, which is a matter of the highest faith and duty.

My hon. Friends the Members for Bournemouth, West (Sir John Butterfill) and for Tiverton and Honiton (Mrs. Browning) have referred to specific examples of clauses that depend on expressions such as "in the opinion of", and other examples include a case to which I shall return later in the debate. It is essential that we do not end up with broad-brush clauses, which I am sure are well-intentioned—I hope that they are well-intentioned—but carry grave problems of the kind that I have attempted to describe this afternoon.

Mr. Heath: I shall be brief. The right hon. Member for Rother Valley (Mr. Barron) may have detected the lukewarm response to his new clause. We should not decry his intention, but he has not been sufficiently clear on the arguments why the patient's best interests should be set aside in such a wide range of circumstances.

I shall not repeat points made by other hon. Members. I understand the right hon. Gentleman's point about diagnostic blood testing, but that case is already covered by the protection for the medical practitioner against any charge of assault or more serious harm. That is a clear example in which the interests of the individual are identical to the interests of the class—in diagnostic terms—of patients. For instance, it is not in an individual's interests to be barrier nursed as a precautionary measure simply because nobody knows whether they have a blood infection. It is possible to construct an argument in law on that basis, and if difficulties arise, we need a specific measure to deal with them.

In my view—I do not want to labour the point—new clause 3 covers an enormous width of provision by referring to any medical or surgical procedure. Hon. Members have discussed sterilisation, which clearly falls within those parameters. I venture to suggest that the point raised by my hon. Friend the Member for Cheadle (Mrs. Calton) on testing drugs would also fall within those parameters.

On transplant procedures, it would not cause a patient significant harm to lose one kidney, which happens all the time in familial relationships where that is the best match. Under new clause 3, could the Secretary of State require that a person should be operated on to remove a kidney for donation to another individual? It would certainly be of significant benefit to another person, but it would not cause the individual significant harm. No Secretary of State would make that assessment, but new clause 3 contains a width of provision that the House would be unwise to allow. The question has been put, "What possible procedures would not be included in that definition?" All I can think of are cosmetic surgical procedures, and even they could be said to be for the benefit of others. I hope that the right hon. Gentleman will not in any way resile from his intention but will realise that the new clause is wrongly drafted.

I want to raise one other issue in relation to Government amendment No. 7, although we have yet to hear the arguments for it and I do not wish to pre-empt them. It inserts into clause 31(2) the words,

"or causes or contributes to",

which means that the subsection will read:

"The research must be connected with a condition which—

(a) affects P, and

(b) is attributable to",

or causes or contributes to,

"the impairment of, or disturbance in the functioning of, the mind or brain."

I entirely understand why the Government wish to add those words—clearly, there are conditions that are caused by damage rather than being the cause of damage, and both should be included. The difficulty lies in the fact that the subsection deals with both mind and brain. When something affects the brain as an organ, there is clear cause and effect, but if mind is included, anything that causes or contributes to mental trauma could fall within the scope of the provision.

That may not have been taken into account in the drafting procedure. I think that the drafters were trying to put right a lacuna in the existing wording, but by not recognising the difference between mind and brain they may accidentally have produced a rather wider sense to the subsection than they intended. I would welcome the Minister's comments on that specific point.

Mr. Grieve: The amendment tabled by the right hon. Member for Rother Valley (Mr. Barron) seeks to widen enormously the scope of the research clauses. On Second Reading, I said that those clauses were some of the most troublesome that the House had to consider. I appreciate that in the past, matters concerning research on an incapacitated patient who does not have the mental capacity to give consent have been conducted informally by the medical profession, usually with the consent of relatives. Nevertheless, there is something very stark about what happens when one reduces those informal procedures, which in my view were wrong, into a statutory form that, to my mind, remains ethically extremely troublesome.

The right hon. Gentleman has in a sense taken an extreme position—I hope that he does not mind my saying that, as it is right that he has done so—by putting forward the medical profession's view, which is essentially that if doctors think that an action is justified, and as long as it does not cause significant harm to an incapacitated person, they should be able to do it, with

the Secretary of State being able to provide particular authorisations. I have to say that it is apparent that such a procedure would be in flagrant breach—I hope that the right hon. Gentleman does not mind my using that expression—of the provisions of the Council of Europe convention on human rights and biomedicine, which lays down strict guidelines on what is permissible in relation to an incapacitated patient: guidelines that the Government have not followed in their drafting of the Bill.

I hope that the right hon. Gentleman will excuse me when I say that I could not under any circumstances support new clause 3, and I certainly could not encourage any of my hon. Friends—notwithstanding that this is a matter for a free vote—to do likewise.

As I said in my intervention on the right hon. Gentleman, some of the anxieties that he expressed, especially about barrier nursing or conducting tests to determine the best way in which to handle a patient, are groundless. Even if the most rigorous research clauses were introduced, I do not believe that doctors or nurses should have any anxiety about the sort of test that exists for their safety when relating to patients—that is plainly in the patient's interest—or for deciding the best way in which to manage a patient. I hope that he can pass that reassurance back to those in the medical profession.

4.45 pm

Let me deal with the clause more generally. The clauses on research differ substantially from the European convention. The differences have been highlighted by the Joint Committee on Human Rights, which scrutinises Bills. It stated that, unless the wording is tightened up, there is a serious risk that the provisions will be found to be in breach of the convention. A Government response to that is awaited and I hope that, at this late stage of the Bill's passage through the House of Commons, the Minister will give some idea of the Government's view of those criticisms.

Let me consider amendments Nos. 43 and 44, which my hon. Friend the Member for Daventry (Mr. Boswell) and I tabled. I continue to have serious anxieties about the research clauses. There is an argument, which, doubtless, many people would try to avoid, that research can never be justified on an incapacitated patient unless one can show that it is directly for that patient's benefit. The fact that the research may be for the benefit of a wider section of society is arguably irrelevant. After all, if I am a person of full capacity and a doctor asks me whether I would be prepared to consent to tests, albeit not massively intrusive tests, which are not for my direct benefit but might benefit thousands of other people, as the law in this country currently stands—thank goodness—it is my right to say no. The idea that, if I were incapacitated, someone could make the decision for me is troubling.

The logical outcome of the argument is that all sorts of medical research may be closed off. The alternative approach is that the Government should simply rewrite the clauses and provide that people have to sign up in advance, as they do for organ donation, and state that they are prepared for such tests to be undertaken. It is a difficult issue but the approach in the Bill leaves me feeling uncomfortable.

In an effort to tackle that, my hon. Friend the Member for Daventry and I tabled amendment No. 43 to clause 31(4), which states:

"The research must—

(a) have the potential to benefit P without imposing on P a burden that is disproportionate to the benefit to P, or"—

the controversial paragraph—

"(b) be intended to provide knowledge of the causes or treatment of, or of the care of persons affected by, the same or a similar condition."

Paragraph (b) is the cause of my concerns. Amendment No. 43 would add a paragraph (c), which would provide that the research must

"be in the best interests of P."

Elsewhere in the Bill, "best interests" has been presented repeatedly as the major justification for allowing decisions to be made about a mentally incapacitated person. Why cannot that specifically be included in clause 31? I believe that I know what the Minister's answer is likely to be. It will or might seriously restrict the circumstances in which any testing or treatment could be undertaken. If that is the case, it may be necessary for hon. Members simply to accept it.

I remain troubled by a principle that allows experiments to be carried out on individuals to whom they are of no direct benefit. Our proposed subsection, on which I hope we will have an opportunity to vote, would provide extra protection.

The second amendment that I have tabled with my hon. Friend the Member for Daventry would amend clause 32(6), which deals with the consultation of carers. We seek to delete the reference to "P's deputy", because a deputy is not a suitable person to make that decision, and does not have the status or standing to do so. The Government have tabled amendments that attempt to take on board some of the anxieties and criticisms about the research clauses in the Bill. I note with satisfaction that the potential for going to court to circumvent the advice of close relatives has effectively been removed except in emergencies. I am very pleased indeed about that. The Minister will be aware of the contents of the report by the Joint Committee. At the moment, the wording of the relevant clauses does not correspond with that of Council of Europe convention so, as the Joint Committee highlighted, the Bill does not comply with the convention on human rights and biomedicine. We therefore need reassurance from the Government about how they will address the Joint Committee's concerns. If the Minister cannot do so this afternoon, I hope that she will send hon. Members and me a full response to the criticisms that have been made.

Returning to my main point, we may all think that research to prevent diseases and affliction in others is desirable, but we should be careful about using the incapacitated as our guinea pigs to achieve that outcome. I accept that this is a difficult ethical area, and in many cases it may be possible to find a way around it. The Bill institutionalises what has previously been done on the nod, but that does not mean that we should simply allow past procedures to continue, even if that is inconvenient. I hope that the Minister will respond positively to my proposals, because amendment No. 43 goes a long way towards ensuring that patients will

[Mr. Grieve]

not be subject to experimentation, however benign, that is of no benefit to them at all.

The Minister of State, Department of Health (Ms Rosie Winterton): I shall start by addressing the new clause tabled by my right hon. Friend the Member for Rother Valley (Mr. Barron). I have taken careful note of the points that he and the British Medical Association made, and the issue deserves serious consideration. I am sympathetic to the fact that doctors are often put in a difficult position when faced with the need for such testing. However, as other hon. Members have said, we have made the principle of best interest the cornerstone of the Bill, and I am afraid that it would be extremely difficult to accept a provision allowing P to be tested for a purpose that is not in his best interests. The BMA, understandably, has sought assurances that it would be possible to conduct a diagnostic test primarily of benefit to a family member in the case of genetic diseases, or perhaps to a nurse or doctor if a needlestick accident had occurred in P's treatment. That is the issue about which my right hon. Friend is particularly concerned, but I hope I can give him some reassurance here.

As I have said, it would be difficult to imagine a situation, for example, where someone with capacity—if there had been a needlestick injury in particular—could say that they did not want any such test carrying out. We would then have a different scenario for people without capacity. That is the difficulty in what are obviously difficult situations in themselves.

We believe that a proposal such as that tabled by my right hon. Friend is unnecessary, because the Bill will allow for acts whose primary purpose is to benefit a third party, provided that those acts are in P's best interests. I reassure the House that the interpretation of best interests could be broader than P's medical best interests. I can confirm that the Bill will not prevent a genetic test for a familial cancer, for example, that might not be essential to P's medical care but would provide considerable benefit to some other family member.

Similarly, HIV testing would be lawful if there were a needlestick injury to a nurse involved in P's care and if a timely diagnosis of HIV status would be in P's best interests, so that treatment could be started. There is the ability for a medical professional in those circumstances—if they reasonably think that a person might have HIV/AIDS or hepatitis C and that they might have been affected by it—to request a test so that treatment of P could start.

Mrs. Browning: Would not the scenario that the Minister has outlined equally apply to somebody with capacity? For example, there might be a patient in hospital who has capacity, but who perhaps lived a lifestyle that gives cause for concern that they might be carrying HIV. So, in that circumstance, there would be equal treatment between those with and without capacity.

Ms Winterton: Obviously, if someone had capacity, there would be the ability to ask them whether they consented to such a test. The consent rule would still apply there. There is, in a sense, a slight difference here: if someone cannot give consent because they are incapacitated, there have to be other ways in which the approach could be made.

Mr. Heath: I am slightly concerned by the Minister's linkage between the investigation and the efficacy of treatment. It seems to me that there are plenty of other reasons, which are for the general benefit of the patient, for that diagnosis to take place. However, to link it too expressly with an effective start—an early start—to a therapy is unhelpful to the argument. I hope it is not an exclusive argument that she is making.

Ms Winterton: I am simply saying that, in circumstances where it is impossible to know whether the incapacitated person might or might not be suffering from such a condition, if there is reasonable cause to think that they might be, it would be in their interest, and of benefit to them, to have a test so as to start treatment. Someone who has capacity, however, obviously still has the ability to refuse to be tested. If they are asked, however, and they refuse to be tested, it is extremely difficult to force them.

5 pm

Mr. Grieve: In the case of an incapacitated patient, there is an entitlement to presuppose that in relation to treatment for their own benefit, they would act as a reasonable patient with capacity would. That is what large chunks of the Bill are all about. As long as a direct benefit to the patient can be shown, the problem raised by the right hon. Member for Rother Valley (Mr. Barron) does not arise, and he need not be troubled by it. The problem, which is at the heart of these clauses, comes when research is not at all for the benefit of that patient or his immediate management.

Ms Winterton: Perhaps I can address some of those issues shortly. I want to reassure my right hon. Friend the Member for Rother Valley that we will make it clear in the code that, in such cases, the possible wider benefit that accrues from testing, which has been endorsed already in legal judgments, will continue to be an important factor in determining best interests. If a diagnostic test is in P's best interests, it should be lawful, and doctors performing such tests have the protection from liability afforded by clause 5. We will also consult on a role for the independent consultee in such decisions, so that there are mechanisms other than the Court of Protection to ensure that P's best interests are met in the light of the specific circumstances of each case. In the light of the explanations and, I hope, reassurance that I have given, I therefore ask my right hon. Friend to withdraw his amendment.

With regard to amendment No. 43, I agree that it is important that we make sure that people without capacity are properly protected. That is why we have included in the Bill some stringent safeguards. It is more difficult to define best interests in this area than in other parts of the Bill. The most that we can ask of research is that it offers a potential benefit to people. There cannot be guarantees, because, as was pointed out in Committee, if there were, such treatment would be offered. There is no way that researchers can prove in advance that something will be of benefit; they can only say that it may be of direct benefit. Were we to

undermine that and say that it had to be of benefit, a lot of research would not take place, and some research being done would have to cease.

Mr. Grieve: What, then, is the ethical basis for the research clauses as they stand? That is not a trick question for the Minister; it is a fundamental issue. The Government must explain to the House the ethical basis of carrying out experimentation or testing on someone who is incapacitated, cannot give consent and has no direct benefit from such tests.

Ms Winterton: Let us be clear: we are talking about potential benefit. As to the ethical basis, however, we must agree about whether or not we want to carry out research on the conditions, or the causes of the conditions, of people with incapacity. The safeguards put into the Bill make it clear that such research will only be that which cannot be carried out on someone with capacity; that relates to the causes or conditions of the person's incapacity; that the person has the absolute right to withdraw at any time from such research if there is any indication that they do not want to be involved in it; and that if somebody else objects to their inclusion in such research, they should be withdrawn from it. It must be approved by a research ethics committee, which will also look at the way in which consent has been obtained.

The Joint Committee gave careful consideration to the issue. It decided that, on balance, despite concerns about research of this kind, it was not right for people who had incapacity not to benefit from the research in the same way as those with capacity. A number of groups made representations to the Government, and I am sure the hon. Member for Tiverton and Honiton (Mrs. Browning) will agree that they were made to members of the Committee. Those groups told us that excluding people without capacity from research would be detrimental to them.

As I have said, it is always difficult to prove that something can be in someone's best interests. We can only say that it is of potential benefit to that person, or might benefit him or her in the longer term, or might benefit him or her indirectly once more research has been done, or might benefit others with the same condition now or in the future.

Mr. Grieve: It is that last point that bothers me. The others do not trouble me all that much. Even potential benefit might be a justification, but the nub of the issue is research carried out on an individual that is of no possible benefit to that individual, but is justified on the ground that it is there for the wider public good. Are the Government comfortable with that set of ethical values?

Ms Winterton: I am very comfortable that we are introducing a number of safeguards in the Bill. As the hon. Gentleman has said, research already can be carried out, but now safeguards will be introduced. I am confident that, as far as possible, medical ethics committees will ensure that research benefits individuals at the time. It may not always be possible for some research, particularly when it looks into causes, to be of direct benefit immediately, but it could well be in the future. It might also lead to alleviation of current symptoms.

Mr. Boswell: This is a difficult argument, but I think that the principle is simple. Clause 1(5) makes a commitment that embraces the whole Bill—that acts done or decisions made should be in the best interests of the person involved. Is the Minister saying that that best-interests principle is suspended in the case of the research clauses? Yes or no?

Ms Winterton: I am not saying that it is suspended, but I think that given the direct way in which it is interpreted in other parts of the Bill, it will be inevitably interpreted slightly differently in this part, for the simple reason that it is always extremely difficult to say that research is absolutely in someone's best interests. It is in the nature of research that it is almost impossible to prove that it would be of direct benefit.

Mr. Cash: Would it not be possible to overcome some of the difficulty by making it clear in the principles that the provision would apply when it was of direct benefit to the person concerned, but not when it was of indirect benefit?

Ms Winterton: As I have said, although one would hope that such research would be of direct benefit, it is not possible in every circumstance to prove that it would be. The Bill's provisions are absolutely consistent with all international legal and ethical norms and instruments. The Bill also makes it clear that if the research is for the benefit of others, the risk must be obviously negligible.

Mrs. Browning: Will the Minister give way?

Ms Winterton: I will, but I am anxious to move on and I know that the hon. Lady will want to discuss the independent consultee.

Mrs. Browning: I thank the Minister and I shall be brief. Incapacity usually has a neurological base, and the benefit of research into conditions such dementia and Alzheimer's often lies in post-mortem pathology, rather than in research on living people. So I hope that the Minister will focus on such opportunities, rather than on performing research on people who are still alive.

Ms Winterton: The hon. Lady is of course right. Some of these issues are covered in the Human Tissue Act 2004, so that we can be clear that such research can be carried out, with the proper consent.

As I was saying, the difficulty is that it would be extremely difficult to ensure on every occasion that such research was in the best interests of P, so in effect, such a provision would prevent a great deal of research.

Amendment No. 44 deals with an issue that was raised in Committee. I understand and share Members' desire to protect someone who may lack capacity from decisions taken by a court-appointed deputy whom they did not choose to represent them. However, the problem is that such a deputy might well know and be related to P; in effect the amendment would exclude a number of

[Ms Winterton]

people who might be in the best position to know whether P would have wished to participate in such research. The court might well appoint a relative, friend or carer as the deputy, and we would not want to exclude such a person. However, I sympathise with the concerns expressed and we will amend the code of practice to make it clear that if a deputy has no relationship to, or knowledge of, P before their appointment, they should not be consulted on the question of P's participation in research. I hope that that deals with the concerns expressed.

I shall deal briefly with the Government amendments. Some very useful suggestions were made in Committee and I agreed to look into them. We have tabled a number of amendments that draw on policy intention behind the various clauses. As drafted, clause 31 unintentionally prevented research into a condition or illness that causes incapacity, such as variant Creutzfeldt-Jakob disease or Alzheimer's, even where such research might be of benefit to P. As per our original intention, Government amendment No. 7 will allow research into anything that causes or contributes to P's condition, as well as anything attributable to it.

Government amendments Nos. 8, 9 and 10 deal with removing a researcher's right of appeal. As was pointed out in Committee, as drafted clause 32 would give a researcher the right to apply to a court if a carer, friend or relative objected to P's taking part in the research. Frankly, that seemed rather unreasonable. If the carer or friend says that there should be no further research, there should be no further research and no further argument about it.

Government amendments Nos. 11 and 12 deal with research in emergency cases. There were some concerns that the Bill as drafted was not clear enough about research done in emergency and acute medical settings. An example would be someone who had a head injury or stroke, for which swift treatment is often vital. There may be ways in which research could be done in relation to such treatment. Pumping someone's heart 15 times instead of 10 times in order to revive them might be relevant.

5.15 pm

Presently, it is unclear whether consent is required before such treatment can be carried out. The amendments clarify the point that the provisions apply to cases where urgent treatment is needed. I hope that that makes our intention clearer—that we do not envisage the provisions covering circumstances where a researcher just wants to act quickly. Rather, they apply to where people are suddenly incapacitated and the research relates to their particular condition at the time. Again, the research team would have to agree the specific detailed proposals with the research ethics committee before a trial could be approved.

Government amendments Nos. 13 and 14 help to clarify the provisions on advance decision and the final amendments that we have suggested on research are also clarificatory. Clause 33 states that a researcher must not act in a way that is contrary to a person's advance decision. Amendments Nos. 13 and 14 make it clear that that applies to any earlier statement a person has made about not participating in research and is not limited to advance decisions as defined in clauses 24 to 26. If someone has said in advance that they are opposed to medical research and do not want to take part in it, the researcher must respect that and not enrol them in the trial.

In conclusion, I understand that there are difficult issues surrounding research, about which hon. Members feel very strongly. People who represent those who lack capacity, including their families or carers, have made it clear that they feel it would be wrong to exclude people from being able to participate in and benefit from research, either for themselves or others. They feel that it would be almost discriminatory to introduce such a measure. What we have tried to do within the Bill is to balance that need against some very stringent safeguards. We in Parliament are able to lay down some of the necessary safeguards and, by working through codes of practice, implement them. I hope that hon. Members will withdraw their amendments and accept the Government ones.

Mr. Barron: I agree with the hon. Members for Bournemouth, West (Sir John Butterfill) and for Tiverton and Honiton (Mrs. Browning) about the extent of the powers that the Secretary of State could use if he were to bring in an order under new clause 3. It would be a brave and potentially foolish Secretary of State who wanted to deal with issues such as sterilisation or abortion by making an order, yet the new clause might well allow that to happen.

The hon. Member for Stone (Mr. Cash), who is no longer in his place, was right to bring certain issues to our attention. He was absolutely right to mention the conventions and ethics that members of the medical profession adopt. They are always important when we are trying to bring into law, as it were, the legal rules that have developed under common law in recent years.

I hope that the hon. Member for Somerton and Frome (Mr. Heath) was satisfied, as I was, by what the Minister said about diagnostic tests. I believe that the profession has a right to ask questions about that as we attempt to bring this law to the statute book.

The hon. Member for Beaconsfield (Mr. Grieve) mentioned the use of emotive language. I would not use a phrase like "guinea pigs" in respect of the use of incapacitated people for research, and I would not condone the clauses on research if such language were used. However, in some areas it is vital to use people who lack capacity for research purposes. Such research must be carried out properly, but the benefits can extend beyond the person involved to other people who may suffer similar incapacity. An obvious example concerns people who lack capacity as a result of road accidents or head injuries. The effects do not always last forever, as people make progress with such injuries. I am no expert, but I am sure that the treatments and drugs derived from such research benefit others in similar circumstances. The medical profession wants people to know that there are legitimate reasons for conducting such research when the aim is to assist people who might in the future lose capacity because of similar accidents.

I am sure that the BMA will be reassured by what my hon. Friend the Minister said in response to the concerns that it has expressed. I thank her for the

clarification that she has supplied. The code of conduct offers more in the way of explanation about those matters into which research can be conducted, and I hope that the BMA will be satisfied with what she said.

I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

New Clause 5

APPOINTMENT OF INDEPENDENT ADVOCATES (NO. 2)

'(1) The appropriate authority must arrange, to such an extent as he considers necessary, to maintain the principles set out in section 1 of the Act, for independent advocates to be available to assist a person P when another person D is considering doing an act, or making a decision to do an act.

(2) The assistance available under the arrangements must include—

(a) assistance to permit an encourage the individual to participate or improve his ability to participate, as fully as possible in the act proposed to be done or the decision to be made affecting him;

(b) assistance to express the individual's past and present wishes and feelings, beliefs and values and other factors which he would consider are relevant to the decision or proposed action if he were able to do so;

(c) assistance to maintain the principles set out in section 1 of this Act.

(3) The appropriate authority may make regulations—

(a) as to the appointment or recognition of independent advocates for the purpose of this Act;

(b) as to the functions of independent advocates for the purposes of this Act;

(c) that a person may act as an independent advocate only in such circumstances, or only subject to such conditions, as may be prescribed;

(d) for the appointment of a person as an independent advocate to be subject to approval in accordance with the regulations.'

(4) In making arrangements under subsection (1), the appropriate authority must have regard to the principle that support in relation to a proposed act or decision should, so far as practicable, be given by a person who is independent of any person who will be responsible for the act or decision.

(5) The arrangements may include provision for payments to be made to, or in relation to, persons carrying out functions in accordance with the arrangements.

(6) The appropriate authority may make regulations as to the specified circumstances in which independent advocacy must be made available which shall include considerations of a major change in a person's accommodation and/or support arrangements where the accommodation or support is to be paid for in whole or in part from public funds, or would be but for the fact the person's resources exceed those set in regulations under section 22 of the National Assistance Act 1948.

(7) A major change for the purpose of subsection (6) means any change to—

(a) accommodation for a continuous period intended to or likely to exceed 28 days or

(b) any new contractual arrangements for providing support, for a person who lacks capacity to agree to the changes, where accommodation or support is to be paid for in whole or in part from public funds, or

(c) where the arrangements need to be made as a matter of urgency.

(8) In this section "the appropriate authority" means—

(a) in relation to the provision of the service of independent advocates in England, the Secretary of State, and

(b) in relation to the provision of the service of independent advocates in Wales, the National Assembly for Wales.'. —*[Paul Holmes.]*

Brought up, and read the First time.

Paul Holmes (Chesterfield) (LD): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker: With this it will be convenient to take the following amendments: No. 48, in page 19, line 10, leave out 'Independent consultee service' and insert 'Independent advocates'.

No. 49, in page 19, line 11, leave out 'independent consultees' and insert 'independent advocates'.

No. 50, in page 19, line 13, leave out 'independent consultees' and insert 'independent advocates'.

No. 51, in page 19, line 16, leave out 'independent consultees' and insert 'independent advocates'.

No. 52, in page 19, line 17, leave out 'independent consultees' and insert 'independent advocates'.

No. 53, in page 19, line 20, leave out 'independent consultee' and insert 'independent advocate'.

No. 54, in page 19, line 22, leave out 'independent consultee' and insert 'independent advocate'.

No. 55, in page 19, line 32, leave out 'consultee' and insert 'advocate'.

No. 56, in page 19, line 42, leave out 'independent consultee's' and insert 'independent advocate's'.

No. 57, in page 20, line 1, leave out 'independent consultees' and insert 'independent advocates'.

No. 58, in page 20, line 3, leave out 'independent consultees' and insert 'independent advocates'.

No. 34, in page 20, leave out lines 11 to 13.

No. 35, in page 20, leave out lines 37 to 39.

No. 59, in page 21, line 2, leave out 'independent consultee' and insert 'independent advocate'.

No. 60, in page 21, line 8, leave out 'independent consultee' and insert 'independent advocate'.

No. 61, in page 21, line 16, leave out 'independent consultee' and insert 'independent advocate'.

No. 62, in page 21, line 17, leave out 'independent consultee' and insert 'independent advocate'.

No. 36, in page 21, leave out lines 39 to 41.

No. 33, in page 22, line 2, at end add—

'or if accommodation would be provided but for the fact the person's resources exceed those set in regulations under section 22 of the National Assistance Act 1948.'.

No. 63, in page 22, line 12, leave out 'independent consultee' and insert 'independent advocate'.

No. 64, in page 22, line 19, leave out 'independent consultee' and insert 'independent advocate'.

No. 65, in page 22, line 31, leave out 'independent consultee' and insert 'independent advocate'.

No. 66, in page 22, line 33, leave out 'independent consultees' and insert 'independent advocates'.

No. 67, in page 22, line 38, leave out 'independent consultee' and insert 'independent advocate'.

[Madam Deputy Speaker]

Government amendments Nos. 15 and 16.

Paul Holmes: New clause 5 continues a debate that occupied some time in Standing Committee. The Government propose to introduce independent consultees, along the lines of existing advocates, to advise NHS bodies and local authorities about what is in a person's best interests when a decision is being made about serious medical treatment, or before certain types of accommodation are provided. The Government also propose to provide £6.5 million to fund the arrangements, but only for persons without friends and family—the unbefriended.

Much of that is good, as far as it goes, but concerns remain. The Making Decisions Alliance encompasses some 40 different disability campaigning groups and has been at the forefront in expressing those concerns. It said that what the Government call the independent consultee service could cause confusion by becoming a rival to the existing independent advocacy services and it believes that there is no need for two such services. That is why new clause 5 would replace all the references in the Bill to independent consultees with the phrase "independent advocates". Advocacy services already fulfil the role of independent consultees and make representations to decision makers. There is no need for a completely new service, with a completely new title to explain what it does.

There is also concern about the restriction of the independent consultee service simply to the unbefriended. If the Government's advocacy-plus, as Ministers dubbed it in Committee, is to involve highly trained, skilled and experienced staff, why deny their services to those people who have family and friends?

Mr. Boswell: I am grateful to the hon. Gentleman for giving way as it will save me having to speak in this debate. May I cite to him the example—it was mentioned in Committee—of cases in which there are family disagreements? In such cases, it may be important to represent the views of the person without capacity in an objective way.

Paul Holmes: We did discuss that example in Committee and it would indeed be helpful if the independent advocate or consultee were available to all relevant people.

Ms Rosie Winterton: In view of the time, perhaps I could take the hon. Gentleman back to the discussions that we had in Committee. I made it clear that we would consider how we could extend the role of the independent consultee in just the circumstances that the hon. Member for Daventry (Mr. Boswell) outlined. I also said that it was important that we consulted widely on that before deciding absolutely who else should be included with the unbefriended.

Paul Holmes: I welcome the Minister's reassurances on that point, but would the service be extended only in instances of family conflict about the advice given to family members, or would it be extended to those who are represented by friends and family but would benefit from the expertise of trained advocacy staff?

Ms Winterton: That is exactly why we said that we wanted to consult more widely on the issue. Several examples might arise of circumstances in which people would feel that it was appropriate for an independent consultee to be involved, without upsetting the principle that if people were reaching decisions amicably we would not intrude in family matters.

Paul Holmes: There is still a feeling in the Making Decisions Alliance that the family carer is in the best position to know the views and safeguard the best interests of the person involved, but the independent advocate—as a trained expert—is more likely to know how to navigate the system better. There would always be a complementary role for the advocate to add their expertise and training to facilitate the process, even when family and friends are present.

Ms Winterton: Does the hon. Gentleman also accept that in some circumstances people might think that that was intrusive? The presence of the advocate could cause difficulties in families who are in vulnerable situations. We have to strike the right balance when making such decisions.

Paul Holmes: The Minister is correct and the Committee received some evidence on that point from a Welsh organisation of families and carers, who perceived a danger of intrusiveness. However, I am sure that any Government organisation would take due care with that and not tread on people's toes.

New clause 5 tries to address two other concerns. One is that the Government version of an independent consultee is available only once it has been established that a person lacks capacity, but the experience of the existing independent advocates is that in many cases someone is thought to lack capacity, but is able to express their views when given the appropriate support. New clause 5 tries to extend the principle of independent advocacy to support people during the process of determining whether they lack capacity, as it will often turn out that they have capacity if given support.

The Making Decisions Alliance has lobbied the Government on the second concern. It sought and received Government confirmation that the overriding function of independent advocacy is to support the individual, rather than the decision maker. It is felt to be important that the Bill should be amended by new clause 5 to write that verbal clarification into the Bill.

Mr. Tom Clarke: I know that time is against us, but if my hon. Friend the Minister has the opportunity to confirm that instead of "consultee" the word "advocacy" will appear in the Bill, that would be very welcome.

Ms Rosie Winterton: I know how strongly my right hon. Friend feels about that matter and I can give him—

It being half-past Five o'clock, MADAM DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

Question put, That the clause be read a Second time:—

The House divided: Ayes 106, Noes 345.

Division No. 13] **[5.30 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Baker, Norman
Baldry, Tony
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bottomley, Peter *(Worthing W)*
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Cash, William
Chidgey, David
Cormack, Sir Patrick
Cotter, Brian
Davey, Edward *(Kingston)*
Davis, rh David *(Haltemprice & Howden)*
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Doughty, Sue
Evans, Nigel
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Goodman, Paul
Green, Matthew *(Ludlow)*
Grieve, Dominic
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Heath, David
Hendry, Charles
Hermon, Lady
Holmes, Paul
Horam, John *(Orpington)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Iddon, Dr. Brian
Jackson, Robert *(Wantage)*
Jones, Lynne *(Selly Oak)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Laing, Mrs Eleanor
Lamb, Norman
Laws, David *(Yeovil)*
Lidington, David
Lilley, rh Peter
Mackay, rh Andrew
Mackinlay, Andrew
Mawhinney, rh Sir Brian
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Oaten, Mark *(Winchester)*
Opik, Lembit
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Portillo, rh Michael
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shepherd, Richard
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Taylor, David *(NW Leics)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Walter, Robert
Webb, Steve *(Northavon)*
Wiggin, Bill
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil

Tellers for the Ayes:
Richard Younger-Ross and Bob Russell

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Amess, David
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Bercow, John
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Sir Sydney *(Chipping Barnet)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Conway, Derek
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curry, rh David
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dorrell, rh Stephen
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
Garnier, Edward
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hague, rh William
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter

King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leigh, Edward
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luff, Peter *(M-Worcs)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Redwood, rh John
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Rosindell, Andrew
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Viggers, Peter
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watkinson, Angela
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wilkinson, John
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Nick Ainger and Paul Clark

Question accordingly negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour, pursuant to Order [this day.]*

Clause 3

INABILITY TO MAKE DECISIONS

Amendment made: No. 3, in page 2, line 25, at end insert—

'( ) A person is not to be regarded as unable to understand the information relevant to a decision if he is able to understand a general explanation of it given to him in a way that is appropriate to his circumstances (using simple language, visual aids or any other means).'.—*[Mr. Jim Murphy.]*

Clause 4

BEST INTERESTS

Amendment made: No. 4, in page 2, line 35, leave out 'circumstances appearing to him to be relevant' and insert 'relevant circumstances'.—*[Mr. Jim Murphy.]*

Amendment proposed: No. 1, in page 2, line 41, at end insert—

'(3A) Where the determination concerns or affects the person's personal welfare, he must consider the person's life and health as basic to that welfare.'.—*[Mr. Duncan Smith.]*

Question put, That the amendment be made:—

The House divided: Ayes 174, Noes 326.

Division No. 14] **[5.47 pm**

AYES

Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Battle, rh John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Burnett, John
Burns, Simon
Burstow, Paul
Cable, Dr. Vincent
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*

Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cotter, Brian
Crausby, David
Curry, rh David
Davey, Edward *(Kingston)*
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Doughty, Sue
Duncan Smith, rh Iain
Evans, Nigel
Field, rh Frank *(Birkenhead)*
Field, Mark *(Cities of London & Westminster)*
Fisher, Mark
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Galloway, George
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Grieve, Dominic
Hague, rh William
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hoey, Kate *(Vauxhall)*
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hughes, Simon *(Southwark N)*
Iddon, Dr. Brian
Jenkin, Bernard
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lamb, Norman
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Mackinlay, Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maude, rh Francis
Mawhinney, rh Sir Brian
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Portillo, rh Michael
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Roy, Frank *(Motherwell)*
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Miss Ann Widdecombe and
Mr. Andrew Rosindell

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunt, Crispin
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*

Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Nick Ainger and Paul Clark

Question accordingly negatived.

Amendment proposed: No. 2, in page 3, line 3, at end insert—

'(4A) He must, where the determination relates to life-sustaining treatment, begin by assuming that it will be in the person's best interests for his life to continue.'.—[*Mr. George Howarth.*]

Amendment proposed to the proposed amendment: (a) in line 2, leave out 'best'.—[*Mr. Jim Murphy.*]

Question, That the amendment be made, *put and agreed to.*

Amendment, as amended, agreed to.

Clause 24

ADVANCE DECISIONS TO REFUSE TREATMENT: GENERAL

Amendment proposed: No. 32, in page 14, line 10, leave out clause 24.—*[Dr. Iddon.]*

Question put, That the amendment be made:—

The House divided: Ayes 110, Noes 366.

Division No. 15] **[6 pm**

AYES

Amess, David
Bacon, Richard
Baldry, Tony
Battle, rh John
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Beresford, Sir Paul
Brazier, Julian
Burns, Simon
Campbell, Gregory *(E Lond'y)*
Campbell, Ronnie *(Blyth V)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Crausby, David
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Donaldson, Jeffrey M.
Drew, David *(Stroud)*
Duncan Smith, rh Iain
Evans, Nigel
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian

Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Grieve, Dominic
Hague, rh William
Hammond, Philip
Hawkins, Nick
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Iddon, Dr. Brian
Key, Robert *(Salisbury)*
King, Andy *(Rugby)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Mackinlay, Andrew
McLoughlin, Patrick
Malins, Humfrey
Mallon, Seamus
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Moss, Malcolm
Mudie, George
Murrison, Dr. Andrew
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Roy, Frank *(Motherwell)*
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Viggers, Peter
Walter, Robert
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Ayes:
Miss Ann Widdecombe and Ann Winterton

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Atkinson, Peter *(Hexham)*
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beith, rh A. J.
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Bercow, John
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunt, Crispin
Borrow, David
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, Russell *(Dumfries)*
Browne, Desmond
Browning, Mrs Angela
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chidgey, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clifton-Brown, Geoffrey
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Colman, Tony
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curry, rh David
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dorrell, rh Stephen
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Keetch, Paul
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Loughton, Tim
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*

McAvoy, rh Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Opik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Hywel *(Caernarfon)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Tom Watson and Vernon Coaker

Question accordingly negatived.

It being after Six o'clock, MR. DEPUTY SPEAKER, *pursuant to Order [this day], proceeded to put forthwith the Questions necessary to dispose of business to be concluded at that hour.*

Clause 31

REQUIREMENTS FOR APPROVAL

Amendment proposed: No. 43, in page 17, line 24, at end insert—

'(c) be in the best interests of P.'.—*[Mr. Grieve.]*

Question put, That the amendment be made:—

The House divided: Ayes 148, Noes 321.

Division No. 16] **[6.11 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barrett, John
Battle, rh John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burns, Simon
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davey, Edward *(Kingston)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan Smith, rh Iain
Evans, Nigel
Field, Mark *(Cities of London & Westminster)*
Fisher, Mark
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Galloway, George
Garnier, Edward
George, Andrew *(St. Ives)*
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Matthew *(Ludlow)*
Grieve, Dominic
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Heath, David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie

Knight, rh Greg *(E Yorkshire)*
Lamb, Norman
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Mackinlay, Andrew
McLoughlin, Patrick
Malins, Humfrey
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Moore, Michael
Moss, Malcolm
Mumson, Dr. Andrew
Oaten, Mark *(Winchester)*
Öpik, Lembit
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Tonge, Dr. Jenny
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Williams, Hywel *(Caernarfon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Paul Goodman and Mr. Adrian Flook

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Colman, Tony
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mallon, Seamus
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie

Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Todd, Mark *(S Derbyshire)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Tom Watson and Vernon Coaker

Question accordingly negatived.

Clause 4

BEST INTERESTS

Amendment made: No. 5, in page 3, line 27, at end insert—

'( ) "Relevant circumstances" are those—

of which the person making the determination is aware, and

which it would be reasonable to regard as relevant.'.—*[Mr. Lammy.]*

No. 37, in page 3, line 27 at end insert—

'(8A) "Life-sustaining treatment" means treatment which in the view of a person providing health care for the person concerned is necessary to sustain his life.'.—*[Mr. Lammy.]*

Clause 6

SECTION 5 ACTS: LIMITATIONS

Amendment made: No. 38, in page 4, line 23, leave out subsection (7).—*[Mr. Lammy.]*

Clause 14

PROTECTION OF DONEE AND OTHERS IF NO POWER CREATED OR POWER REVOKED

Amendment made: No. 6, in page 8, line 26, leave out 'events, facts or'.—*[Mr. Lammy.]*

Clause 31

REQUIREMENTS FOR APPROVAL

Amendment made: No. 7, in page 17, line 15, after 'to', insert—

', or causes or contributes to,'.—*[Mr. Lammy.]*

Clause 32

CONSULTING CARERS ETC

Amendments made: No. 8, in page 18, line 16, leave out from 'project' to end of line 17 and insert—

', that he is withdrawn from it.'.

No. 9, in page 18, line 17, at end insert—

'( ) But subsection (5)(b) does not require treatment that P has been receiving as part of the project to be discontinued if R has reasonable grounds for believing that there would be a significant risk to P's health if it were discontinued.'.

No. 10, in page 18, line 21, leave out subsections (7) and (8).

No. 11, in page 18, line 26, after 'if', insert—

'treatment is being, or is about to be, provided for P as a matter of urgency and'.

No. 12, in page 18, line 28, after 'is', insert 'also'.—*[Mr. Lammy.]*

Clause 33

ADDITIONAL SAFEGUARDS

Amendments made: No. 13, in page 19, line 3, after 'to', insert '—

(i)'.

No. 14, in page 19, line 3, after 'effect', insert ', or

(ii) any other form of statement made by him and not subsequently withdrawn,

of which R is aware.'.—*[Mr. Lammy.]*

Clause 40

CODES OF PRACTICE

Amendments made: No. 15, in page 23, line 9, at end insert—

'( ) for the guidance of independent consultees,'.

No. 16, in page 23, line 21, at end insert—

'( ) as an independent consultee,'.—*[Mr. Lammy.]*

Clause 42

ILL-TREATMENT OR NEGLECT

Amendment made: No. 17, in page 24, line 14, leave out subsection (1) and insert—

'(1) Subsection (1A) applies if a person ("D")—

(a) has the care of a person ("P") who lacks, or whom D reasonably believes to lack, capacity,

(b) is the donee of a lasting power of attorney, or an enduring power of attorney (within the meaning of Schedule 4), created by P, or

(c) is a deputy appointed by the court for P.'.

(1A) D is guilty of an offence if he ill-treats or wilfully neglects P.'.—*[Mr. Lammy.]*

Clause 55

THE PUBLIC GUARDIAN

Amendment made: No. 18, in page 30, line 8, leave out from 'Guardian' to end of line 10 and insert '—

(a) provide him with such officers and staff, or

(b) enter into such contracts with other persons for the provision (by them or their sub-contractors) of officers, staff or services,

as the Lord Chancellor thinks necessary for the proper discharge of the Public Guardian's functions.'.—*[Mr. Lammy.]*

Clause 56

FUNCTIONS OF THE PUBLIC GUARDIAN

Amendments made: No. 19, in page 30, line 42, after 'provision', insert 'as to'.

No. 20, in page 30, line 43, leave out first 'as to'.

No. 21, in page 30, line 43, leave out second 'as to'.

No. 22, in page 31, line 1, leave out 'as to'.

No. 23, in page 31, line 2, leave out 'as to'.

No. 24, in page 31, line 2, at end insert—

'( ) exemptions from and reductions in such fees;

( ) remission of such fees in whole or in part;'.

No. 25, in page 31, line 3, leave out 'as to'.—*[Mr. Lammy.]*

Clause 60

INTERPRETATION

Amendment made: No. 39, in page 32, line 31, leave out '6(7)' and insert '4(8A)'.

—*[Mr Lammy.]*

Clause 61

RULES, REGULATIONS AND ORDERS

Amendments made: No. 26, in page 33, line 27, after 'than', insert—

'regulations under section 39 or'.

No. 27, in page 33, line 29, at end insert—

'( ) A statutory instrument containing regulations made by the Secretary of State under section 39 may not be made unless a draft has been laid before and approved by resolution of each House of Parliament.'.—*[Mr. Lammy.]*

Clause 63

MINOR AND CONSEQUENTIAL AMENDMENTS AND REPEALS

Amendment made: No. 28, in page 34, line 11, leave out subsection (5) and insert—

'( ) The amendments that may be made under subsection (4)(b) are in addition to those made by or under any other provision of this Act.'.—*[Mr. Lammy.]*

Schedule 1

LASTING POWERS OF ATTORNEY: FORMALITIES

Amendment made: No. 29, in page 36, line 3, after 'it', insert—

'(or has had it read to him)'.—*[Mr. Lammy.]*

Schedule 3

PROPERTY AND AFFAIRS: SUPPLEMENTARY PROVISIONS

Amendments made: No. 30, in page 46, line 11, leave out sub-paragraphs (1) and (2) and insert—

'(1) If the donor of a lasting power is habitually resident in England and Wales at the time of granting the power, the law applicable to the existence, extent, modification or extinction of the power is—

(a) the law of England and Wales, or

(b) if he specifies in writing the law of a connected country for the purpose, that law.

(2) If he is habitually resident in another country at that time, but England and Wales is a connected country, the law applicable in that respect is—

(a) the law of the other country, or

(b) if he specifies in writing the law of England and Wales for the purpose, that law.'.

No. 31, in page 47, line 4, leave out from first 'party' to end of line 14 and insert—

'(2) The validity of the transaction may not be questioned in proceedings, nor may the third party be held liable, merely because—

(a) where the representative and third party are in England and Wales when entering into the transaction, sub-paragraph (3) applies;

(b) where they are in another country at that time, sub-paragraph (4) applies.

(3) This sub-paragraph applies if—

(a) the law applicable to the authority in one or more respects is, as a result of this Schedule, the law of a country other than England and Wales, and

(b) the representative is not entitled to exercise the authority in that respect (or those respects) under the law of that other country.

(4) This sub-paragraph applies if—

(a) the law applicable to the authority in one or more respects is, as a result of this Part of this Schedule, the law of England and Wales, and

(b) the representative is not entitled to exercise the authority in that respect (or those respects) under that law.

(5) This paragraph does not apply if the third party knew or ought to have known that the applicable law was—

(a) in a case within sub-paragraph (3), the law of the other country;

(b) in a case within sub-paragraph (4), the law of England and Wales.'.—*[Mr. Lammy.]*

Order for Third Reading read.

6.25 pm

Mr. Lammy: I beg to move, That the Bill be now read the Third time. I do so with great pleasure.

This is an important and ethical Bill. Our progress on it has been fast, and much of today's debate has pertained to that. I think it right that, to meet the concerns of Members throughout the House, the Lord Chancellor undertook to continue discussions and negotiations until the eleventh hour, and I am pleased that Members have felt able to support the Government in the Lobbies on the basis of that. I am glad that we have achieved the ends, even if the means were a little unusual for Parliament.

Mr. McNamara: I apologise for intervening so early in my hon. Friend's speech, but can we take it that the Government accept completely, precisely and in terms the interpretation of the correspondence between the Lord Chancellor and Archbishop Smith that the archbishop gives in his letter dated today?

Mr. Lammy: I hope that my hon. Friend will forgive me if I say that I have been here all afternoon while others have continued the negotiations. We have talked about the exchange of letters. I have said that I accept the spirit of the intention behind the amendments. The discussion continues so that a draft amendment can be tabled in the other place, and can be debated here in due course.

As I said, I have been here while discussions have gone on. I am pleased that they have been going on, because they were part of an effort to make the Bill better. I want to pause for a moment, however, to explain why the Bill is so important and why organisations that work daily with vulnerable people who need such legislation—organisations such as the Alzheimer's Society, Scope, Mencap, the Disability Rights Commission and Age Concern—support it. They support it because they want people who lack mental capacity to be valued and treated with respect.

Mr. Tom Clarke: I thank my hon. Friend for his courtesy throughout our proceedings. As he mentioned disability organisations, and as I asked the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton) a question but unfortunately time ran out, will he confirm that the word "advocates" will be used rather than the word "consultees"?

Mr. Lammy: My right hon. Friend's points will be considered in the other place. We value the spirit in which he has spoken about advocacy throughout the Bill's passage so far.

Why have organisations that have campaigned on what are indeed advocacy issues, and have worked in particular with people with learning disabilities, supported the Bill? They want those who lack capacity at different points, or who lack it entirely, to be able to make as many decisions as possible. The Bill's decision-specific approach to capacity means an end to the days when people were labelled incapable. Instead, they will be assumed to have capacity for each and every decision until it is established that they lack it.

Mrs. Browning: I served on the Scrutiny Committee and the Standing Committee, and I shall abstain on Third Reading tonight, as I did on Second Reading, because the Minister has not yet dealt with two key elements. First, end-of-life issues have not been dealt with satisfactorily here and they will now be passed to the other place. Secondly, as I said in Committee and as the Scrutiny Committee clearly recommended, we need to close the Bournewood gap. The Government have said nothing about how they intend to close that gap. Is the Minister going to use this Bill or existing mental health legislation to do so? He cannot afford to wait for the draft mental health Bill, which I am currently scrutinising.

Mr. Lammy: The hon. Lady has heard the substance of my remarks on the issues pertaining to life-sustaining treatment. We are where we are, and all of us must applaud the fact that we are beginning to settle these important and vexing issues. Throughout our proceedings the hon. Lady has raised the issue of the Bournewood gap, and as we have said, we must consult on that important decision. I hope that she realises that we are doing so, notwithstanding her concern about how the Government deal with the problems arising from that case post-consultation.

Mr. Duncan Smith: Will the Minister give way?

Mr. Lammy: If I may I shall make some progress.

Those who support the Bill do so because they want those who lack mental capacity to be at the heart of the decision-making process. The Bill requires that everything done for someone who lacks capacity should be in their interests, and that it must be the best for that individual at that time, taking into account all the relevant factors. Those who support the Bill do so because they want professionals and carers—some 6 million of them—to know what they can do for and to people who lack capacity, and when and how they can do it. The Bill and the code of practice, which has statutory effect, will provide the guidance that we were able to put in draft form, and to which Members and various organisations have contributed.

Throughout the development of this legislation, the Government have listened to the wide range of people affected by it, some of whom I mentioned earlier. They include groups representing people with disabilities, the 39 organisations in the Making Decisions Alliance, professional bodies, the Catholic Church and pro-life organisations. The Government have also consulted Members extensively, and the Bill has developed and improved greatly as a result of such consultation. When the Government listen and act as a result of Members asking us to listen, Members cannot then accuse us of bypassing Parliament.

Mr. Duncan Smith: The Minister says that the Government have listened, but I do not understand why we have reached this stage. What consultation with Opposition Members and his own colleagues has to offer us is two letters at the eleventh hour, indicating that changes will be made in the Lords. That does not suggest that the Government are listening, given that such changes could have been made long before. One letter states:

"Any decisions must be in the patient's best interests",

and the other letter, from Archbishop Smith, says the same. But even knowing that, the Minister moved an amendment to amendment No. 2, which was tabled by one of his own hon. Friends, in order to remove the word "best". Are the Government going to reinsert "best" in the Lords? How is the Minister going to deal with this issue?

Mr. Lammy: I hope that the right hon. Gentleman knows that the situation is not as simple as that. We tabled the amendment to remove the word "best" because we want the "best interests" clause to constitute the objective judgment at the end of the process. As drafted, amendment No. 2 did not achieve that. The new amendment, which the Lord Chancellor discussed today, deals with purpose, motive and best interests at the end of the process, so the two amendments are different.

On the Bland judgment and the 36 subsequent cases, I make no apology for the way in which we have dealt with this complex issue, which has challenged the minds of lawyers throughout the country. Indeed, different lawyers have taken different views about the effect of the amendment.

The Government position is clear: we do not want to see Bland overturned, which is also the position of the Catholic archbishops. We have sought to ensure that we do not bring in euthanasia by omission, while at the same time resisting overturning the Bland judgment. That is why discussions have continued and why, even as I speak, I am receiving submissions on the negotiations. We may not like the means, but we should be pleased with the ends and I hope that the matter will be settled in the other place before it comes back here.

Many hon. Members have made invaluable contributions to the scrutiny of the Bill. The hon. Member for Daventry (Mr. Boswell) has been remarkable in his thoroughness. He is a self-confessed serial amender who relentlessly tabled probing amendments in Committee, which helped us to discuss key aspects of the Bill in greater depth. Throughout the process, he balanced constructive questioning with support for the Bill.

It is as a result of one of the hon. Gentleman's questions that we tabled two amendments to clause 4. We wanted to make it clear that the test of best interests should be objective. Our amendments make it clearer that we must take into account all the factors that a reasonable person would consider relevant—an important clarification that I hope was not entirely lost, at least for the *Hansard* record, in our earlier debate about life-sustaining treatment. The key point is that we cannot substitute our own judgments: they must be objective with a doctor balancing all the issues before him, particularly when they relate to life-sustaining treatment.

Mr. Drew: So will the Minister give an assurance that when we receive the final outcome of the Burke judgment, it will play a part in respect of the rubric not just of the Bill but of the code of practice?

Mr. Lammy: My hon. Friend will know that Burke is under appeal now and that important issues are involved in that case concerning positive statements of what one wants and desires. The Government will consider it in due course as the case proceeds.

The hon. Member for Sutton and Cheam (Mr. Burstow) was also a valued member of the Committee. It was his amendment and a similar one tabled by the hon. Member for Tiverton and Honiton (Mrs. Browning) that led us to introduce an amendment to clause 3, under which the Bill provides that information must be explained to a person in a way that is appropriate to his circumstances. There is no longer any doubt: no one should be labelled incapable merely because insufficient efforts have been made to help him understand and communicate.

On life-sustaining treatment, I have already mentioned that discussions on the issue continued up to the very last moment today, showing how very seriously the Government take people's concerns, particularly relating to the vulnerable, to advance decisions and to the power of attorney. I said earlier that we greatly welcome the amendment tabled by my hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth). We value his commitment to the Bill, to helping vulnerable people and to building consensus around his amendment. We shall take the substance of his amendment forward, as I explained earlier, subject to the adjustments introduced by the Government, just as we have also accepted the spirit of new clauses 1 and 2. We want to build on my hon. Friend's amendment to make it clear that the Bill does not authorise any decision motivated by a desire to bring about a person's death. We have also made it clear that we want to ensure that advance decisions about life-sustaining treatment are recorded in writing and witnessed. We are also exploring with health care professionals whether we can make it a requirement for people to consult their doctor before taking such an advance decision.

Let me make it quite clear that the Bill both clarifies the law and makes it safer. The difficult and sensitive cases will, as now, go to court. Our new court of protection means that cases of persistent vegetative state will still go to court.

Throughout the Bill's passage hon. Members have talked about what might happen when wicked people—be they doctors, attorneys or others—conspire to bring about a person's death without regard to that person's best interests. We have sought to put safeguards into the Bill. None of us can say that such things can never happen again, but the Bill's purpose is to protect vulnerable people as much as possible. I am sure that we have achieved that, and in that regard I refer in particular to clause 58 and the work of the Joint Committee on Human Rights. We have also worked with the Catholic community on amendments dealing with advanced decisions, life-sustaining treatment and the purpose or motive that might lie behind bringing about a person's end.

I hope that I have been able to paint a clear and accurate picture of what the Bill will do. Much information has been spread about it, and I want to reassure the House and the public that it is about protecting the rights and interests of vulnerable people, regardless of the present political environment. People in Britain will benefit from the Bill, and we should be proud of it. It has been coming for 15 years, and I am very pleased to be the Minister opening this Third Reading debate.

6.42 pm

Mr. Boswell: This Bill raises immensely serious issues. All parties involved in the debate—and Ministers too, largely—have engaged in the effort required to put it into an acceptable state. As the Minister said, the Bill has had a 15-year genesis already. Hon. Members have worked together to achieve the common objective of assisting persons with mental capacity problems. We all recognise the sensitivity of the issue, and have searched for the appropriate safeguards.

The case for the Bill was well expressed on page 27 of the recent report from the Joint Committee on Human Rights. The Committee states:

"Our view on initial consideration is that the Bill should be broadly welcomed from a human rights perspective because it enhances the ability of people who lack capacity to make their own decisions where they can, and makes it more likely that sound decisions will be made on their behalf when they cannot make those decisions for themselves."

That is a strong case for the Bill, but the Committee continues in the same paragraph:

"A number of human rights issues arise, mainly concerning the adequacy of the various safeguards contained in, or envisaged by, the Bill."

That warning is perfectly reasonable. The Bill will help by codifying the existing common law, for example in relation to advance decisions. I was prepared to support the Government in the Lobby tonight on that, although I was not prepared to do so on other matters.

I want to emphasise the safeguards that are required and, for reasons of convenience of reference, I shall follow the schema adopted by the Joint Committee. First, I turn to the matter of the Bournewood gap. My hon. Friend the Member for Tiverton and Honiton (Mrs. Browning) spoke characteristically powerfully about a matter on which the Minister said that he and his colleagues were still consulting. However, we need to deal with the problem promptly, and this Bill is the appropriate vehicle for that.

Mrs. Browning: My hon. Friend will know that in Standing Committee I tabled new clauses to try and close the Bournewood gap. I understand that the Minister needs to consult, and I know that the lawyers are taking their time and are supplying differing legal advice. I do not criticise the Government for that, but it is clear that they have three options. If they opt for closing the Bournewood gap by means of this Bill, the relevant provision will have to be introduced in another place. I am concerned that this Chamber has not had a chance to discuss the matter in full, as I would have liked.

Mr. Boswell: My hon. Friend raises the issue of what will come back from the other place. Given the state of the Bill at the moment, I hope that Ministers and Whips will take very seriously the need to involve this House as well.

The wider issues of reservation on human rights grounds also referred to by the Joint Committee include restraint, not just in the context of Bournewood; advance decisions; the conditions for research, which we have just been discussing; the need to see clear and unequivocal evidence in writing of the Government's commitment to deal with issues around motives for ending life, which has been expressed almost universally in this House; and other conditions of care, including nutrition and hydration. Those are central issues.

This afternoon's proceedings did little good to the reputation of the Department or the Minister, I am sorry to say. I hope that he and others have learned their lesson about the credibility of the Bill. It is right, proper and essential to consult all relevant bodies, but the prior consultees should always be the Members of this House and their interests in the matter.

Mr. John Gummer (Suffolk, Coastal) (Con): Does my hon. Friend agree that it is very difficult for us to reassure our constituents that their concerns are being properly heard in this House when the events of today show that the work has not been done, the papers have not been presented and we have not been involved, because of the incompetence of Ministers rather than an intention on their part to do wrong? We must be involved more effectively or our constituents feel disfranchised.

Mr. Boswell: I have every sympathy with the remarks of my right hon. Friend on that point. I can understand why, in the circumstances, the Minister might want to get shot of the Bill and to pass it to his colleagues in the other place. I am sure that their lordships will do a good job of scrutiny on the Bill, but they are not the same as us and we still have an unfinished interest in it.

The Minister was generous enough to mention that, as a result of pressure from Opposition Members in Committee, he has already carried out effective and useful improvements, especially in relation to the objectivity of the best interest test. I also acknowledge the introduction of the affirmative resolution procedure for any extension of the independent consultee service, which concerned many members of the Committee. However, every time one issue is resolved another aspect for concern arises. Ministers should not think that the list that I have given is a comprehensive one.

The conclusion is that some progress has been made in considerations in this House, but the Bill is unfinished business and further safeguards are required. For that reason, although I support firmly the principle of the Bill, I cannot give it my support in the Lobby tonight.

6.47 pm

Mr. Burstow: I share some of the concerns that the hon. Member for Daventry (Mr. Boswell) expressed, but I have not come to the same conclusion as to how I should cast my vote. If there is still room to improve the Bill through further scrutiny, albeit in the other place, we should allow it a Third Reading as long as the principles behind the Bill are sound and the purpose of the Bill is good—which the hon. Gentleman confirmed.

I share the hon. Gentleman's concern about feeling like a bystander today on at least one aspect of the consideration of the Bill. The exchange of correspondence around the Chamber, which eventually became available to the Minister, was not the most desirable occurrence. It will have left many outside—and some inside—the House questioning the process that we have been through today. What the Minister said on Third Reading was helpful, but this House still has a clear interest in what will be considered in the other

place and the amendments that will be tabled. I hope that the Minister will be able to give us some further indication of how Members of this House will be able to have some serious engagement with that ongoing process.

Mr. George Howarth: Will the hon. Gentleman give way?

Mr. Burstow: Yes, but I hope that I am not being patronising on this occasion.

Mr. Howarth: I want to record the fact that the hon. Member for Daventry (Mr. Boswell) and my hon. Friend the Minister have been helpful throughout the Bill's proceedings. Although some of this afternoon's events were unfortunate, the finger should not point directly at my hon. Friend.

Mr. Lammy: I should like to point out to the hon. Member for Sutton and Cheam (Mr. Burstow) that, if truth be known, it is precisely because hon. Members on both sides of the House have been pressing the issues—scrutinising Bland, scrutinising purpose—that we have achieved what we have today. The hon. Gentleman should note that.

Mr. Burstow: The proof of the pudding is in the eating. As we do not have the amendments, we do not know quite what we have achieved. I want to make clear why I shall support the Bill in the Lobby.

As the Minister rightly said, the measure has been 15 years in the making, although some of today's comments were unfortunate, and the present law is confused and confusing. It allows people who lack capacity to be non-citizens because they lack rights and protections. It cannot be acceptable to leave the law as it currently is, which is why the Bill provides a necessary vehicle to give people far more control over their lives.

The presumption of capacity is absolutely right. The principles set out at the beginning of the Bill have the potential to transform people's lives. They provide a framework in which those who act as proxies can, for the first time, take decisions with proper safeguards not only on health matters but also on welfare and finance. At present, those things are not clear and they need to be. The Bill provides the way to make them clear.

We have strong support from Age Concern, the Alzheimer's Society, Mencap and many others who see the Bill as potentially transformative of the lives of people with learning disabilities, autism and Down's syndrome, but it is only a Bill with potential, as the Disability Rights Commission told us at Second Reading. There are still issues to be addressed and I hope that, in the other place, they will be.

There is the question of equal consideration for those who lack capacity and those who have capacity. There is the interface with the Disability Discrimination Act 1995 and the Disability Discrimination Bill. There is the need further to strengthen the provisions to ensure that a person who may lack capacity is given every possibility and opportunity to communicate their wishes, needs and feelings. Supporting further communication in that respect is extremely important.

We had some useful exchanges on the question of independent consultees. We need to ensure that we end up with a system that is advocacy-plus rather than advocacy-lite, so that we really widen the scope of the role of independent consultees; for example, the system should pick up people who are befriended. We could also address the question of whether "consultee" is the right name. The Minister may ask, "What is in a name?", but it is important to many organisations outside this place.

The hon. Member for Tiverton and Honiton (Mrs. Browning) tabled some important amendments in Committee. I pay tribute to her for her work championing the closing of the Bournewood gap, but the mechanism is still not clear. Will it be the draft Mental Health Bill that she is scrutinising, or this Bill? We need that clarity and I hope that it will be forthcoming when the Mental Capacity Bill goes to the Lords. At present, people lack the safeguards they need.

Advance decisions have been a key concern throughout the debate, and I welcome what the Minister said. If, at the very least, we are to codify advance decisions to refuse—as the Bill would do—they must be in writing. It is wrong that the Bill does not address that point and it should certainly be picked up in the other place.

The Bill advances the rights of those who lack capacity and, if we manage to address these issues in the other place, it will improve people's quality of life whether they lack capacity from birth or as a result of illness or accident. The Bill has been 15 years in the making and there is still room for improvement, but it deserves a Third Reading to give it the chance of that improvement.

6.54 pm

Mr. McNamara: I cannot go into the Lobby with the hon. Member for Sutton and Cheam (Mr. Burstow) because I am still confused. I am confused about what happened this afternoon. I am confused by what seemed to be given with one hand and taken away with the other. In fact, if there were a third hand, it would have been snatched away even further. I may be confused because of my age—I therefore have a vested interest in the Bill—but I am certain that my hon. Friend the Minister is not at one with the interpretation that the archbishop gave to his conversations and correspondence with my noble Friend the Lord Chancellor. I asked him whether the legislation in the other House would reflect Archbishop Smith's understanding as contained in his letter to the Lord Chancellor. He said that that depends on the amendments and on the lawyers, but he could not say yes.

When my right hon. Friend the Member for Dumbarton (Mr. McFall) asked my hon. Friend the Minister whether the legislation would encompass the spirit if not the letter of new clauses 1 and 2, he answered in the affirmative—he said the same in his winding-up speech—but new clause 2 specifically contains the provision about nutrition and hydration. My hon. Friend the Minister seemed throughout the

[Mr. McNamara]

debate to be hung up on Bland. Rightly or wrongly, as the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) said, we may have lost the argument on Bland, but for the purposes of our argument today, Bland was out of the window.

All the amendments specifically gave to the courts the right to decide the situation when people are in a permanent vegetative state, so that was outside the argument, but my hon. Friend the Minister spent a lot of his time discussing that issue, as though it were being attacked, when, in fact, none of the amendments was attacking that issue. So we came to the question in Archbishop Smith's letter. His interpretation was that acts of omission in relation to nutrition and hydration would be included in the new legislation in another place, and we have not had a specific reply to that.

I said earlier that I would give the Government the benefit of the doubt on these matters, and I am still prepared to do so on Third Reading by not voting against the Bill, but my hon. Friend the Minister and the Lord Chancellor should bear it in mind that—whatever was agreed between the meeting of the parliamentary Labour party on Monday and meetings between the Lord Chancellor, the Prime Minister and other interested parties last night and undertakings given to Archbishop Smith—there is still an enormous question mark about what was and what was not agreed. Some of the things that my hon. Friend the Minister has said seem to be at variance with what Archbishop Smith seemed to suggest was said in his agreement with the Lord Chancellor. For that reason, I shall again abstain.

6.58 pm

Mr. Duncan Smith: I shall be brief; I do not have a lot of choice in the matter. May I simply say this evening that I am not convinced by what took place at the Dispatch Box during the debates on new clauses 1 and 2? I accept fully that the Minister's colleagues would have wanted to believe the best. That is the case in all parties—we want to believe the best of Governments and Ministers of our own party and accept them at face value—but I am reminded of the expression, "A bird in the hand is worth two in the bush." I did not find a bird in the hand at the end of the debate; what I found were promises.

With respect, the Minister has had weeks and weeks to come up with this. I recall that on the Hunting Bill the Government said that this place must make decisions and that the other place up the Corridor was not worthy of being relied on to make decisions. Tonight the Minister comes to the Dispatch Box and tells us, "Actually, we will do all the decision making in the other place because this place is not worthy of making decisions." I simply say to everyone in the House tonight that I cannot support the Bill as it stands right now.

It being Seven o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [this day].*

Question put, That the Bill be now read the Third time.

The House divided: Ayes 354, Noes 118.

Division No. 17] [7 pm

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Arbuthnot, rh James
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beith, rh A. J.
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Bercow, John
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Calton, Mrs Patsy
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chidgey, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curry, rh David
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Donohoe, Brian H.
Doran, Frank
Dorrell, rh Stephen
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Farrelly, Paul
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gill, Parmjit Singh
Gilroy, Linda
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen

Heppell, John
Hesford, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Ingram, rh Adam
Iranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Keetch, Paul
Kemp, Fraser
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kennedy, rh Jane *(Wavertree)*
Key, Robert *(Salisbury)*
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
Mackay, rh Andrew
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Opik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Ottaway, Richard
Owen, Albert
Page, Richard
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Teather, Sarah
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Young, rh Sir George

Tellers for the Ayes:
Mr. Jim Murphy and Jim Fitzpatrick

NOES

Ainsworth, Peter *(E Surrey)*
Ancram, rh Michael
Atkinson, Peter *(Hexham)*
Baldry, Tony
Barker, Gregory
Battle, rh John
Beggs, Roy *(E Antrim)*
Benton, Joe *(Bootle)*
Beresford, Sir Paul
Brady, Graham
Brazier, Julian
Butterfill, Sir John
Cameron, David
Campbell, Gregory *(E Lond'y)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clifton-Brown, Geoffrey
Collins, Tim
Colman, Tony
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cox, Tom *(Tooting)*
Crausby, David
Davies, rh Denzil *(Llanelli)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Donaldson, Jeffrey M.
Drew, David *(Stroud)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Field, rh Frank *(Birkenhead)*
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Galloway, George
Garnier, Edward
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Gummer, rh John
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*

Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hunter, Andrew
Iddon, Dr. Brian
Jenkin, Bernard
Kilfoyle, Peter
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Lewis, Terry *(Worsley)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackinlay, Andrew
Malins, Humfrey
Mallon, Seamus
Mawhinney, rh Sir Brian
Moss, Malcolm
Mudie, George
Osborne, George *(Tatton)*
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Pugh, Dr. John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Roy, Frank *(Motherwell)*
Ruffley, David
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Smith, Geraldine *(Morecambe & Lunesdale)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, David *(NW Leics)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Viggers, Peter
Walter, Robert
Watkinson, Angela
Wiggin, Bill
Wilkinson, John
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Noes:
Miss Ann Widdecombe and Ann Winterton

Question accordingly agreed to.

Bill read the Third time, and passed.

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): With the leave of the House, I shall put motions 3 to 11 together.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6), (Standing Committee on Delegated Legislation),

Freedom of Information

That the draft Freedom of Information (Removal and Relaxation of Statutory Prohibitions on Disclosure of Information) Order 2004, which was laid before this House on 4th November, in the last Session of Parliament, be approved.

Freedom of Information

That the draft Freedom of Information (Time for Compliance with Request) Regulations 2004, which were laid before this House on 4th November, in the last Session of Parliament, be approved.

Legal Services

That the draft Institute of Trade Mark Attorneys Order 2004, which was laid before this House on 3rd November, in the last Session of Parliament, be approved.

Freedom of Information

That the draft Environmental Information Regulations 2004, which were laid before this House on 27th October, in the last Session of Parliament, be approved.

Urban Development

That the West Northamptonshire Development Corporation (Area and Constitution) Order 2004, dated 4th May 2004, a copy of which was laid before this House on 13th May, in the last Session of Parliament, be approved.

Financial Services and Markets

That the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2004 (S.I., 2004, No. 2737), dated 16th November 2004, a copy of which was laid before this House on 16th November, in the last Session of Parliament, be approved.

Northern Ireland

That the draft Financial Provisions (Northern Ireland) Order 2004, which was laid before this House on 25th November, be approved.

International Immunities and Privileges

That the draft Agency for International Trade Information and Co-operation (Legal Capacities) Order 2004, which was laid before this House on 16th September, in the last Session of Parliament, be approved.

Non-Domestic Rating

That the draft Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2004, which were laid before this House on 2nd December, be approved.—*[Derek Twigg.]*

Question agreed to.

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119 (9), (European Standing Committees),

Procedure for the adoption of measures relating to visas, asylum and immigration

That this House takes note of European Union document No. 15130/04, and Corrigendum 1; notes that the draft Council Decision is one of the final steps in the arrangements to move asylum and immigration measures to QMV and co-decision, as agreed at Amsterdam and Nice; and supports the Government's position that the procedure will provide for more efficient decision-making in the Council.—*[Derek Twigg.]*

Question agreed to.

PETITION

Pensions payments

7.14 pm

Valerie Davey (Bristol, West) (Lab): I am pleased to present this petition, which was handed to me by Anne Crabtree, the co-ordinator of Bristol senior citizens forum, an active group with some 3,000 members.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled.

The Humble Petition of Anne Crabtree pensioner and others of like disposition sheweth

That having been able for many years to collect pensions payments by way of pensions order book, that right is now being removed and replaced with the Direct Payment scheme.

Wherefore your Petitioners pray that your honourable House shall urge the Ministry of Work and Pensions to consider the plight of Anne Crabtree and others in a similar situation and to endeavour to keep the Order Book system in place of or in addition to the intended regime.

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

Rail Services (Bexhill)

Motion made, and Question proposed, That this House now adjourn.—*[Derek Twigg.]*

6 pm

Gregory Barker (Bexhill and Battle) (Con): I start by anking the Under-Secretary of State for Transport, e hon. Member for Staffordshire, Moorlands harlotte Atkins), not only for coming to the House is evening to answer my debate, but for the ofoundly important decision that she made two weeks o to allow the Bexhill link road to go ahead.

A new route to join the A259 to the A21 is vital to my nstituency and will reduce pollution and chronic ngestion. The new proposal is on a smaller scale; vertheless, it is a significant improvement on the old astings bypass. I know that the Minister had to amine the proposal carefully. However necessary any w road might be, important environmental nsiderations must always be weighed up. I am glad at she agreed with me and the vast majority of my nstituents that in this case the benefits of the scheme nificantly outweighed the costs.

I know that the decision was a financial close call, as nding for new transport projects in our part of the untry is limited, and the Minister had to turn down veral competing projects. I am particularly grateful to r for taking the trouble to meet me and others from y area to listen to the arguments in person, before aching her decision. Her courtesy and diligence will nd her in good stead as she climbs the ministerial dder.

The green light for the link road has come as a huge ief to my community. It is a major step forward in our deavour to regenerate the economies of both Bexhill d Hastings, and with it to improve the life chances of many local people. The link road is vital to the eation of new jobs and to the opening up of land to ild sustainable homes for local families, and in so ing relieving pressure to build in villages in areas of tstanding natural beauty. First and foremost, the inister's decision recognised that improved nnectivity is crucial to the future of the whole area.

It is almost unbelievable that at the same time as that storic decision to improve the road infrastructure of r area, the Government, through the Strategic Rail uthority, could even countenance axeing the direct in service to Gatwick, East Croydon and London om Bexhill and significantly downgrading the coastal l service.

Earlier this year, the SRA published a document titled, "Brighton Main Line: Route Utilisation rategy", which has a nice picture of the clock at ighton station on its cover. Richard Bowker's reword to the document makes it clear that the cument is primarily concerned with changes and provements to the running of services from Brighton London termini. Indeed, Mr. Bowker's foreword es not mention Bexhill, which gets a mention only wards the end of the executive summary.

The report states:

ere are a small number of disbenefits of the strategy compared h today's level of service"

The third bullet point on page three states:

"In order to deliver better performance across Eastbourne, and to reflect the local nature of the market between Eastbourne and Hastings, the through service from Hastings and Bexhill to London (via Gatwick) is now proposed to start and terminate at Eastbourne."

That seemingly innocent afterthought to this completely Brighton-centred document would in fact have a devastating effect on the town of Bexhill were it allowed to be implemented. The psychological impact alone would be enormous. The net result of the proposal would be to lengthen the journey time to London and increase the scope for significant delays. Most importantly, however easy the SRA endeavours to make a platform change, the inescapable necessity of changing trains will have a profound effect on every passenger's willingness to use the train service.

I appreciate that the principal aim of the route utilisation strategy is to improve performance, but there is very little in the SRA proposal that would be regarded by my constituents as an improvement, and a very great deal that would be seen as highly damaging. The whole town of Bexhill has been united in condemning these proposals, which saw the light of day only at the very end of the statutory consultation period.

Opposition to the plans goes right across all political party boundaries, and they have been strongly criticised by Rother district council, Hastings borough council, East Sussex county council, the Bexhill town forum, the Bexhill chamber of commerce and the Hastings and Bexhill taskforce, on whose board I sit and whose other members include the South East England Development Agency and the Government office for the south-east. I want particularly to pay tribute to the energetic campaign of Rother district council's lead cabinet member for transport, Councillor Ian Jenkins, who was one of the first to spot the dangers that the proposals pose to Bexhill.

The impact on the town would hit trade, tourism, commuters, elderly passengers and students. I shall deal briefly with each of those groups. Many commuters have written to me to make clear their objections to the scheme, but none has put their case more articulately than my constituent, Mr. John Cormode, a management consultant residing in Bexhill who specialises in change management and business research. In a letter to the SRA, he wrote:

"I was absolutely appalled to learn that the SRA is actively proposing changes that will cause a further considerable deterioration in the train service for customers between Bexhill and London, in a Government regeneration area.

By abolishing the only direct rail link between Bexhill and London, making passengers change at Eastbourne, will add at least 30 minutes to the journey time—assuming the connections always work. If the connections do not work we can look forward to adding at least an hour and a half to the journey time! I am a season ticket holder from Cooden Beach to London and the daily journey time each way already takes 2 hours . . . it would be quicker to travel to Darlington or Brussels than Bexhill! The service will particularly deteriorate for the journey home, when there are even fewer trains from London to Bexhill than in the morning. At Cooden Beach up to 12 passengers regularly use the 0635 service—all of us will now not reach London until after 9 o'clock with further journeys to our place of work on top of this.

The excuse that 'new' rolling stock is not compatible with the 'old' does not mean that these changes need to be made. You find it possible now to run 'new' rolling stock trains to London at 0635 and an 'old' rolling stock train for my journey home. To

[Gregory Barker]

avoid inconveniencing your customers and to encourage the use of public transport all you need to do is to continue to run the complete trains of either old or new stock until you have enough of the new to withdraw the old, without compromising the service to commuters.

Your proposals make even less sense at a time when central and local government, all the regional agencies and local business groups are doing everything possible to regenerate Bexhill and the surrounding area. I can think of no other single act by an agency like yourselves that will ensure that these regeneration plans and the local economy goes rapidly into reverse. The £6 million spent on creating the biggest arts centre in the South East at Bexhill, the funding of the University Centre in Hastings, or improving Bexhill and Cooden railway stations will not lead to regeneration if the SRA's proposals mean that they make it very much more difficult for the public to reach them, or people to visit, live and work from Bexhill."

The Bexhill town forum has been equally vociferous in its opposition to the proposals. Mrs. Margaret Jones has made the forum's concerns clear to the SRA, reflecting its unanimous vote on 30 November to oppose the SRA's plans. The forum is particularly concerned about the effect that the loss of a direct service from London will have on the De La Warr pavilion. The De La Warr will reopen next year, after an extensive refurbishment, as an international arts centre and the biggest contemporary art gallery in the south-east of England.

It is estimated that 50 per cent. of its visitors from outside Bexhill will reach the De La Warr by train. In 2001, the De La Warr attracted 500,000 visitors, of whom 75,000 came directly from London. In 2005, the refurbished De La Warr is expected to attract more than 750,000 visitors, of whom 150,000 are projected to come from London. The De La Warr Charitable Trust told me that

"we are preparing a programme of National Work to encourage people from London and the suburbs to visit. These are events and work that will not be seen in London. We aim to produce world class programmes for a national audience. Any disruption in transport would have a severe impact on our ability to attract a national audience."

Imagine if Glyndebourne opera house, which successfully attracts a large audience who travel by train every year, had to tell opera goers taking the train at Victoria that they needed to change halfway through their journey. It would fundamentally undermine their ability to operate.

We must not overlook the elderly population in Bexhill, who depend on the train service, especially its direct link to Gatwick airport. Bexhill has the second largest pensioner population in Britain and the highest proportion of over-80s in the south-east. The prospect of changing trains with suitcases and luggage would be a profound deterrent to those who do not wish to take the car to the airport.

It is also vital when attracting new businesses into our area as part of the regeneration initiative that not only Bexhillians should enjoy direct rail access to Gatwick but foreign visitors landing at the airport should be able to enjoy direct rail access to Bexhill. The public transport policy officer at East Sussex county council rightly pointed out that the proposals are not only about cutting a direct link to London but proposed cuts to the volume of services. Pevensey Bay and Cooden Beach station would lose one service to London an hour, and the very existence of Collington and Normans Bay stations could be threatened.

I should like efforts to be made to encourage more people off the roads and on to the trains. The proposals would have the opposite effect. The cuts, together with previous changes, have not happened anywhere else on the network on such a scale. Transport professionals have serious concerns about the proposed connection at either Eastbourne or Polegate. Previous promises about connecting trains from Brighton to Hove have not been kept and it is clear that a train coming along the coast would not wait for a delayed service from London, leaving Bexhillians who were travelling home absolutely stranded.

I summarise by saying that these ill-thought-through and poorly researched proposals would have a devastating effect on Bexhill. They would drive more people on to the already crowded roads of East Sussex. Mr. David Getty, the president of the chamber of commerce and tourism in Bexhill, said:

"The reduction in service levels resulting in the abolition of a direct rail link from Bexhill to Gatwick and London will seriously hinder attempts to regenerate business in Bexhill. At a time when the local public and private sectors are working closely together to secure investment for a range of regeneration initiatives their success is jeopardised by the decision to downgrade Bexhill to a town with no direct rail link to London.

Major local employers in the fields of insurance and education, particularly those teaching English as a foreign language, will suffer through the loss of the direct link, particularly to those towns competing for this business which do have a direct link such as Eastbourne and Hastings"—

and Brighton. He continues:

"The roads around Bexhill are already congested and the effect of the proposed changes will be to send more commuters, theatre-goers and tourists"—

and students—

"onto the roads. They will not risk the uncertainty of changing trains at Eastbourne—where there are already regular instances of delays due to lack of connecting stock or drivers . . . they will simply travel by road to Polegate or Battle to join London trains from Eastbourne or Hastings respectively.

The SRA has said that 'it cannot fund assistance towards regeneration'—no one is asking it to do so; but it should not be permitted to threaten regeneration without the clearest of compelling financial data. The SRA has not come close to meeting this basic requirement: it has been unable and unwilling to state how many people use the direct train under threat"

using ill-thought-through numbers.

The SRA proposals take no account of the projected growth in population of Bexhill, which will follow directly as a result of the Minister's historic announcement two weeks ago, nor of the projected growth in visitors to the area as our economy regenerates and tourism revives. The SRA proposals are simply a formula to run down our railway to a point where it could lose a critical mass of passengers. If that were allowed to happen, the inevitable logic of the SRA's arguments is that the line would be likely to close altogether in the years to come. The SRA, in a letter to me of 8 December, said:

"We accept that changing trains will inconvenience through passengers and discourage people from making these journeys. We also accept your comments that this would have an adverse effect on the local economy."

went on to say that

he SRA is not responsible for prescribing a holistic provision of ansport services for an area."

joined-up thinking on transport is not the remit of the rategic Rail Authority one wonders why it bothers to clude the word "strategic" in its name. Such thinking, owever, is the responsibility of the Government, the epartment for Transport and every transport inister. I therefore make a plea to the Under-ecretary, who has shown good judgment to date. I urge er in good faith to intervene and direct the SRA to step ack from these destructive proposals, and safeguard he benefits for Bexhill and the surrounding area, as romised by her historic decision two weeks ago.

.31 pm

The Parliamentary Under-Secretary of State for ransport (Charlotte Atkins): I congratulate the hon. lember for Bexhill and Battle (Gregory Barker) on ecuring this debate, thus providing an opportunity for s to discuss rail services to Bexhill. I thank him, too, or his kind remarks about the approval of the link road few days ago.

Bexhill is currently served by the Brighton to Hastings opping service, which runs at a frequency of two trains n hour for most of the day on Mondays to Saturdays. n hourly direct service to and from London Victoria uns seven days a week. It is also possible to travel Ashford, destinations along the south coast and other ondon termini such as Charing Cross, Waterloo East nd London Bridge by changing at Hastings, t. Leonards, Warrior Square and Brighton. At present, ose services use a mixture of mark 1 slam-door rolling ock and modern air-conditioned rolling stock. Most of e older rolling stock will be replaced by the end 2004, and all of it will be replaced by mid-2005. The erformance of the services that serve Bexhill is easured by the public performance measure published the Strategic Rail Authority in "National Rail rends". In the past year, 81.8 per cent. of trains arrived their destination at the time shown in the timetable within five minutes of that time. By comparison, e figure was 84.6 per cent. in the previous year, nd 84.5 per cent. for all London and south-east ommuter service operators. The slightly lower level of erformance this year, especially when compared with at of similar operators, can be attributed to the ething problems of the new rolling stock and e growing unreliability of the mark 1 slam-door trains, hich are being replaced. Most of those teething oblems have now been overcome, certainly in the eration of trains, although further work on heating d air conditioning systems is still needed. Clearly, that es not affect train performance, although it does affect ality and thus passenger satisfaction with train urneys. When all the new rolling stock is in service it expected that train performance will improve.

The SRA's Brighton main line route utilisation ategy clearly aims to improve the performance of in services and ensure that optimum use is made of ailable train and network capacity. We have set SRA tight affordability constraints and it must monstrate that any changes are financially robust. It oposes that one stopping train an hour between ighton and Ore will call at Bexhill, and one fast train an hour from Brighton to Ashford will also call there. Two trains an hour will operate between London Victoria and Eastbourne. They will run up to ten minutes faster, but they will not serve Bexhill directly. Passengers from Bexhill who wished to travel to Gatwick airport, East Croydon and London Victoria would have to change at either Eastbourne or Polegate.

The level of service from Hastings and St. Leonards to London Bridge, London Waterloo East and London Charing Cross via Tonbridge is not affected by the Brighton main line rail utilisation strategy proposals. The SRA accepts that changing trains will inconvenience through passengers and risks discouraging people from making their journeys by rail. It is, however, working on making the connections between the Ashford to Brighton and the Eastbourne to London train as seamless as possible. By changing at Polegate, passengers would not have to cross the footbridge. They would alight from the train, wait on the platform and board the following train. The direct train service from Bexhill to Lewes would be reduced to two trains an hour, rather than three, but the direct link to the county town would be retained.

One of the SRA's reasons for reducing the train service east of Eastbourne is the low level of patronage. The figures for travel between Bexhill and London—both Charing Cross and Victoria—suggest that there are, on average, approximately eight people per train travelling in each direction from Bexhill to London. Some of those passengers are presumably going via St. Leonards, so the number using the Brighton line service to Victoria is fewer than eight per train. In total, about 12 people per train travel from stations between Eastbourne and Hastings to stations on the Brighton main line, so in practice those are the only people who will be inconvenienced by the SRA's proposals for changes to the service.

Gregory Barker: Does the Minister accept that average figures can often be misleading as to the pattern of travel? If she goes to Bexhill early in the morning and takes the 6.34 train, for example, she will find it packed with commuters, many of whom do not buy tickets, but buy season tickets in London and therefore do not show up in the figures that she quoted. I accept that on a wet Friday afternoon, very few people will be travelling on that link, but at peak times those trains are absolutely full.

Charlotte Atkins: I appreciate the point that the hon. Gentleman is making. I thought that he said that 12 people were travelling on that early train from Bexhill.

Gregory Barker: That is from Cooden Beach—one station. There are five stations along the coastal strip in my constituency, the principal one being Bexhill. The gentleman who wrote in travelled from Cooden Beach station, which is one of the minor stations that are threatened.

Charlotte Atkins: I thank the hon. Gentleman for clarifying that. If he wants to bring the point about season tickets into the equation, it may well help to boost the low usage figures. I appreciate his point that average figures obscure the reality of the journeys

[Charlotte Atkins]

that individuals make, which may change from time to time, from season to season and from train to train, but the figures that I gave suggest that the SRA is right to consider the impact that the suggested change to the service will have on a relatively small number of people. If he has additional information or evidence, he should allow the SRA to see it.

We understand that any direct service that is replaced by a connecting service might suffer a passenger reduction, but I think that the hon. Gentleman would agree that resources must be focused in the most effective way to improve the overall financial position of the railway. The proposals will also relieve congestion at Hastings station.

One of the main recurring points relates to the effects of the Brighton main line route utilisation strategy proposals on the demography, economy and regeneration of Bexhill and Hastings. We are aware that significant regeneration efforts are being made—the hon. Gentleman mentioned the link road, where the issue of regeneration was clearly crucial and that the De La Warr pavilion is being reconstructed—to encourage significant numbers of visitors to travel to the area by train.

It has also been mentioned that it is desirable that links to educational and arts establishments are provided and it has been suggested that there is the need for direct access to the transport and business hubs of Gatwick airport, Clapham Junction and East Croydon. Any route utilisation strategy is focused on improving performance and better use of track and train capacity, within the constraints of affordability. The SRA—this is reflected in its appraisal guidelines—examines only measures which might be taken to improve the efficiency and viability of the railway.

Gregory Barker: The argument about regeneration—the Minister knows well what Bexhill and Hastings face in terms of regeneration—can be deployed where roads are concerned, but rail is a much more environmentally sensitive form of transport and the regeneration argument, or wider arguments, cannot be deployed. A narrow, stand-alone, financial case must be made. Surely the same wider arguments that can be deployed in favour of building a road ought to be deployed in favour of rail.

Charlotte Atkins: Obviously, the regeneration effects of rail are significant, but there is a direct route from Hastings which, as I know from our discussions, is not too far from Bexhill. Such routes are available and many people will choose to use them. I do not underestimate the effect of the inconvenience for those passengers who use that route, but given that there are direct services from Hastings, it is not an impossible journey.

The SRA met several local stakeholders affected by the Brighton main line route utilisation strategy proposals before the consultation document was launched. Those meetings were generally at the county council or regional assembly level. The SRA noted the apparent lack of information dissemination by some of those stakeholders, which it recognises as a problem, and that will be addressed directly with stakeholders in all future SRA work.

We have given directions and guidance to the SRA to develop the capacity of the railway, both of the trains and the network, so that they are both utilised to the maximum. In doing so, it must have very strong regard to the cost-effectiveness and affordability of services. We are not seeking to close any stations or lines, but we are aiming to rationalise services, which may mean that some previously through services will now involve a change of trains. The SRA is working to ensure that those changes are as smooth and trouble-free for passengers as possible, as it and we are aware that some passengers are actively discouraged from using trains if they have to change. We hope that the increased punctuality and reliability of services and the reduction in journey times, even including the time taken to change trains, together with the new modern rolling stock fleet, will encourage existing passengers to continue to use trains and encourage others to do so.

Gregory Barker: The Minister rightly talks about encouraging passengers to use the train service, on which I agree. Why, then, has the SRA told me that it is precluded, when making its assumptions on future train use, from taking advantage of any forecast of increased growth? It is not allowed to take into account the planned homes that are to be built—nearly 2,000, thanks to the Minister's link road—or the additional hundreds of thousands of tourists who will come into the area to visit the De La Warr. The only figures that it is using in its financial model are historic figures, which incorporate a period when the De La Warr was closed.

Charlotte Atkins: On that detailed point, the best thing that I can do is write to the hon. Gentleman, which I am happy to do.

The SRA aims to publish the final route utilisation strategy for the Brighton main line next spring, and I am sure that the hon. Gentleman will feed in both his comments and those of his constituents before that time.

Question put and agreed to.

Adjourned accordingly at sixteen minutes to Eight o'clock.

House of Commons

Wednesday 15 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

MESSAGES FROM THE QUEEN

QUEEN'S SPEECH (ANSWER TO ADDRESS)

The VICE-CHAMBERLAIN OF THE HOUSEHOLD reported Her Majesty's Answer to the Address, as follows:

I have received with great satisfaction the loyal and dutiful expression of your thanks for the Speech with which I opened the present Session of Parliament.

DOUBLE TAXATION RELIEF

The VICE-CHAMBERLAIN OF THE HOUSEHOLD reported Her Majesty's Answer to the Address, as follows:

I have received your Address praying that the Double Taxation Relief (Taxes on Income) (Georgia) Order 2004 be made in the form of the draft laid before your House on 17 November in the last Session of Parliament.

I will comply with your request.

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Malaria

1. **Bob Spink** (Castle Point) (Con): What assessment he has made of the effectiveness of multilateral aid programmes on malaria eradication delivered through the European Union. [204696]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I welcome the European Community's pledge of more than €460 million to the Global Fund to Fight AIDS, Tuberculosis and Malaria, which, together with the contributions of member states, makes the European Union the largest donor to the fund, 30 per cent. of which goes to malaria. The Commission has also allocated more than €350 million for research on vaccines, strengthened prevention methods and better treatment. Given that between 1 million and 3 million people die of malaria each year, however, clearly the international community, including the European Union, needs to do more. That is why we will take forward this issue next year, particularly during our presidency.

Bob Spink: I am grateful to the Minister for that answer, which shows that he understands the importance of malaria eradication. Malaria kills more children in Africa than HIV/AIDS. If we are to control our aid priorities and the effectiveness of that aid in tackling malaria and poverty, in Africa in particular, how can the Government justify giving control of a quarter of our aid budget to the European Union, which mismanages and hideously misallocates those funds on such a massive scale?

Mr. Gareth Thomas: The hon. Gentleman is right to highlight the importance of making progress on tackling malaria. Some 90 per cent. of the 200 million to 500 million malaria cases each year are found in sub-Saharan Africa. I want to place on record my welcome for the all-party group on malaria that has been formed. On his wider point about the European Community, however, the hon. Gentleman needs to recognise the substantial progress that has been made in strengthening the internal management systems of the European Union, and needs to give a little more credit to the EU for the huge progress that it is making in helping to tackle poverty. As I said, the international community needs to do more on malaria, and we will take that forward next year.

David Taylor (North-West Leicestershire) (Lab/Co-op): The figures that the Minister has announced are most welcome, but does he accept that there is a lack of democratic control and accountability in relation to how EU funding of this kind is spent? Does he agree that such initiatives tend to run against the long-term, predictable aid flows that countries need, so that they can plan effectively over future years?

Mr. Thomas: I am afraid that, on this occasion, I do not agree with my hon. Friend that there is a lack of democratic scrutiny. He is well aware of the scrutiny processes in this House. I also want to pay tribute to the work of MEPs such as Glenys Kinnock, who are helping to push the European Union to do more on such issues. As I have indicated, we need to do more on this matter, which will be a priority for us during our presidency of the European Union, and I look forward to further discussions with my hon. Friend and other Members who are concerned about this issue.

Mr. David Chidgey (Eastleigh) (LD): I am grateful for the Minister's reply so far. He may recall, however, from a previous occasion in the House, that the hon. Member for Castle Point (Bob Spink) and I have visited the Francophone parts of west Africa where malaria is rife, and the refugee camps in particular. It was pointed out to us that there was at least a 90 per cent. chance of refugees catching malaria within one year. The essence is avoiding the complacency that is sweeping into this area. A focus on aid is necessary, and the United Nations High Commissioner for Refugees in particular is making a plea now for this Government to work more closely with their counterparts in Liberia, from where the refugee crisis emanates, to help to eradicate these health problems. Will the Minister take that message back to his colleagues and do something about it?

Mr. Thomas: There is absolutely no complacency in my Department or across Government about the threat that malaria poses. That is one of the reasons why we want to step up the work of the European Community and ourselves next year. I am delighted to tell the hon. Gentleman and the House that in Mozambique, for example, at the beginning of next year an £8.5 million programme will start to increase access to bed nets. We need to do more, including getting better progress on a malaria vaccine, which is some 10 years away. We are working with initiatives such as Roll Back Malaria to step up access to bed nets and artemisinin-based combination therapies and to find a malaria vaccine.

European Union Budget

2. **Angela Watkinson** (Upminster) (Con): What action he will take following the European Anti-Fraud Office's fifth report on the European Union's budget concerning direct expenditure and external aid. [204697]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): We take very seriously any accusations of fraud in European Commission aid programmes. Since 2000, we have made support for the reform of the EU's aid programmes and policies a central feature of our own policy. We will continue to support that process, in particular with a package of measures to continue to improve the Commission's financial management and accountability, and by pressing for the continued reform of the Commission's external assistance budget.

Angela Watkinson: The OLAF report on EU overseas aid contains some shocking examples of fraud. For example, £2 million intended for a water project in Lesotho ended up in the Swiss bank account of a local official. There are many other incidences. Instead of concentrating on reforming the procedures, would not it be better to take robust action to ensure that British overseas aid money actually reaches the poorest people in the world?

Mr. Thomas: I welcome the OLAF report from the anti-fraud office, which, as the hon. Lady says, highlights a number of very worrying exampies, including the one from Lesotho. I am sure that the hon. Lady will be pleased about the robust action the Lesotho Government are taking to deal with the allegations of corruption, with the support of the anti-fraud office. No doubt she will also be pleased that the European Union is seeking, with our support, to strengthen its financial management systems and modernise its accounting systems—including its computer systems—still further.

Although those systems need to be strengthened further, we should recognise that the vast bulk of European Community aid goes where it needs to go, and is making a substantial difference to the lives of some of the poorest and most vulnerable people in the world.

Tony Cunningham (Workington) (Lab): As probably the only Member who has actually written an EU development aid budget, I fully appreciate the deficiencies and problems involved, but there are also benefits. Perhaps my hon. Friend could identify some of them.

Mr. Thomas: We must continue to champion reform, but the European Union and member states are already making a difference, particularly through the contributions to the global fund. That has levered in substantial extra money from the United States and other donors for the fight against AIDS, tuberculosis and malaria. The humanitarian and development assistance that the European Community is helping to fund in countries as diverse as Haiti, Kosovo and Sudan is, as I said, making a genuine, important difference to the lives of some of the poorest and most vulnerable in the world.

Mr. Julian Brazier (Canterbury) (Con): No one denies that some of the EU money is well spent, but the OLAF report gives other examples, such as the £10 million that has disappeared through one Italian non-governmental organisation, and the disappearance of 90 per cent. of the money intended to help water projects in Paraguay. The OLAF report refers to

"the complex and well-organised nature of financial fraud in humanitarian and development EU aid to third countries."

Is not it time we repatriated some of this money so that it can be better spent where it should be spent?

Mr. Thomas: Repatriation of EC aid would be a complete disaster. It would lead undoubtedly to lower levels of development assistance world wide. Given that we are currently off track to meet the millennium development goals, that is probably just about the worst thing we could do.

We need to make more progress in tackling fraud and, as I have said, the EU is taking steps to strengthen its financial systems with our support. The vast bulk of EU aid gets to where it is needed. Given that the Conservative party was responsible for the worst misuse of British development assistance, the Pergau dam affair, I do not think that the hon. Gentleman and his party are in any position to dish out lectures on development.

Heavily Indebted Poor Countries

3. **Mr. Peter Pike** (Burnley) (Lab): What proposals his Department has to ensure that heavily indebted poor countries– HIPC—have a robust and sustainable exit strategy from debt after completion of the HIPC programme. [204698]

The Secretary of State for International Development (Hilary Benn): The HIPC initiative has reduced the debts of 27 of the world's poorest countries by an average of two thirds, but many are now facing worsening debt ratios once again. That is why we intend to go further and pay the UK's share of the remaining debt service owed to the concessional lending arms of the World Bank and the African Development bank by all countries reaching completion point under HIPC and other low-income countries that can use those resources effectively to reduce poverty. We are encouraging other donors to follow our lead.

Mr. Pike: I believe that this Government's international development record is first class, and it is important that we not only help such countries to get out of debt, but ensure a sustainable future and a way ahead for them in years to come. How do we ensure that the Governments of other countries follow this Labour Government's example in tackling this major problem?

Hilary Benn: I am grateful to my hon. Friend for his remarks. The first thing that we can do is to point to the benefit of the $70 billion-worth of debt relief that the HIPC scheme has delivered so far. Another very sound argument is that two thirds of the money saved—money that such countries no longer have to spend on servicing debt—has gone into increased health and education spending. Thirdly, we can point out that unless developing countries get more resources, they will be unable to progress towards the millennium development goals of reducing poverty and getting more children into schools. The best thing that we can do, however, is to lead by example, which is why we will be making these payments from 1 January. I hope that other countries will follow our lead so that developing countries can be given greater help on a more predictable basis, in order that they can turn their attention to helping their people and improving their lives.

Tony Baldry (Banbury) (Con): In a letter to the Jubilee Debt Campaign earlier this year, the President of Tanzania said:

"Tanzania has shown dramatic improvements in essential social services after getting partial debt relief. Clearly much more can be done to meet the Millennium Development goals if we can get total debt cancellation."

Can the Secretary of State make it clear to the House what the Government's ambitions are on debt during our presidency of the G8 next year? Do we simply hope that other countries will follow our example, or are we actually going to challenge them to cancel third world debt?

Hilary Benn: Of course, Tanzania is one of the countries that will benefit from the new arrangement from 1 January, having reached completion point. The UK Government's first clear objective is to get other countries to support the new initiative on multilateral debt relief, because doing so would represent a real step forward. That can happen only if increased finance is set aside for development and for debt relief, something for which—as the hon. Gentleman knows only too well—debt relief campaigners have long campaigned. Such additional finance will enable additional progress on debt relief. We need to move the argument on from the question of the debt-to-export ratio—the foundation of the HIPC scheme—and consider the resources that developing countries need to make progress in achieving the millennium development goals in the next 10 years. If we can win those three arguments during our presidency of the G8 next year, we will have seen real progress.

Mr. Andy Reed (Loughborough) (Lab/Co-op): I congratulate the Secretary of State on his early response to the problems with the HIPC scheme. Although it has been a tremendous success in many countries, many others have not benefited as much as we would have liked, despite the enormous sums invested, and we need to take initiatives to ensure that they do. What assessment has he made of other leading G8 countries' willingness to sign up to the new initiative, and does he believe that that can be delivered in 2005? We have a great opportunity to make 2005 the year in which poverty becomes history.

Hilary Benn: First, overall, the HIPC scheme has not just produced $70 billion-worth of debt relief. It is expected that, as a result of it—when the figures finally come in for this period—debt servicing as a percentage of Government revenue in those countries will have declined from an average of more than a quarter in 1998 to below 15 per cent. in 2003. By any measure, that is a real benefit. A number of countries have expressed interest in the proposal that we have put on the table. A lot hinges on the extent to which we are successful next year in encouraging other countries to increase the resources they make available for development. Such additional money could then give rise to the political will to devote some of the money to supporting the debt relief proposals. Next year, the world will judge the G8 and the rest of the developed world on the extent to which we deliver on these commitments, and one important test will be what we do on debt relief.

Tom Brake (Carshalton and Wallington) (LD): Additional aid will be key to any robust and sustainable exit strategy for the HIPC countries. The international finance facility is the Chancellor's preferred method for delivering those additional funds, so will the Secretary of State update the House on what progress has been made on securing the support of the Americans for the IFF? If they continue to remain underwhelmed about those proposals, will it not be time to consider an alternative such as the Tobin tax?

Hilary Benn: No. The Tobin tax, as the hon. Gentleman knows, is a very interesting proposal, but it works only if all the countries in the world sign up to it. Is there a realistic prospect of every country in the world signing up to the Tobin tax? No, there is not. The great merit of the international finance facility, as proposed and strongly argued for by my right hon. Friend the Chancellor, is that all the countries in the world do not need to sign up to it for it to deliver additional resources.

We continue to be in discussions with the United States of America to persuade them of the advantages of the IFF. We have the support of France and, recently, Italy, and we hope to demonstrate in the near future the strength of the IFF model by working with the Global Alliance for Vaccines and Immunisation to increase the support that we can give for vaccinations. In the process, we shall seek to demonstrate the strength of the idea of the IFF as a way of raising the additional development finance that we need now.

Vaccination

4. **Mr. Anthony D. Wright** (Great Yarmouth) (Lab): How his Department's policy on vaccination is targeted. [204699]

The Secretary of State for International Development (Hilary Benn): Vaccination saves people's lives, especially children's. We fund the World Health Organisation and UNICEF to work with poor countries to help their vaccination programmes, and we work with Governments to help build up their health services to make sure that vaccines get to poor people. We also fund the Global Alliance for Vaccines and Immunisation, as I mentioned a few moments ago, and we are planning the international finance facility for immunisation to ensure that more children get immunised more quickly.

Mr. Wright: I thank my right hon. Friend for that reply and I congratulate the Government on the investment that they are putting into new technology. They are helping scientists to take the technology forward and remove vaccinations from the cold chain. According to the World Health Organisation, under current budgets that will mean 10 million more vaccinations being made available in the world. Can my right hon. Friend give an assurance that the relevant budget will not be cut and that funds will be diverted to ensure that 10 million more vaccinations will be made available across the continents of the world?

Hilary Benn: I am happy to give my hon. Friend the assurance that if we can save expenditure on vaccines that is currently wasted because of failures within the refrigeration chain, those resources could be invested to provide more vaccinations. He refers to the research, which DFID helped to fund, which was undertaken by Cambridge Biostability Ltd. It helped to develop a way of storing vaccines—it will now go to trials—that does not involve refrigeration, representing potentially an enormous step forward for vaccination.

Secondly, we are working with GAVI through the international finance facility model, with the aim of creating a fund of $4 billion, which would enable much more vaccination to take place. We are now very close to eradicating polio, for example, with 2 billion children immunised across the world. An estimated 5 million children can walk normally today because of the progress made in vaccination against polio. That demonstrates the benefits of the world doing more to protect the lives of our children.

Michael Fabricant (Lichfield) (Con): What research does the Department undertake on the efficacy of vaccines in all instances when there may be alternative methods of protecting people from infection? In particular, I am thinking of malaria. The Secretary of State knows that his Department funds an immunisation programme, but in certain areas where transmissibility is not high—in South Africa, northern Kenya and Angola—it has been suggested that the money could be better spent on the provision of nets and other forms of prophylaxis. What research has been undertaken on that and will the Secretary of State consider the possibility of transferring money from the vaccination programme to that alternative if it is clear that it would provide a more effective way of protecting people's lives?

Hilary Benn: The hon. Gentleman makes an extremely important point. The honest answer to his question is that we need to do both and we are doing both. Where investment can, through the research programme, find new and more effective vaccines to protect children's lives, it is right to pursue that. This is one area of work that DFID's new chief scientific adviser, Professor Gordon Conway, who takes up the post in January, will be pursuing. However, we already fund a wide range of programmes to get bed nets to children. I was in Tanzania three weeks ago and President Mkapa was opening a new bed net factory. We have a big programme in that country. If we can get people—children in particular—across sub-Saharan Africa sleeping under insecticide-treated bed nets, we could save a lot of children's lives every year.

Africa (Aid)

5. **Dr. Desmond Turner** (Brighton, Kemptown) (Lab): What his priorities are for aid expenditure in Africa. [204700]

The Secretary of State for International Development (Hilary Benn): The UK will provide over £1 billion in aid to Africa next year. Our priorities are to help build the conditions for development by promoting peace, democracy and economic growth, to help Africa progress towards the millennium development goals with HIV/AIDS—reducing child and maternal mortality and tackling hunger as priorities—and to help build Africa's capacity to develop itself. We will provide substantial assistance to the African Union and to support the recommendations of the Africa Commission.

Dr. Turner: Having also visited Malawi recently, my hon. Friend will be as aware as I am of the appalling difficulties facing health provision in that country due to the sheer lack of human capacity in terms of trained health workers to deliver the goods. What plans does he have to increase the human capacity of countries in Africa such as Malawi? Without extra trained people, all the free or cheap anti-retroviral drugs in the world will not help the massive problem of AIDS in those countries.

Hilary Benn: My hon. Friend makes a very important point about a country where, over the past 10 years, average life expectancy has fallen from 48 years to 39 and where there is a public health emergency. On 3 December, I announced a new programme worth £100 million that we have developed with the Government of Malawi. It will increase salaries for doctors and nurses by 50 per cent. and in part is aimed at helping to recruit the 800 or so qualified nurses living in Malawi who do not currently work in the health service. The programme will also increase Malawi's total aid budget by 30 per cent. and train more doctors and nurses. In the meantime, to fill some of the very many vacancies in the Malawian health service, it will pay for volunteer doctors and nurses to go to that country, and they will start arriving over the next six months. Ours is a very practical programme and we are able to pay for it because we have a rising aid budget in Africa.

Mr. Alan Duncan (Rutland and Melton) (Con): Because of the scale of poverty in Africa, and because aid resources are obviously limited, priorities have to be set. However, it appears that the Copenhagen consensus, with a team of eminent economists, chose a set of priorities different from those just outlined by the Secretary of State. The Copenhagen economists said that the top three priorities were the need to stop the spread of HIV/AIDS, the need to combat malnutrition and hunger, and the need to encourage freer and fairer trade. On what academic basis has the right hon. Gentleman's Department reached such a different conclusion?

Hilary Benn: I do not agree that we have reached a different conclusion, because we are working on all three of those matters. The hon. Gentleman will be only too well aware that in 1997, the UK was spending £38 million a year through its development programme in the fight against HIV/AIDS and to promote reproductive and sexual health. Next year, and in the two years after that, Britain will put £500 million a year into the fight against HIV/AIDS and to promote reproductive and sexual health. By any measure, that is a very substantial increase and it is due to the fact that we have a rising aid programme. We are doing all the things that the Copenhagen consensus outlined in its document, but we are also investing—unapologetically—in improving health and education. If we do not improve the health services, it will be very difficult to get treatment to people suffering from HIV/AIDS.

Mr. Duncan: Let us assume for a moment that we accept the Secretary of State's priorities. If he accepts the need for prioritisation such as he has described when determining how our aid budget is allocated, why is he happy to give a quarter of our total aid budget to the EU, which spends only half of its funds on tackling poverty in the poorest countries? If the Government want to apply their poverty reduction criteria effectively, how can they justify the diversion of a quarter of the aid that they give through a channel that applies completely different criteria?

Hilary Benn: First, as my hon. Friend the Minister made clear in answer to the first question this afternoon, there has been a real process of reform in the European Union, which I welcome but which needs to continue. Secondly, I hope that the hon. Gentleman will join me in supporting the Government's push to get the arguments that he has just advanced heard better in the European Union, because it is unacceptable that a falling proportion of the EU's development budget is spent on the poorest countries in the world, including in Africa. All of us need to work hard to increase that proportion, because the need is greatest in those countries and we need to ensure that all our resources, including those that go via the EU—

Mr. Duncan *indicated assent.*

Hilary Benn: The hon. Gentleman agrees with me; I am grateful for his support.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [204681] **Angela Watkinson** (Upminster) (Con): If he will list his official engagements for Wednesday 15 December.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Angela Watkinson: Yesterday, the Prime Minister refused to allow a free vote to his colleagues on the Mental Capacity Bill. Why did he not vote himself?

The Prime Minister: Well, I do not always vote on measures, but of course I supported the Government's position. I will explain why I did not feel that it was right to have a free vote on the issue. I understand that there are strong feelings on both sides of the House on the issue, but there are also very important public policy considerations. Just as we must ensure that we protect people and their interests properly—the amendments that we will table in the House of Lords will see to that—it is also important that we do not end up in a situation in which doctors and consultants are confused about the law and may lay themselves open to prosecution in circumstances in which no sensible person would want that to happen.

Q2. [204682] **Mr. Anthony D. Wright** (Great Yarmouth) (Lab): Unemployment in my constituency has fallen by 40 per cent. since 1997. However, we still have twice the national and regional average unemployment in my constituency. One of the projects that may regenerate Great Yarmouth is the new outer harbour project, which has been in being for the past five or six years. Will my right hon. Friend ask the Department for Transport when a decision will be made on that project and encourage it to provide an affirmative answer in terms of the public funding for that project?

The Prime Minister: My hon. Friend and I have discussed the outer harbour project in his constituency and I know the very strong feelings in the area about it. My right hon. Friend the Secretary of State for Transport is considering at present whether public funding for a new outer harbour at Great Yarmouth is justified and no doubt he will get back to my hon. Friend shortly.

My hon. Friend is right to say that unemployment has fallen in his constituency. Today's figures show that there are now nearly 2 million more people in work than in 1997; unemployment is at its lowest rate for 30 years; and the new deal has helped 1 million people into work. That is why it would be so irresponsible to do what the Leader of the Opposition wants and cut the new deal programme that has helped so many of our constituents up and down Britain.

Mr. Michael Howard (Folkestone and Hythe) (Con): The Prime Minister promised that Labour would do everything in its power to end the scandal of families sleeping in bed-and-breakfast accommodation. The number of people in bed-and-breakfast accommodation has almost doubled since he came to office. How does he explain that failure?

The Prime Minister: First, in respect of homelessness, many of the families that are characterised as homeless do actually have accommodation, but it is temporary accommodation. The numbers of people sleeping rough on the streets have been cut dramatically by two thirds. As opposed to the situation in 1997, more than 80 per cent. of homeless households in temporary accommodation are in good quality, self-contained homes, and the vast majority are not in bed-and-breakfast accommodation.

Let me make one further point to the right hon. and learned Gentleman. We are going to increase the housing budget and the budget for the homeless over the next few years. Under the proposals of the shadow Chancellor, the right hon. and learned Gentleman is set to freeze the housing budget—perhaps he will confirm that—and that would cut £400 million from that budget.

Mr. Howard: But none of that answers the question. The Prime Minister has had seven and a half years. He called it a scandal and promised to end it; it has almost doubled. He promised to cut truancy by a third. Figures yesterday show that truancy has gone up by nearly a third: 1 million children play truant each year. How does he explain that failure?

The Prime Minister: Let me come back to the promise about housing. It was to cut rough sleepers and we have done that very substantially indeed—*[Interruption.]* No, I am sorry. I am not letting the right hon. and learned Gentleman get away with this. In respect of temporary accommodation, the change today is that the vast majority of those 100,000 people are in good quality, self-contained homes. How does he square his supposed commitment to the homeless with cutting their budget? He did not answer that question. Perhaps he will now.

In respect of truancy, it is correct; we have accepted that we have not met the truancy target. However, there are in fact 43,000 extra pupils attending school today, which is important. Double the number of pupils are in the pupil referral units. I accept that there is much more to do on truancy, but overall in respect of education we have improved investment, all school results are up and according to the latest report our primary schools have succeeded faster than any other country in Europe. The right hon. and learned Gentleman is committed, under his voucher scheme, to take £1 billion out of the school system. Perhaps he will confirm that that is the case.

Mr. Howard: Once again, the Prime Minister has failed to answer the question. He has not explained the reason for his failure. Let us look at another of the Prime Minister's promises. He promised to increase the rate at which criminals are caught, but detection rates, which improved by more than 10 per cent. when I was Home Secretary, have worsened by more than 10 per cent. under his Government. It is now easier to commit a crime and get away with it than at any time in the last 25 years. How does he explain that failure?

The Prime Minister: That is simply not the case—*[Interruption.]* No, no. We have been having correspondence on the crime statistics, and I am delighted to tell the House that I have been looking in a little detail at what the right hon. and learned Gentleman has been saying about them. The British crime survey shows that crime has fallen, not risen, under this Government. He keeps saying that recorded crime has gone up and has prayed in aid the Crime and Society Foundation paper, which he says proves that crime has gone up under this Government. Unfortunately for him, the director of the foundation has written the following letter:

"Michael Howard does not accurately represent my analysis . . . I do not argue that there are 'significant flaws' with the British Crime Survey. I argue that the British Crime Survey offers a far more accurate picture of the crimes it measures."

Mr. Howard: The Prime Minister did not even mention detection rates. Three questions asked; none of them answered. Let us try another one.

"When Labour came to office we had one of the strongest pension provisions in Europe and now probably we have some of the weakest."

Those are the words of the Prime Minister's first Pensions Minister. How does he explain that failure?

The Prime Minister: We have put more than £10 billion a year into support for pensioners. The poorest 10 per cent. of pensioners are some £40 a week better off as a result of the measures we have taken. Women have benefited particularly from the pension credit; two thirds of those who get it are women. Perhaps the right hon. and learned Gentleman will confirm that he plans to abolish the state second pension. If he does that, it will make those women £40 a week worse off.

Mr. Howard: The Prime Minister has not explained any of those failures. Let me see if I can help. I know that he is going abroad over the holidays and I have some holiday reading for him—the new biography of the Home Secretary, hot off the press today. The front cover says that it paints a portrait of an enigmatic man that will surprise even those who think they know him. I particularly recommend to the Prime Minister the Home Secretary's helpful assessment of the Prime Minister and his Cabinet colleagues. Will the Prime Minister promise to read the book carefully, so that when he comes back to the House in the new year he can give a full explanation of his Government's total failure to deliver? *[Interruption.]*

Mr. Speaker: Order. Let the Prime Minister answer.

The Prime Minister: Actually, I have some holiday reading of my own lined up, a volume of diaries by a certain Woodrow Wyatt. *[Laughter.]* We could do a swap of reading matter. In the diaries—this is not a laughing matter because of what it says about the

Tories; just listen to this—he recalls a meeting with the right hon. and learned Gentleman on 19 March 1991. *[Laughter.]*

Mr. Speaker: Order. I want to hear the Prime Minister.

The Prime Minister: That was when the right hon. and learned Gentleman was Employment Secretary. Just listen to this:

"Michael Howard didn't agree with my view that we should have a June election . . . before it was realized how serious the underlying recession had been and unemployment went on going up. He said, 'Unemployment never matters.'"

[HON. MEMBERS: "Oh!"] And it did not matter to him, because when he was Employment Secretary unemployment went up by 1 million; now he is committed to cutting the new deal that has helped 1 million people. He can make his jokes about that book, but unemployment does matter to this Government and that is the difference between this Government and that Opposition. *[Interruption.]*

Mr. Speaker: Order.

Mr. John McFall (Dumbarton) (Lab Co-op): Despite the welcome engagement between the Lord Chancellor and His Grace Archbishop Peter Smith on the issue of euthanasia by omission, including food and fluid, there is still a concern among a number of Members on this issue. Can the Government give us an assurance that they will embrace the spirit of new clauses 1 and 2, for which I did not vote? To ensure that we bring clarity and sense to such a complex and sensitive issue, will the Prime Minister meet a delegation of concerned Members so that we get on the statute book a very welcome and appropriate Mental Capacity Bill?

The Prime Minister: I thank my right hon. Friend for the very reasonable way that he puts his point. I would of course be happy to meet him and his colleagues. Importantly, the Making Decisions Alliance said yesterday—it is an alliance representing some 40 charities whose words should at least carry some weight for us—

"the Bill could finally give those we work with real control over their day to day lives . . . All of this could be lost if the Bill is sabotaged by misplaced fears about euthanasia".

There is obviously an issue of concern and this is what the Catholic Archbishop raised with me yesterday. We will do everything we can to meet that concern and make sure that we avoid any doubt about the purport of the Bill, but let us be quite clear that what is right is to make it clear that someone's life cannot be ended intentionally. That must be right. I hope, though, that the whole House understands that what would be wrong—this is what we were advised that the amendment that we voted against yesterday would do—would be to end up in a situation where the Tony Bland judgment was overturned. That would be very damaging for relatives, for individuals and for the medical profession. So we need to make sure that we take account of the very sensible points that have been made by my right hon. Friend, but that we do not end up giving ourselves and, indeed, the medical profession, a serious public policy problem. That would be wrong and I could not endorse it.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): On the Government's proposed identity card system, two weeks ago, when I asked him, the Prime Minister failed to rule out of consideration for the running of that system any company that had been previously associated with earlier computer fiascos, such as those involved with the Child Support Agency or tax credits. To put people's minds at rest, will he give us that assurance today?

The Prime Minister: No, I have simply got to say that the tendering procedures will be done in the normal and proper way. I cannot give undertakings about that now. We have simply got to ensure that we get the most cost-effective way of delivering the system. I really do not think that this is about the contracts for the system; what it is about is whether hon. Members support the idea of identity cards as being of some use in the fight against illegal immigration, terrorism and the abuse of public services. I happen to believe that, in this day and age, particularly because we are moving towards biometric passports, it sensible to have identity cards.

Mr. Kennedy: On the latter point, is that not one of the problems particularly associated with compulsory identity cards for people living in outlying areas—for example, pensioners or disabled people—who will face long and expensive journeys into cities to go to the secure centres where they will have their iris scans or their fingerprints taken to get the ID card? That leads many of us to ask this question: have the Government actually thought through the practical implications for people of the scheme that they propose?

The Prime Minister: First, as we know in the House, this issue has been debated over many years, and compulsory ID cards will not come in for several years in any event. So there is a long period in which we can get this right—it is obviously important that we do. The point that I would make is that what has changed my mind on identity cards is that we now have the technology and, indeed, will effectively be obliged to use it for passports, which represents the bulk of the cost—£70 out of the £85 is for the passport, which we will have to introduce in any event. It makes sense in my judgment, when we have this biometric technology and when it really can make a difference on some of these issues—this is a common consensus certainly among the police and enforcement services—that we make it clear that ID cards will be introduced. The right hon. Gentleman is perfectly right, however, to raise a series of practical difficulties and objections. It is exactly those that we need to iron out over the next few years.

Mr. Neil Turner (Wigan) (Lab): A number of my constituents have reported to me the theft of their telephone lines, which comes to light only when they get their bills and people threaten to cut them off. The numbers are intercepted via the internet and then used to make international premium rate calls. Will my right hon. Friend use the UK presidency of the EU and the G8 to take international action to stop that theft, which causes great distress to hard-working families and could fund international terrorism and organised crime?

The Prime Minister: I understand the importance of this issue, and I am aware that it is a big issue for many hon. Members. I can tell my hon. Friend that the Government have asked Ofcom to review the regulation of premium rate services to tighten things up in response to these complaints. That review was published on 9 December, and it makes new recommendations that, I hope, will help to deal with the problem. On the other hand, the legitimate use of premium rate numbers, for everything from weather forecasts to TV shows, is a £1 billion-a-year industry, so we have to ensure that that regulation strikes a sensible balance.

Q3. [204683] **Sue Doughty** (Guildford) (LD): This year, four children and their families will spend Christmas in St. Christopher's hospice in my constituency. I am sure that the Prime Minister will want to join me in paying tribute to the children's hospice movement and its work with life-limited children and their families, but the hospices receive no Government funding. Money from primary care trusts just does not get there. Will the Prime Minister consider options to ring-fence health service funding to guarantee children's hospices an equivalent level of funding as that received by adult hospices?

The Prime Minister: I certainly would pay tribute to the children's hospice movement, which does an extraordinary job up and down the country in many different constituencies, but I simply say to the hon. Lady that I do not think that I can promise to do what she asks. We are obviously increasing the investment in the health service very considerably. We do look at what more we can do for the hospice movement, but I do not think that ring-fencing would be the right thing to do.

James Purnell (Stalybridge and Hyde) (Lab): Dame Janet Smith published her final report on Harold Shipman's murders last week. Does the Prime Minister agree that the House should have an opportunity early in the new year to have a full debate on all her recommendations? Will he pay tribute to the meticulous and sensitive way in which she and her team have done their work? In particular, will he consider her recommendation that the review of the coroner service should be fully funded, because that is the least that we could do for the victims of Harold Shipman and their families?

The Prime Minister: May I first say that I am grateful to Dame Janet Smith and her team for the care and attention that went into the preparation of each of her reports? I reiterate the Government's sympathy to the relatives and friends of Shipman's victims and express our thanks to them for their valuable contribution to the inquiry's work. I understand that my right hon. Friend the Secretary of State for Health is meeting Dame Janet Smith today. Her reports make several recommendations, which we will obviously study carefully. Some are complex, but we hope to be able to make a considered statement on them reasonably shortly.

Q4. [204684] **Tony Baldry** (Banbury) (Con): Bullingdon prison was built to accommodate 600 people, but it now has to house 900 men. The Home Office appears to be so cash strapped that the governor has been told that she cannot spend even a penny on improving conditions, yet the same Home Office, on the other side of the road, is about to spend £60 million on an asylum centre, which the Refugee Council says is totally inappropriate for the needs of refugees. I appreciate that there are few votes in prisons, but does the Prime Minister think that we should all be ashamed by the extent of prison overcrowding?

The Prime Minister: I agree with the hon. Gentleman about prison overcrowding. It is a serious problem, which is why we will expand prison places by several thousand over the next few years. We are actually setting aside additional money for that—several hundred million pounds. That is precisely to ensure not only that people who should go to prison do so, but that those who are in prison are given proper help and rehabilitation. I agree that overcrowding causes a problem with that, but surely it is better to increase investment, as we are doing, than to freeze the Home Office budget, which is his right hon. Friend the shadow Chancellor's suggestion.

Judy Mallaber (Amber Valley) (Lab): The Department of Health environment access team assessed Heanor Memorial hospital in my constituency as having cleanliness of a good standard throughout and providing delicious, excellent quality food. Will my right hon. Friend investigate how that audit was presented to make it appear that Heanor hospital was one of 27 allegedly dirty hospitals—thus meaning that it appeared under lurid headlines—although its poor ratings had nothing whatsoever to do with cleanliness, but were solely concerned with design and its limited space for such facilities as car parking, storage and the hospital shop?

The Prime Minister: I congratulate everyone who works at my hon. Friend's hospital on their excellent work. On lurid headlines, however, if I had it in my power to avoid them at any time, I would probably start somewhere different, but I would certainly end up sorting her ones out.

Q5. [204685] **Mr. John Taylor** (Solihull) (Con): Will Sir Alan Budd's inquiry be extended to include the latest allegations regarding a second visa for travel to Austria?

The Prime Minister: That is a matter for Sir Alan Budd.

Q6. [204686] **Mr. Piara S. Khabra** (Ealing, Southall) (Lab): May I welcome the Government's policy on the building of new, affordable housing, especially in the light of last week's report by the National Housing Federation on homelessness, which highlighted the challenges facing many of the poor in the UK? I know that the Conservative party does not support that policy at all. Will the Prime Minister assure me that his Government will consider more flexible and lower targets when necessary for areas such as Southall in my constituency? That area is already overcrowded and

overdeveloped and its local services and infrastructure are stretched to the limit in meeting the needs of the community. Furthermore, can I ask—

Mr. Speaker: Order. The hon. Gentleman is allowed only one supplementary.

The Prime Minister: First, of course we keep carefully under review exactly how such targets relate to particular areas of London. We have increased the provision for affordable housing in London by somewhere in the region of £650 million to £750 million. We are also doing a lot for thousands of key workers and public service workers—some will live in my hon. Friend's constituency—by helping them with housing finance from the Government. In addition, we will publish new housing plans in the new year, which I hope will help first-time buyers to get their feet on the rungs of the housing ladder. Again, I simply point out to the House that although I am sure that there is a lot more that we have to do, freezing the housing budget and thus cutting £400 million from it, which is the Conservative party's policy, would be a disaster.

Sir Patrick Cormack (South Staffordshire) (Con): As it is essential that there should be widespread public confidence in any identity card system, does the Prime Minister agree that that Bill is an ideal one to be committed to a Joint Select Committee of both Houses?

The Prime Minister: I will not give that commitment now, but I undertake to consider that suggestion carefully.

Q7. [204687] **Mrs. Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): Liverpool has been transformed under a Labour Government, with unemployment halved and the city designated European city of culture, yet the Rowntree Foundation has shown that there are still far too many children in Liverpool growing up in poverty and in households without work. What can the Government do differently to change this unacceptable situation?

The Prime Minister: What my hon. Friend says is right. Liverpool is a city in the process of transformation. I know that its designation as a city of culture has generated enormous enthusiasm in the city. Unemployment rates have come down considerably and living standards have risen, but my hon. Friend is right—there is still a great deal more to do. That is why it is important that we keep programmes such as the new deal for the unemployed and Sure Start, and the record investment going into our health, education and services, on the basis of people's need, not their ability to pay. Those are all policies that we as a Government will continue to implement. In the light of the huge spending commitments and then spending cuts that have been proposed by the Opposition, the people of Liverpool will have a very clear choice at the next election.

Mr. John Baron (Billericay) (Con): The Prime Minister will recall that I have raised with him on a number of occasions the fact that our planning laws clearly fail to deal with determined Travellers who buy green-belt land and then illegally and speedily develop it. As a result, many law-abiding residents living close to those illegal encampments are being discriminated against. Following our meeting, to which he kindly agreed, will the Prime Minister now respond to my letter to him dated 20 October, for which I got an acknowledgement but no substantive response? The letter set out further details about my private Member's Bill on the issue, which had good cross-party support but was blocked by the Government without explanation.

The Prime Minister: First, I should explain why I have not got back to the hon. Gentleman since 20 October, other than the normal courtesy reply. The reason is that in the next few weeks we will bring forward proposals that deal specifically with the issues that he raised. The question is whether the new power of local authorities to get a stop notice quickly and to implement it quickly will be sufficient, or whether we have to take the further steps that the hon. Gentleman suggested. I said when we met that the points that he was making were perfectly reasonable. I need to check, however—and it is right that the Department checks— what the implications of that are, and in particular whether the new powers, which I believe have been brought in over the past few weeks, are adequate, or whether we need to take further steps. I will get back to the hon. Gentleman shortly, but there was no point in responding until the final decisions had been made.

Q8. [204688] **Kevin Brennan** (Cardiff, West) (Lab): Many parents will welcome the fact that in the new year the child trust fund will be payable to babies. It is welcome news over Christmas, but could the Prime Minister make it even better news, as the Chancellor is sitting next to him, by asking the Chancellor to make sure that any backdated payments have interest paid on them, and also by preventing money being taken from people in the future by any party that seeks to abolish the trust fund?

The Prime Minister: My hon. Friend's question has had a rapid effect as I understand that interest will be paid from the date of accrual, September 2002. The child trust fund is an important proposal. It should be supported in all parts of the House. It is an extremely regressive move on the part of the Conservatives, who I believe are opposed to it now, as are the Liberal Democrats—united in error. The child trust fund will be welcomed by many families throughout the country, and of course by children as they grow up.

Dr. Richard Taylor (Wyre Forest) (Ind): Does the Prime Minister agree that the Government's handling of yesterday's Mental Capacity Bill debate was lamentable, and that it leads to a decision that should have been made by this House being passed weakly to the House of Lords?

The Prime Minister: I do not agree with the hon. Gentleman. It was important for us to be able to respond to the claims that were being made. The legal

advice that we have is very clear: the Bill as originally framed would not have had the effect that those who are campaigning against it say. However, when it is clear that there is a widespread doubt as to whether that is the case, it is surely sensible for the Government to listen to that doubt and take account of it, and to come back to people and say that we will table amendments at the House of Lords stage that will make it clear that, while the Bland judgment will remain in being, we will not in any shape or form countenance the deliberate killing of people. I would have thought that that position would recommend itself to everyone.

Points of Order

12.31 pm

Lembit Öpik (Montgomeryshire) (LD): On a point of order, Mr. Speaker. I seek your forbearance to enable me to—*[Interruption.]*

Mr. Speaker: Order. We need some order.

Lembit Öpik: I seek your forbearance, Mr. Speaker, to enable me to apologise to the Minister of State, Ministry of Defence, for misrepresenting his position in my contribution following his statement on 30 November 2004 regarding the allegation of abuse at Deepcut Army barracks. I accused him on that occasion of referring to the four deaths as suicides. Having studied the official record, I can see that I was wrong to do so. He made no reference to the events at Deepcut in that context. It was in fact the Army that told my constituents, Des and Doreen James, that their daughter Cheryl had committed suicide before the coroner had even reported. The Minister did not do that. As he said to me in his letter:

"Those of us in positions of knowledge and responsibility have an added duty to ensure that we do not further confuse the situation with misinformation."

I agree with him, and as the campaign for a full independent public inquiry into the four deaths continues I hope that I will be able to work effectively with him. I hope that he will accept my apology.

Mr. Speaker: I am sure that the Minister will accept the hon. Gentleman's apologies, and I thank him for putting the record straight.

Mr. Eric Forth (Bromley and Chislehurst) (Con): On a point of order, Mr. Speaker. You will just have witnessed a disgraceful episode in which the Government Chief Whip hurled a substantial book across the Chamber at my hon. Friend the Member for Rutland and Melton (Mr. Duncan) on the Front Bench. Will you now sort out the Government Chief Whip and throw the book at her?

Mr. Speaker: I have tried to sort out a few hon. Members, but I shall not do so today. I do not want to tackle the Chief Whip; it is Christmas, after all. It would be best if the exchange of Christmas gifts were conducted outside the Chamber.

Mr. Patrick McLoughlin (West Derbyshire) (Con): On a point of order, Mr. Speaker. May I draw your attention to the point of order that I raised with Mr. Deputy Speaker yesterday at column 1584, in which I pointed out that certain documents had been made available to Government Members, but were not available in the Vote Office before the debate and the vote took place? Mr. Deputy Speaker was helpful in his guidance as to what future practice should be. However, this morning on the radio, the Lord Chancellor said that the documents were available in the Vote Office to Members. They clearly were not available in the Vote Office to Members before the vote took place. Is there any way in which we can get the Lord Chancellor to come to this House to apologise for both misleading the House and telling an untruth?

Mr. Speaker: When we refer to a senior Member of the other place, we should use temperate language. The Lord Chancellor did not mislead the House, and my Deputy, Sir Michael Lord, acted correctly and gave the proper guidance. The hon. Gentleman has made an allegation—at this stage, it is an allegation—that material was distributed from the civil servants Box.

Mr. McLoughlin: It was.

Mr. Speaker: I was not in the Chamber at the time, so it is an allegation as far as I am concerned. I have made a Speaker's statement about the conduct of the civil servants Box. The only communications that should be conducted from that Box are via a Parliamentary Private Secretary to a Minister, one document at a time. I shall write to the Lord Chancellor and have instructed my officials to prepare a letter. I will not allow the mass distribution of documents and, if the allegation is correct, I will go as far as withdrawing privileges from civil servants who come into that Box—I take the matter very seriously. The hon. Gentleman has put the allegation to me and I will raise it with the Lord Chancellor.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): On a point of order, Mr. Speaker. You have pointed out that intemperate comments are sometimes made when hon. Members raise points of order. What is the difference between a point of order raised by the Opposition deputy Chief Whip from the Dispatch Box and a point of order raised by him when he purports to be a Back Bencher? Is that not abuse of his paid position?

Mr. Speaker: No, it is not abuse. If it had been abuse, I would have pointed it out. I have known the right hon. Gentleman for many years, and he has sailed close to the wind on a few occasions in this Chamber.

Mr. William Cash (Stone) (Con): On a point of order, Mr. Speaker, much of yesterday's shambles came from the misuse of the programme motion, which meant that adequate time was not available to discuss the matters in question. Is there some means that you can employ to give guidance—if no more—on the imperative need to discuss those incredibly important amendments after the House of Lords has examined them in the proper time on the Floor of the House of Commons to remedy yesterday's disgraceful shambles?

Mr. Speaker: Those matters are for the usual channels. The neutrality of the Speaker is important at all times and I will not be drawn into the arguments posed by the hon. Gentleman.

Rev. Martin Smyth (Belfast, South) (UUP): On a point of order, Mr. Speaker. Yesterday's Northern Ireland news reported on a young man who contracted variant Creutzfeldt-Jakob disease some years ago and who was left by the medical profession as a terminally ill person. However, his parents nursed him and his father

[Rev. Martin Smyth]

fought in the High Court to get him particular new forms of treatment. Yesterday, it was announced that the health workers from the hospice and voluntary sector are withdrawing their help because he is no longer terminally ill. Have you received a request from a Health Minister to make a statement in the House both to encourage that treatment and to urge greater caution in diagnosing people as terminally ill?

Mr. Speaker: I am deeply saddened by the matter that the hon. Gentleman raises about his constituent and his family. This is a matter that the Minister would have to take note of. No doubt he will read in *Hansard* about the matter that the hon. Gentleman raises.

The Deputy Leader of the House of Commons (Mr. Phil Woolas): On a point of order, Mr. Speaker. It may be helpful to the House, in response to the point of order raised at column 1584 by the hon. Member for West Derbyshire (Mr. McLoughlin), to the ruling by Mr. Deputy Speaker and to your own comments today, if I could give the House the assurance that my right hon. Friend the Leader of the House will of course co-operate fully in ensuring that the facts are properly put on record as to what did happen yesterday with the distribution of letters. We do take these commitments very seriously. Our own investigation shows that the proper distribution methods were undertaken, but we will of course wish to present the House and you, Mr. Speaker, with the full facts to satisfy, I hope, hon. Members on both sides of the House.

Mr. Speaker: I thank the hon. Gentleman; that is very helpful to me.

BILLS PRESENTED

Criminal Defence Service

Mr. David Lammy, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Mr. Peter Hain and Mr. Christopher Leslie, presented a Bill to make provision about representation funded as part of the Criminal Defence Service: and the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 14].

Transport (Wales)

Mr. Peter Hain, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Blunkett, Mr. Secretary Darling, Mr. Secretary Murphy, Ms Secretary Hewitt, Mr. Paul Boateng, Ruth Kelly, Mr. David Lammy and Mr Don Touhig, presented a Bill to make provision about transport to, from and within Wales: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 15].

European Affairs

Motion made, and Question proposed, That this House do now adjourn.— *[Mr. Jim Murphy.]*

12.41 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): Prime Minister Balkenende of the Netherlands will chair the European Council in Brussels tomorrow and Friday. My right hon. Friend the Prime Minister and I will be there representing the United Kingdom. Today, the House has its customary opportunity to debate the Government's priorities before that Council.

The main business—

Tony Baldry (Banbury) (Con): Will the Secretary of State give way?

Mr. Straw: I will give way in due course, but the hon. Gentleman must allow me more than two sentences.

Tony Baldry: On this point?

Mr. Straw: Whether it is on this point or not—I am not that generous.

The main business of the Council will be a decision on opening membership negotiations with Turkey. Before I come to that, let me go through some other key issues on the agenda.

We expect some discussion at the Council of the European Union's budget for 2007–13. The budget negotiations are still at an early stage, and the Government welcome the work done so far by the Dutch presidency. The European Council will discuss a progress report and the presidency will seek to agree principles and guidelines for the continuing negotiations. For our part, we want to ensure that the money is spent effectively; that the budget is affordable; and that EU programmes are pursued only where they add value. More generally, we have made it clear that we seek an EU budget limited to 1 per cent. of Europe's gross national income, as opposed to the 1.24 per cent. that is currently proposed by the Commission. France, Germany, Austria, the Netherlands and Sweden share our view, and we have made our common position clear in public.

Mr. William Cash (Stone) (Con): Will the Secretary of State give way?

Mr. Straw: I will, but I want to get through a little bit more before I first give way to the hon. Member for Banbury (Tony Baldry).

There may also be some discussion at the Council of how the EU raises its revenue—the so-called own resources system. All member states have to agree to any changes, especially those that are net contributors, and everyone has a veto. We will oppose any attempt to reopen the discussion on the UK's budget rebate, which—as we continue to make forcibly clear—is fully justified.

The Council will also discuss a number of foreign policy issues, including EU support for the Palestinian elections in January and the situation in Ukraine. It is

worth reminding the House that this is common European foreign policy in practice. If the UK decides not to work with other countries, there is no such policy—as, for example, there was not in respect of Iraq—because the policy requires the agreement of every one of the EU's member states. That will remain emphatically the case under the new EU constitutional treaty.

However, there are clearly many issues on which 25 nations speaking as one have a great deal more influence than we would on our own. On the middle east, the EU's membership of the Quartet—which also includes the United States, Russia and the United Nations—helps us actively to support the peace process. The EU is one of the biggest donors to the Palestinian Authority.

If anyone wants a good example of a common foreign policy working in practice, it is the united EU response and consistent message about the need for a free and fair electoral process that helped to resolve the political crisis in the Ukraine. The Presidents of Poland and Lithuania and EU High Representative Javier Solana playedan important role in that by helping to facilitate talks between the parties. The second round of the presidential elections will be rerun on our Boxing day and the EU is maintaining pressure for that free and fair rerun of the election. We discussed it in detail at the Foreign Ministers Council on Monday and we will contribute observers to the Organisation for Security and Co-operation in Europe election mission.

Mr. Henry Bellingham (North-West Norfolk) (Con): Will the Foreign Secretary give way?

Mr. Straw: No. I shall give way to the hon. Member for Banbury.

Tony Baldry: Twice a year, we have an opportunity for a day of group therapy on Europe, but European competence covers many Departments. For example, it involves trade policy, migration policy and development policy. Yet junior Ministers from the other Departments do not even do us the courtesy of attending the debate. *[Interruption.]* I am referring to the Government. Will the Foreign Secretary give the House an undertaking to relay to other Cabinet Ministers points that are made in today's debate that specifically relate to their Departments? Otherwise, we are simply speaking to the wind and the Chamber becomes a senate of Lilliput.

Mr. Straw: There is a general problem, which affects both sides of the House, about attendance in the Chamber. It has more to do with Back-Bench than Front-Bench attendance. In my 25 years experience, Front Benchers in such debates constitute only the Whips and the Ministers who are involved.

On the second point, I take seriously what the House says about the European Union—and any other issue. We initiated and established arrangements, which meant Parliament's full and active involvement in the Convention and the intergovernmental conference.

Sir Menzies Campbell (North-East Fife) (LD) *indicated assent.*

Mr. Straw: I am glad to have the approbation of the right hon. and learned Member for North-East Fife (Sir Menzies Campbell). Hon. Members of all parties made suggestions and, consequently, beneficial changes were made to the Convention text, which is now a good text. I look forward to its general endorsement. On non-attendance, the right hon. and learned Member for Devizes (Mr. Ancram) did not turn up once to the proceedings of the Special Standing Committee that preceded the IGC. Conservatives stayed away and I regret that.

Mr. Cash *rose—*

Mr. Straw: On cue, here is one who turned up.

Mr. Cash: I am glad that the Foreign Secretary has given way because I am sure that he would not accuse me of not being present. On his opening remarks on budgets, does he accept the report from the university of Bonn, to which Wolfgang Munchau referred in the *Financial Times* the day before yesterday? The report stated that the main effect of the stability and growth pact—the Foreign Secretary knows that I vigorously opposed that even under a Conservative Government—has been to encourage countries to cheat by misreporting their deficits. Does not he regard that as a serious problem? Why do not the Government repudiate the stability and growth pact?

Mr. Straw: Assiduous though I am in reading around the subject, I have not read the report from the university of Bonn and I also omitted to read the column in the *Financial Times*. We have made it clear that we support amendments to the stability and growth pact—my right hon. Friend the Chancellor of the Exchequer made that crystal clear. However, I stress that there is no ground whatever for countries that are members of the EU to fiddle their national statistics.

Mr. Bellingham: Will the Foreign Secretary give way?

Mr. Straw: No, I shall make some progress and then I shall take interventions.

I am pleased that our work on Iran has been endorsed by all sides. Our work with France, Germany and the EU in the past 14 months has secured agreement by Iran to suspend all uranium enrichment-related and reprocessing activities. On Monday, my French and German colleagues, EU High Representative Javier Solana and I met Dr Hassan Rouhani, Secretary General of Iran's supreme national security council, in Brussels to begin the process of negotiation on longer-term arrangements with Iran. One of the purposes of the negotiation is to provide objective guarantees that Iran's nuclear programme can be used only for peaceful purposes. That is the reality of EU common foreign policy, not the fantastical accusations that we so often hear from the Opposition. It shows how Britain benefits from the role that we play in the European Union, increasing our influence and impact in the world without in any way detracting from our independence of action. As we can have the best of both worlds—we can be independent and autonomous when we want but work with our partners when we want—I cannot for the life of me under and the logic adopted by the Opposition,

[Mr. Straw]

particularly the right hon. and learned Member for Devizes, who now says that the common foreign and security policy "should be abandoned". That would merely weaken Britain's influence in the world without adding to our autonomy in any way. It is even odder, given that the right hon. and learned Gentleman was an arch-proponent of Maastricht in 1992 and made lurid speeches in favour of it. He even said, as the hon. Member for Stone (Mr. Cash) will recall, that he would rather be inside a superstate.

Mr. Graham Brady (Altrincham and Sale, West) (Con): Does the Foreign Secretary accept that one of our anxieties about the common security and foreign policy concerns the Government's refusal to answer questions about things that are being done in our name by the EU high representative, particularly the meetings that he has apparently had either with representatives of Hamas or with other individuals representing Hamas? To be told that information on those contacts is not held by the British Government when we hear regularly that such contact is taking place is simply not acceptable. The Government cannot pursue a foreign policy by proxy but refuse to answer questions on it.

Mr. Straw: That is a nonsensical point.

The Minister for Europe (Mr. Denis MacShane): It is a red herring.

Mr. Straw: Indeed. It is complete nonsense to suggest that the touchstone for Europe and whether we support or reject a European foreign and security policy is having access at all times to the diary of the high representative. What makes the hon. Gentleman's point even more synthetic is the nature of the official policy of Her Majesty's loyal Opposition this time last year. Notwithstanding an EU-wide ban on anybody talking to Hamas, we were asked by the hon. Member for Rutland and Melton (Mr. Duncan), their official spokesman on foreign policy at the time, to do so. Not once has that been repudiated by their Front Bench spokesmen.

There are many examples of the way in which we work better together on the agenda of the European Council. For example, the Council will discuss progress on the EU action plan on terrorism agreed last March, and it is expected to agree a new EU drugs strategy for the next seven years. Drugs and terrorism are self-evidently threats that cross national borders. We cannot just wait until they arrive at Dover—we have to tackle them by working together with our neighbours. Then there is the issue of economic reform. We have a clear interest in promoting stronger growth and greater flexibility in Europe, our most important market. British companies have benefited greatly from European liberalisation, and will gain further from reform in future. We are winning the arguments. The new President of the European Commission, José Manuel Barroso, and his team have already set out a strong commitment to promoting economic reform, including making better regulation a top priority. The Commission has just announced that it is withdrawing 100 pieces of pending legislation, and the EU has agreed the UK's proposal for "competitiveness-testing" of new regulations.

The "six presidencies" initiative on better regulation announced by my right hon. Friend the Chancellor of the Exchequer at the ECOFIN meeting on 7 December gives us a clear strategy for making further progress. We will continue to work closely with British industry and the new Commission team on this agenda in the coming months.

Several hon. Members *rose—*

Mr. Straw: I will give way first to my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart), then the hon. Member for Moray (Angus Robertson).

Mr. John Bercow (Buckingham) (Con): And then me.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): As the Foreign Secretary is talking about removing regulations, would he consider the notion that any proposal from the Commission should have a time limit on it? Unless agreement is reached within a set time it should be withdrawn, because other legislatures operate within limits set by, for example, the Queen's Speech or a general election. That would help to prevent proposals from dragging on endlessly.

Mr. Straw: I shall certainly look at my hon. Friend's suggestion, as it is a constructive idea. *[Interruption.]* I would do the same for any hon. Member. However, while her proposal has many advantages it also has some disadvantages. We may wish a certain regulation, such as one on further liberalisation, to complete its passage, but it could effectively be vetoed and qualified majority voting overridden by simple delay. We must therefore work out a balance.

Angus Robertson (Moray) (SNP): In addition to the agenda items that the Foreign Secretary has discussed, does he agree that further enlargement of the EU is important? Is he aware that within the past hour the European Parliament voted by 407 votes to 262 in favour of Turkish accession which, I am sure, he welcomes? Does he agree that it is important for the Turkish Government to continue to address democratic standards, human rights safeguards and the treatment of minorities, especially the Kurds?

Mr. Straw: I was not aware of that vote and I am grateful, as I am sure the House is, to the hon. Gentleman for giving us that information. I shall come to Turkey later, but I welcome that vote. I have not seen the text of the motion, but I hope that it is an unconditional vote in favour. We hope that Turkey's membership negotiations will be agreed on Friday.

Now, in the words of the late Ernest Bevin, I will give way to "'im".

Mr. Bercow: Under the terms of the acquis communautaire, we do not have independence in trade policy, which underlines the importance of working together effectively within the European Union. Given that rape as a weapon of war, compulsory relocation,

forced labour, the use of child soldiers and human mine-sweepers and the bestial destruction of villages are part of the cocktail of barbarity visited on the people of Burma every day, does the right hon. Gentleman agree that it is now incumbent on the EU to step up its act on sanctions against Burma? It should not concentrate action against the pineapple juice sector in that country, but instead develop targeted sanctions on oil, gas, telecommunications, timber and gems to hasten the day when the people of Burma have the freedom that we have long enjoyed and that they have been too long denied.

Mr. Straw: I applaud the hon. Gentleman, both for his interest in Burma and for his very strong feelings, which are shared across the House. The sanctions on Burma that we secured a few months ago were not as strong as we would wish, but they are much stronger than anything that the UK could have achieved by working alone without a common position. Different EU countries have different perspectives, and a price must be paid for the position that the Conservatives, like us, have taken, as our work in the EU is based on unanimity. We can only proceed at the pace of the slowest. Every member nation attending meetings of Foreign Ministers has a veto, so it was hard work to reach our position. One member state in particular—not the UK—had strong vested commercial interests in Burma, but we will continue to work on the problem.

Lembit Öpik (Montgomeryshire) (LD): The Foreign Secretary has discussed economic development. Is he aware of the enormous benefit experienced by the Estonian Government following the recent visit of its Prime Minister to the United Kingdom? Such exchanges are important in helping new countries such as Estonia to have a sensible voice and a strategic outlook on the very matters that he has discussed.

Mr. Straw: Indeed. I was delighted to entertain His Excellency the Prime Minister of Estonia when he came here. One of the subjects of conversation at lunch was the fact that we have a Member of Parliament of Estonian extraction who speaks good Queen's English and represents a Welsh constituency. It is refreshing to have the 10 new EU members in the room, because the further east they are the further west they tend to look. EU enlargement has long been an objective of successive British Governments, and rightly so.

Europe, and with it Britain, suffered in the last century from the two most destructive wars in human history and, until the mid-1970s, half of Europe's countries were dictatorships of one kind or another. But the fact that peace and democracy have now spread across the continent is, to a significant degree, thanks to the role that the European Union has played.

Since its foundation, the EU has helped to turn formerly bitter enemies into the closest of partners. It has brought divided communities closer together, as it did with Britain and Ireland when we joined in the 1970s. As Spain, Portugal and Greece threw off one-party rule and began to entrench democratic institutions during the 1970s, the prospect of EU membership acted as a powerful motor for change. In the 1990s, as the countries of eastern Europe, including the Baltic states, emerged from the shadow of communism, the EU again drove a similar process. The goal of EU membership gave those countries a powerful incentive for both political and economic reform, as they opened their economies to trade and implemented EU laws and standards in areas such as environmental protection.

The European Council this week will be asked to endorse the conclusion of EU membership negotiations with two more countries—Romania and Bulgaria—with a joint accession treaty to be signed early next year, putting them on track to join the EU in January 2007. EU leaders will also discuss whether to set a date for opening membership negotiations with Croatia—a goal that the UK supports, although we also want Croatia to improve its co-operation with the International Criminal Tribunal for the Former Yugoslavia in The Hague.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): Does my right hon. Friend accept that until such time as these countries become members of the European Union, co-operation can still be achieved, to a limited degree, through the Council of Europe, which, thankfully, will have a summit meeting next year that I hope that he will attend? The Council of Europe is considering a convention on human trafficking, which is vital as such trafficking creates tremendous problems. Recently, I attended a meeting at the Council of Europe and we are concerned that the convention will not be strong enough. Will he examine the recommendations from its Parliamentary Assembly to see whether the convention can be strengthened?

Mr. Straw: I am delighted to say to my right hon. Friend that, of course, I will do so.

The issue of Turkey will dominate proceedings on Thursday and Friday—

Sir Menzies Campbell: The Foreign Secretary has been characteristically generous in giving way. Before he passes to what will obviously be the principal issue of Turkey, does he derive some encouragement from the recent presidential election in Romania, which suggests that the prospect of EU membership can have illuminating effects—if one likes to put it that way—on the attitude of candidate countries to tackling corruption?

Mr. Straw: The answer to that is yes. It has been wondrous to behold the way in which the prospect of EU membership has forced such former east European states—some of which were not states at all, while the rest, even if they were states, had ramshackle political institutions that met no internationally agreed standards—to change and raise their standards. Others have played a part, including NATO, the Council of Europe and the United Nations, but the intensity of work required to become members of the EU has made the big difference.

Turkey's European vocation has been recognised by the European Union since the association agreement with the EU in 1963. The prospect of EU membership, particularly over the last three years, has driven an impressive process of change in Turkey. Prime Minister Erdogan's AKP Government have pursued a thoroughgoing and courageous programme of reform

[Mr. Straw]

that has brought Turkey much closer to Europe and Europe's values. To date, the AKP Government and their predecessor have introduced nine separate packages of legislative and constitutional reform. Those have included the abolition of the death penalty, measures to combat torture and improvements in minority rights such as the freedom to study, register names and broadcast in Kurdish. The military is now under civilian control, restrictions on freedom of expression have been removed and a policy of zero tolerance of torture has been introduced.

The Turkish Government also did all that they could to promote a comprehensive settlement of the Cyprus problem, as they were asked to do. That those efforts failed earlier this year is no fault of the present Turkish Government.

Keith Vaz (Leicester, East) (Lab): Will my right hon. Friend give way?

Mr. Straw: May I make some progress?

Our embassy in Ankara has worked hard to support Turkey's efforts on Cyprus, on liberalisation of the economy, on human rights—including familiarising judges and prosecutors with the requirements of European law—on the development of women's rights, on the development of non-governmental organisations, on Kurdish issues and on religious freedom. That work is part of a strong British commitment to supporting Turkey's European ambitions.

In its report and recommendation published on 6 October, the European Commission judged that Turkey now meets the EU's political criteria and is ready to open negotiations for membership. The British Government share that assessment. We therefore want agreement at the European Council to opening EU membership negotiations with Turkey next year.

Those negotiations are bound to take some years, but Turkish membership of the EU would bring major benefits to Britain and to Europe as a whole. Turkey has long been a strong partner in NATO, occupying as it does a strategic position between the middle east, central Asia and the Balkans. The presence of a European Turkey in that crucial region would be of enormous further benefit. One half of Turkey's trade is already with the EU, most of it under the customs union which has been in force since 1996. EU membership for Turkey would increase that further. It offers the prospect of significant benefits for British firms, who are already Turkey's fifth most important suppliers of imports. Turkey's dynamic economy and society would be a valuable asset to the whole of Europe.

Turkey's European destiny is also important for a wider reason: the signal that a European Turkey would send to people everywhere of Europe's commitment to diversity and truly universal values. We have heard a lot of talk over the past few years about a supposed "clash of civilisations" between the west and the Islamic world. The Government utterly reject that notion. First, it ignores how much the Muslim world and the so-called western world have shaped each other over the centuries and share a common cultural and historical heritage. Secondly, it supposes that Europe is an entirely secular place. In fact, many—if not most—European countries, including this one, have a strong religious tradition intertwined with their secular society, some European countries, including England, have state Churches and, in many parts of continental Europe, there are Christian Democratic political parties. Thirdly and most importantly, that view of a clash of civilisations ignores the enormous contribution that people of the Muslim faith—including the 25,000-plus in my constituency—make to Britain and to many other European countries today, and that they have made down the centuries. Britain and Europe today are more and more diverse, and we are richer for it.

We are justifiably proud to celebrate that diversity. We recognise that the basic values of this country, and of Europe, apply to people of all faiths and backgrounds. A European Union including Turkey would send a strong signal of that. We want to see an economically successful, democratic Turkey, anchored in Europe, which would deal a heavy blow to those who stoke up mistrust and division. That could be an inspiration to many others in the Muslim world.

I know that there is widespread agreement in all parts of the House that Turkey's destiny lies as a full member of the European Union, as that has the approbation of the Front-Bench teams. But I am also struck by a paradox. Something strange is happening in the Conservative party. It used to be a vocal supporter of EU enlargement. It would probably claim that it still is. But as proud, sovereign and independent nations such as Turkey queue up to join the European Union and as many others—Hungary, Poland, the Czech Republic and the Baltic states—see their hard-won membership as affirmation of their freedom and their independence, the Conservative party has gone rather quiet. Perhaps it is because it is difficult for it to explain why a country such as Turkey, with its distinctive traditions and its commitment to being a strong and powerful nation, is so keen to join an organisation that the Conservatives now say represents, with the new constitution, the end of 1,000 years of national history. It is another example of Conservative myths coming face to face with reality, and as ever, the Conservative party losing out.

Mr. Michael Ancram (Devizes) (Con) *rise*

Mr. Straw: The right hon. and learned Member for Devizes will have his chance to respond.

These are independent nation states, they know what is in the constitution and they are happy to join on that basis. As I pointed out, the fact that this European Council will take a decision on Turkey is just one of the items on the agenda that shows how this Government's policy of engagement in Europe is delivering results.

We have built strong alliances with our partners on the question of the EU budget. We are using the influence of the EU's 25 nations to support democracy in Ukraine and the Palestinian territories. We are leading the push for economic reform in Europe and we are helping to bring more countries into the EU, expanding markets for British business, entrenching stability and freedom across the continent, and promoting in Europe the diversity that we celebrate at home.

Let us be in no doubt that the advances we have made as a result of our engagement in the EU would be put at risk by a Conservative party that seeks isolation and

exclusion from our European partners. Almost a decade ago, the right hon. and learned Member for Devizes—who now mocks the idea—supported the most crass and counter-productive policy of non-engagement in the EU. Appointments in the EU were vetoed and meetings boycotted. The result was an even greater loss of power in Europe than had existed previously, under the Major Government.

Sadly, the Conservatives have learned nothing from that experience or from their increasing marginalisation in Europe today. Indeed, their policy of a fundamental renegotiation of Britain's existing treaties is an exaggerated form of the same approach. It is unworkable, as the right hon. and learned Gentleman knows only too well, and would be a disaster for Britain's national interests.

In contrast, the Government are serving Britain's national interests by engaging in Europe and shaping an enlarged EU that is flexible, outward-looking and reformed. We will continue that approach at this week's Council meeting and beyond.

1.11 pm

Mr. Michael Ancram (Devizes) (Con): In the spirit of Christmas, I welcome the Foreign Secretary back to the Floor of the House. We genuinely missed him during the foreign affairs debate on the Queen's Speech. We fully understood why he could not be here, but I can only say that his absence was a disaster. The Secretary of State for Defence was reading from a brief that he clearly had not mastered and the Minister of State, winding up the debate, obviously believed that imitation was the sincerest form of flattery.

Today we have been treated to our biannual dose of what I call the European Strawfest—that somewhat indigestible mixture of cautious Europeanism, garbled and deliberately obtuse detail and, of course, the inevitable anti-Tory rant. At least the Foreign Secretary mentioned Europe, but what a different Europe from the one that we discussed in similar debates two years ago. In those debates, all the Government's dogs were barking. Now they are much more muted: it is almost as if the Foreign Secretary has lost his enthusiasm for the great European project. Today, the only dog that really barked was that pathetic mangy old mongrel that seeks to base the terms of the debate on a false choice between signing up to the constitution and getting out. We have heard that over and over again. The Foreign Secretary knows it is false, yet he continues to employ it. I have always found that particular dog a somewhat welcoming mutt, as it nearly always signals that the Foreign Secretary has nothing positive to say about Europe. In the words of the former No. 10 adviser Derek Scott:

Sir Menzies Campbell: Not again.

Mr. Ancram: Derek Scott said:

"the Government never saw the discussions on the constitution as an opportunity to stand back and think clearly about the appropriate political and economic framework to sustain the EU. There was no strategic thinking."

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) may say "Not again", but I think that Derek Scott, given his experience of Downing street and what went on there, is a man to whom we should listen. If I may quote the Home Secretary's famous phrase, the Foreign Secretary has once again presided over "a giant mess"—and today, as he prepares to attend this weekend's Euro summit, he is once again in a mess.

Let us leave aside the detail of the constitution for the moment. What has happened to it in practice? This time last year, it was so central to the Government's European policy that it could not even be put to a referendum of the British people. Last year, the Prime Minister described it as

"a gross and irresponsible betrayal of the British national interest."

At about the same time, the Foreign Secretary told us that there was

"no case for a referendum" [*Official Report*, 11 June 2003, Vol 406, c 724.]

As we now learn from the *New Statesman*, that was until the Minister for Europe, apparently, turned to the Foreign Secretary during a debate.

"I turned to Jack and said 'Jack, we're'"—

I cannot repeat the next word, I shall have to say "expletive deleted". The Minister went on

"We've got to give a referendum. I don't think we can hold out."

That was a welcome U-turn, but where is the constitution now? Where is the road show that the hon. Member for Leicester, East (Keith Vaz)—who is barracking from the Back Benches—promised us three years ago? I can only assume that it is an invisible road show.

The ratification Bill is the only piece of Foreign Office legislation in the Queen's Speech. What has happened to it? During a little publicised meeting of the parliamentary Labour party on 29 November, the Foreign Secretary apparently told his colleagues that he hoped they would

"become actively involved in the debate on the European Referendum Bill which would shortly be coming before the House."

He added, apparently without sarcasm, that

"this would provide a good opportunity to refresh"—

to refresh!

"support for the EU amongst the British people."

Where is this refreshing Bill? There will be no sign of it before Christmas. The Government Chief Whip is briefing that it will not be passed before the next general election. There are suggestions that it will not even be introduced before then. Who is right, the Foreign Secretary or the Chief Whip—or is this just another Straw mess?

The text for which we were told we would have to wait is now with us. The Foreign Secretary said that he wanted a document that he could put in his pocket. This is it. What are the Government frightened of? Could it be the fear that, before the election a full debate, far from being refreshing, would awaken the British people to the extent of the betrayal and sell-out of Britain that the constitution engenders? If the Government had the courage of their convictions, they would introduce that legislation now.

Mr. Straw *rose*

Mr. Ancram: I normally give way to the right hon. Gentleman, but he firmly decided that he would not give way to me, so I will not give way to him now.

[Mr. Ancram]

Perhaps the constitution is becoming like the euro, which seven years ago was so important and central to our role in Europe that the Government lambasted my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) for seeking to rule it out not just for the last Parliament, but for this one. That period, mocked by the Government, is now almost complete, and there is still no referendum. Once again, it was all words—but now the words are changing. The other day, the Minister for Europe helpfully described the single currency as "economically irrelevant" and the Chancellor's five tests as

"a bit of a giant red herring".

The Minister shakes his head, but I have the transcript. I will lend it to him to remind him of what he said.

Now we know from the horse's mouth where the Government stand on the euro. I wonder how soon this wretched constitution will also become irrelevant and a bit of a giant red herring.

A moment ago, I unfairly accused the Government of producing an invisible road show. I was unfair to the Minister for Europe, who has conducted a road show in at least one road—somewhere in the vicinity of Durham university. The transcript reveals just what a road show that was. It makes great reading. Listen to this:

"I mean you want criticism of the European Union? Where do you want me to start? The common agricultural policy? I would like to get rid of it".

Is that now Government policy? The Foreign Secretary need only shake his head or nod. If it is just the start of the Minister's criticism of the EU, I hope he will give us the rest this afternoon.

Mr. MacShane: Is it Conservative party policy to maintain and defend the common agricultural policy?

Mr. Ancram: We have made our position on the CAP very clear during the last few debates on it. The Government's position seems to be a complete departure from their former position.

Mr. MacShane *rose—*

Mr. Ancram: I will give way to the Minister later. He may want to comment on one or two other things that I shall say.

Angus Robertson: Does the right hon. and learned Gentleman share my surprise that the Minister for Europe favours scrapping the common agricultural policy, but not the common fisheries policy? He is happy to see the CFP entrenched in the European constitution at a time when Socialist International colleagues—from Portugal—are saying that it should not be in the constitution as an exclusive competence.

Mr. Ancram: It is unusual for me to say this to a member of the Scottish National party, but that is a very interesting question, and I hope that the Minister for Europe will answer it when he winds up the debate. In fairness to him, however, I should point out that he described his decision to get rid of the CAP as a start. We do not know what other policies are being changed.

Mr. MacShane *rose—*

Mr. Ancram: I have devoted a little section of my speech to the Minister. When I have finished it, I shall be happy to give way to him.

The Minister went on to talk about the treaty establishing the European constitution. He described it as "not the last word". That has been our warning for some time, but until now we have not heard it from the Government.

Next, I have an extraordinary quotation that I have been reading and rereading. I can only deliver it to the House verbatim and leave it hanging there. Perhaps the Minister will then explain what he meant. He said:

"I phoned up the King of Spain and said 'Buenos dias, your Majesty, I understand that a gentleman from Brussels is going to come round and measure up curtains in the Royal Palace'—and he put the phone down because he doesn't talk to lunatics".

Mr. MacShane: It is a question of how one says it.

Mr. Ancram: I can assure those who think that I made up that quote that it is in the transcript. Perhaps one day the Minister for Europe will provide a translation of it.

Fathoming the Foreign Secretary's position is not much easier. He exhibits schizophrenia on the question of a referendum. One moment he is aggressively against a referendum and the next he is passionately in favour. That is surely not just because the Minister for Europe, as we heard, swore at him. This is the same Foreign Secretary who blithely assured the House in the autumn of 2003 that EU enlargement would not create undue or unsupportable migration to the UK from the accession countries. He will remember the debate in question.

We now learn from Stephen Pollard's new biography that, according to the Home Secretary, the Foreign Secretary flew into an hysterical panic over migration when the EU was enlarged. I am very grateful to the Government Chief Whip. She kindly handed back the copy of the biography that my right hon. and learned Friend the Leader of the Opposition tried to give to the Prime Minister as a Christmas present, so that I could better use it, having been unable to get a copy myself. I have had a moment or two to glance at it and it is worth reading the following quote into the record. It says:

"'Jack Straw and the Foreign Office just completely flipped on the position they had held before. Jack went into hysterical mode about what he now saw as the impending consequences of accession. He started making dramatic predictions of what would happen—completely the opposite of what he had wanted about five minutes earlier.' For months, Straw had been 'the man who said everybody was welcome to come and draw benefits', as Blunkett puts it. Come the moment of accession, however, Straw 'suddenly decides he's in a terrible panic and he doesn't want anybody here at all. And so we're going round in circles.'"

Tony Baldry: Does that not illustrate why having just two days a year to debate European policy is wholly inadequate? Every so often, we ought to have the opportunity to debate European trade policy and migration policy, because only then will we be able to flush out of the Foreign Secretary what the

Government's policy is. His coming here just twice a year and speaking for the whole Government in what amounts to a group therapy session is pathetic and inadequate.

Mr. Ancram: I agree. Indeed, my point is that this issue relates to two Departments that the Foreign Secretary has led. We now learn that he gave to this House an account that differs totally from the actual truth. This is another fine mess.

Keith Vaz: The shadow Foreign Secretary has been speaking for 11 minutes, but he has raised none of the issues that will be before the European Council at this weekend's meeting. This is our only opportunity to debate these important matters before that meeting. Will he get on and put forward the Conservative party's agenda, rather than relying on tittle-tattle?

Mr. Ancram: I will make my own speech in my own manner, just as the hon. Gentleman will doubtless do.

A far more important question is, what is the Government's position on Europe today? For all the Prime Minister's talk about being at the centre of Europe, the Government have never really had a policy on Europe, except to adopt the course of least resistance. They are always the poodle, never the bulldog, hence last year's surrender over the separate European military planning capability—there can be no other explanation—and the current apparent readiness to go along with the EU's proposed lifting of the embargo on arms sales to China, in the full knowledge that it will cause a deep breach with the United States. In terms of military equipment, that could be very damaging to our national interest.

The Foreign Secretary tried to make light of this issue yesterday by suggesting that the embargo has "no legal force", but that we now have a legally enforceable EU code of conduct. That seems strange, given Amnesty International's criticism of that code of conduct as "not legally binding". The EU embargo, however, applies as a Council decision. If the Foreign Secretary is right, why is China—backed by French commercial interests—so keen for the embargo to be lifted, and the US so adamantly opposed?

Two months ago, the Prime Minister signed the treaty establishing a European constitution, even though it contains many elements that he had assured us would not be in it. First, there is the constitution itself, which he told us in October 2000 was not necessary. Secondly, reference is made to EU control of justice and home affairs, matters which we were told would be dealt with through co-operation between nation states. Thirdly, the EU is given a single legal personality, a proposal which the Prime Minister once described as "potentially damaging". Fourthly, reference is made to a legally binding charter of fundamental rights, even though we were promised that such a charter would not be legally binding and would have no more legal force than the *Beano*. Fifthly, the promised vetoes in respect of social security and criminal law have been watered down into so-called "emergency brakes". The Government's firm opposition to a European public prosecutor has been overruled by the constitution and control over our asylum and immigration has at best been compromised, at worst surrendered. And what about the 248 other amendments that the Government tabled, but which were rejected?

Why did the Prime Minister sign up to a constitution that flies in the face of his Government's promises? As I have said, the answer is that this Government have no policy on Europe other than to adopt the course of least resistance. Still they tell us that this constitution is nothing more than a rule book to run the enlarged EU. What sort of mugs do they take the British people for? That is not what the EU is telling the wider world. When in Israel last week, I asked a senior Minister about his views on the EU's relationship with the peace process. He said that the EU was being very pushy about playing the lead role and that EU representatives were now telling him that Europe was more powerful and influential than the US. They said that it had more people and that, under the constitution, it would soon have its own president, foreign minister and diplomatic service, complete with ambassadors. They also said that it would have its own foreign policy and currency, and eventually its own military forces—and the clout, therefore, to deliver in the middle east.

Once again, we see the use of the forked tongue. The Government are minimalists at home to allay public suspicions, but enthusiastic integrators abroad. That is not a clear picture; it is more of a tangled web. By way of contrast—

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): Does the shadow Foreign Secretary not think that the EU has an important role to play in resolving the Palestine-Israel issue?

Mr. Ancram: Of course I do, but as I shall discuss later, we should play that role alongside the United States, not in competition with it. That is the lesson that Europe has to learn.

In contrast with the Government, we have a clear view of Europe and of the EU. We are in Europe, and we are determined that Britain should be a positive and influential member of the EU. We are looking for a more flexible, less bossy Europe, in which the strengths and wishes of individual nations count. We believe that to achieve that, Europe must change. We oppose the constitution in principle because we believe it is a gateway to a country called Europe to which we do not want to go. We also oppose it in detail, because it erodes our essential rights in respect of self-determination. I have been through the list of those erosions—the trappings of European statehood—many times, so I need not do so again today.

I will, however, allude to a new erosion of our rights. The accusation has been made that the constitution will make the already serious problem of EU fraud even worse. Let me quote whistle blower Marta Andreasen, who certainly knows the workings of the EU institutions backwards. Last week, she pointed out that those institutions needed reform, rather than more powers. She charged that the constitution would create

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a dangerous system of "shared control" that is "equivalent to no control". She said:

"my experience from the inside allows me to say that we are at great risk if we vote for a Constitution that increases the powers of institutions which have proved up until now to be totally unaccountable and lacking in transparency. If we let go this opportunity to express our dissent there will not be another opportunity again".

We should listen to her.

We will therefore campaign to defeat this constitution in the referendum, when it comes. With us in government, it will come by next September, and I believe that the British people will have the good sense to vote no. That will, in turn, open the door to the building of a new Europe that works for its peoples, not its elites. We will reverse the conveyor belt that for too long has transferred powers only one way—from national Parliaments to Brussels. It is clear that the EU has powers in respect of matters that would be better dealt with by member states, and we are not alone in thinking this. As Commissioner Margot Wallström said,

"in the European Commission we must accept that more power is moved back to the member states".

The Dutch Foreign Minister Bernard Bot said that

"the EU needs to practise self-restraint. It should look expressly at those parts of common policy for which member states could take responsibility again."

The Minister for Europe will be delighted to know that included in that list of parts were aspects of the common agricultural policy.

Mr. Cash: My right hon. and learned Friend is setting out a healthy catalogue of concerns about the direction in which Europe has been going, but does he also accept that it is extremely important to have regard to the political structure of Europe and the manner in which the integration process has been developed under existing treaties? We should approach that not in an individual or isolated manner, but by reference to a proper and radical renegotiation of all the treaties, so that we could then live comfortably with whatever emerges.

Mr. Ancram: We want to see a reformed Europe and I do not believe that that can be achieved in one go. What we must do is set the process in motion and reverse the conveyer belt. As my hon. Friend knows, the Government have comprehensively failed to do so. As Derek Scott said:

"It should have been on the agenda of the Convention for the Future of Europe. If it was not, it was because the Government was too gutless to put it there."

Those were his words, not mine. We would negotiate to restore local and national control over our fisheries. As the hon. Member for Moray (Angus Robertson), who is no longer in his place, pointed out, the common fisheries policy has been a disaster, while nationally managed fisheries off Norway and Iceland have been a success.

We would also restore Britain's opt-out from the social chapter, which has allowed costly regulations to be imposed on Britain. In the light of the shocking examples of fraud in the EU overseas aid budget uncovered by OLAF in its latest report, it makes sense for more of our overseas aid budget to be spent from London and less of it from Brussels.

The Government scathingly deride the notion that it is possible to negotiate to bring powers back from Brussels to Britain. The Prime Minister told my right hon. and learned Friend the Leader of the Opposition that

"no one will support his attempt to renegotiate the conditions."—*[Official Report,* 20 April 2004; Vol. 420, c.161.]

The Minister for Europe takes a different—and, I have to say, on this occasion—a more realistic view. *[Interruption.]* I am about to cite the wise words of the Minister for Europe, so he should listen. What I call negotiation, he calls networking. He spoke about convincing the Irish, Austrians, Spanish and Italians that there is a better way forward. I call that constructive negotiation. He believes that he can get rid of the common agricultural policy that way. Add a little grim determination to secure our objectives, and I do not believe that we are that far apart on our ability to renegotiate sensible decisions within the EU. Let us hear no more defeatist talk about the EU being unamendable and unchangeable.

Different European countries want different things from the European Union. The British people want free trade and a structure to help us work together with our European partners to tackle common problems such as the environment and international crime. Others want a full-blown political union and a federal state. There can be only one answer to those divided positions—a flexible Europe. We should let those countries that want to integrate further do so, but other countries should not be compelled to join them. Outside the core area of the single market, they should be allowed to reclaim powers from the EU where the EU is performing badly.

Chris Bryant (Rhondda) (Lab): If all the other 24 countries decide that one of the things that they want is a constitution as expressed in the constitutional treaty, what will the right hon. and learned Gentleman then do?

Mr. Ancram: The hon. Gentleman knows the rules of intergovernmental conferences. If there is one veto, the treaty dies. That has been made clear on both sides of the House and has been accepted by those responsible in the Convention for producing the constitution.

The need for a flexible Europe has never been greater. As the Foreign Secretary said, enlargement has not reached its limits and I am delighted that there is cross-party support in this country for negotiations to begin for Turkey's membership. Ukraine, too, is showing a European vocation, but an EU of 30 or more countries would be unworkable under the current tight structure and would be worse still if the constitution came into force.

The Foreign Secretary chided me for wanting to see Turkey open negotiations while saying at the same time that we should vote against the constitution. May I remind him that the constitution's designer, Giscard d'Estaing, said:

"the European constitution currently submitted for ratification was not conceived to welcome in a national power the size of Turkey."?

On this occasion, Giscard d'Estaing and I are as one. We believe that if we are to have an enlarged Europe, we need a different constitution.

We have seen two rather different elections in Romania and Ukraine. I congratulate the new President of Romania and I would like to see Romania in the European Union, but first the Government must show that they have dealt with current concerns about the integrity of the political process and the judicial process, and with corruption elsewhere in Romanian society. We salute the Ukrainian people for their defence of, and enthusiasm for, democracy. We very much hope that the elections on Boxing day are free of fraud. Ukraine will always have a special relationship with Russia, but equally it has a right to look to join the European Union.

Deregulation is another key feature of the Europe that we want to see. The failure of the Lisbon agenda is a matter for regret. The EU is burdened with far too many regulations and we need systematically to reverse the drivers of regulation.

The European Union has achieved much that is good. It has effected a lasting reconciliation between countries that were once bitter enemies. It has nurtured young democracies. It has been the lure for countries emerging from dictatorship to uphold the rule of law. It has created wealth by opening up European markets. It has done all those as a partnership of sovereign nation states. That is what we must now build on. The antithesis of that would be to follow those who seek to create a superpower to act as a counterweight or rival to the United States—and that we must resist. It is a vain vision that would make a dangerous world even more dangerous.

As we approach the EU summit this weekend, there is a choice of approach—to stand up for British interests or to continue to be Europe's poodle. The Government have pursued the latter path for too long. Within Europe, it is time to make our true voice heard again.

1.36 pm

Sir Menzies Campbell (North-East Fife) (LD): I cannot begin without expressing my profound disappointment that the Government have neither published nor introduced to Parliament the Bill designed to facilitate the ratification of the treaty, establishing a single constitutional document for Europe. It has been reported that the Government Chief Whip believes that it would be difficult to put such a Bill on the statute book before the election. If that report is true, it conveys two pieces of information: first, that the likely date of the election is almost certainly 5 May—probably the worst kept political secret in Westminster—and secondly, the lack of enthusiasm on the part of the Government to put such a measure through Parliament.

I find that particularly disappointing, as I had been looking forward to campaigning with the Foreign Secretary. I could see him, myself and perhaps the right hon. and learned Member for Rushcliffe (Mr. Clarke) going to mass meetings of the British people, strenuously arguing the case for endorsing the constitution. It now appears from what the Minister for Europe has told the people of Durham that I was responsible for persuading the Foreign Secretary of the virtues of the referendum, so I count it as a personal failure that I have not been able to persuade him of the virtues of early legislation on this matter.

Enlargement will undoubtedly be a significant issue for discussion this weekend. Not much reference has been made to Bulgaria, but I understand that that country has now pretty well closed all her chapters and will, in that sense, be eligible for membership. I hope that that membership proceeds smoothly and expeditiously.

In the matter of Romania, to which some reference has been made, the right hon. and learned Member for Devizes (Mr. Ancram) was right that considerable doubts remain about corruption, the rule of law and the independence of the judiciary, but we are entitled to derive some encouragement from the election of Mr. Basescu, who was elected expressly on an anti-corruption ticket. As the Foreign Secretary was willing to agree a few moments ago, that is a clear indication of how the prospect of European Union membership—and, indeed, its requirements—may have considerable influence on electorates, who are aware that without substantial change and their support for suitable political candidates, their aspirations for membership may not be able to be realised.

It is inevitable that the principal focus will be on Turkey. One national newspaper this week rather portentously said that "Turkey's moment has arrived". The admission of Turkey will be a strategic decision of historic importance. The Foreign Secretary himself spoke of Turkey forming a bridge between Islam and the west. There is reason to believe that Turkey's ultimate entry may not be for some years—10 years in some estimates. In the meantime, there is an opportunity for inward investment and modernisation to take place. Just as the whole House supports Turkey's accession to the EU in principle, so it will also support the view that Turkey must implement all necessary reforms in full. There is a sense in which Turkey and the Turks must prove themselves, but it is important that they do so according to the same conditions as apply to everyone else, and that the bar is not set higher for Turkey than for any other applicant country.

Keith Vaz: Does the right hon. and learned Gentleman agree that it is not a question merely of the European Council agreeing that negotiations should start? A recent opinion poll in France reported that 70 per cent. of people there were against Turkey's membership. Does he welcome President Chirac's decision to go on television tonight to argue Turkey's case and to say that EU member states have a responsibility to sell Turkey's membership directly to their people, rather than waiting until the end of the negotiations?

Sir Menzies Campbell: Indeed, and opinion polls suggest that persuading public opinion in France or Germany, for example, will be something of a task. It is to be welcomed that President Chirac will go on television this evening to make the case that the hon. Gentleman has outlined, but the notion that privileged partnership can be an alternative to membership needs to be killed now. One commentator this week said that it was of "dubious legality" and "transparent bad faith".

Passing legislation, as the Turkish Parliament has done, is one thing, but changing attitudes is quite different. We must bear it in mind that showing anything less than enthusiasm for Turkey's candidature, and

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instead offering something equivalent to a rebuff, could cause the progress being made in Turkey to be stalled or even reversed.

Mr. Cash: Has the right hon. and learned Gentleman seen the opinion poll that came out about two weeks ago which showed that 58 per cent. of all people in the UK—and 68 per cent. of people aged between 18 and 24, and 65 per cent. of people in Scotland—wanted the existing European treaties to be reduced to trade and association agreements? Does he agree that adopting that as a policy—which I would certainly advocate—would also help in the context of Turkey? It would demonstrate that we could work together without giving way to the primacy of the European constitution.

Sir Menzies Campbell: I did not see that poll, but if it is as pessimistic about Scotland as the hon. Gentleman suggests, it fills me with a certain anxiety. However, I have never regarded the EU—or the Coal and Steel Community, or the European Community that developed from that—as being solely about trade. I consider it to be about the rule of law and human rights as well. The hon. Gentleman's question seems to imply that the arrangements between the European countries should be modified to provide only for trade and economic co-operation. Were that to happen, I believe that we would be giving up something that I consider to be of enormous importance and significance.

That is how it was regarded in the immediate post-war period, when the impetus to find mechanisms to ensure that France and Germany were not at each other's throats—as they had been three times in the preceding 80 years—was at its highest. I should be very reluctant to see an association emerge that was more akin to the European Free Trade Area, for example, in which the fundamental issues of human rights and the rule of law were put to one side. That might help a lot of countries to join the EU, but I am not sure that it would necessarily be in the UK's interest.

The opening of accession negotiations with Turkey is the surest way to maintain the momentum already evident in that country towards reform, securing respect for freedom and human rights and promoting a stable and prosperous future. However, those objectives must be achieved in substance and not merely in form. That is why accession provides Turkey with a great opportunity and also a considerable obligation. Persuading public opinion in the EU and Turkey of the merits of Turkish accession remains a considerable task.

I turn now to the question of the EU budget. It is inevitable when budget considerations are under discussion that there should be a very sharp focus on the UK rebate—or abatement, as it is more properly described. I have no doubt that the view that it continues to be justified remains correct. Even with the abatement, between 1995 and 2002 the UK paid into the EU two and a half times more than either France or Italy.

The European Commission appears to have some general proposals for a rebate mechanism applicable to all net contributors. So far, there is not sufficient detail about the proposals to make clear exactly how they will work, and what the consequences would be for the UK. Important, significant and justified though the abatement may be, however, the long-term question must concern the level of Britain's net contribution. If a more acceptable and sensible method of financing that had the effect of reducing in the long term Britain's net contribution could be achieved, then I shall continue the animal metaphors that have characterised today's debate by saying that it would be a rather dog-in-the-manger attitude not to include the abatement in the discussion. The abatement is significant more for its consequence than for any intrinsic merit.

Mr. Kelvin Hopkins (Luton, North) (Lab): Does the right hon. and learned Gentleman agree that the problem is the CAP, without which there would be no budget problem? Is it not right for Britain to make a net contribution to the EU budget so that poorer states and new members can benefit?

Sir Menzies Campbell: In general, I agree with the hon. Gentleman on that.

In addition, I should need a great deal of persuading before I could accept the Commission's proposals for substantial increases in EU funding. There are continuing allegations of corruption, and the auditors have still not signed off the accounts. As a result, this is no time to ask for more money and to do so would display a certain amount of insensitivity in political terms. In that regard, I support the British's Government's position, which is buttressed by France, Germany, Sweden, Holland and, I understand, Austria. The aim is to stabilise current expenditure and to limit the budget to 1 per cent. of gross national income. Given the present rate of current economic growth in the EU, increased spending at this time would be both unwise and even unsustainable.

On the CAP, the priority for budget savings must not be the abandonment or destruction of the CAP. People who believe that it can be simply wished away or destroyed have a rather optimistic view of such matters. What is essential is reform. The CAP's failings are self-evident. They include excessive production, unsustainable farming practices, the penalising of both taxpayers and consumers, and an impact on the developing world that we may sometimes forget in our discussions but which matters a great deal when it comes to issues of universal free trade. No doubt that is an issue to which the newly appointed British Commissioner will give his considerable attention.

Moreover, implementation of the reforms to meet the Lisbon targets has been very slow. Growth in the EU is slow and intermittent, and that is of some concern. Unemployment in France, Germany and Italy is now on the order of 10 per cent. That is a clear indication of the need for economic reform.

Another issue is the dependency ratio—the ratio of non-workers to workers—which is rapidly increasing in the EU. We have an ageing society with a high proportion of non-workers. Coupled with low growth and high public spending, that will inevitably be unsustainable in the long term.

Tony Baldry: Does not that also emphasise the need for Europe to remain competitive, especially with China? If European competitiveness does not keep up, we will fall further and further behind the new emerging economies.

Sir Menzies Campbell: The fact that we are in the EU does not immunise us from the consequences of globalisation. The hon. Gentleman and I are at one on that point.

It is clear that a large part of the discussions this weekend will concern external relations. Before I address the situations in Iran, Ukraine and the middle east, I wonder whether hon. Members shared my distaste at the reports that the telephone conversations of Dr. el-Baradei may have been the subject of electronic eavesdropping by our American friends? We have had reports in the past of the telephone conversations of the Secretary-General of the United Nations being subject to the same intrusion, and it seems to me that the confidence that we are entitled to have in international institutions—both the International Atomic Energy Agency and the United Nations—is not served by such actions.

We should welcome the agreement, to which the Foreign Secretary was party, by which Iran has undertaken to suspend its enrichment and reprocessing activities. But it is also clear, as the Foreign Secretary will acknowledge, that some long-term agreement is required to cover not only nuclear matters, but economic, security and technical issues. The overwhelming priority must be to achieve a permanent end to uranium enrichment and the production of plutonium. Those are legitimate under the non-proliferation treaty as part of a civil energy programme, but—as everyone knows—it is a short step from that level of expertise to the production of nuclear weapons. There is much to be said for the view that Iran has come close to mastering nuclear technology. That is of consequence not just in the context of Europe.

Hon. Members will be aware that next year we are to have another review of the nuclear non-proliferation treaty. If those with long memories cast their mind back to 2000, they will recall that success was achieved at the review conference only by virtue of the declared nuclear powers entering a separate agreement committing themselves to nuclear disarmament and to practical steps to achieve and implement it. At the NPT conference next year, the declared nuclear powers may be asked to account for their obligations under that agreement. No doubt the EU will have a view on the conference, but I suspect that it will be a difficult occasion, with several countries being forceful about what they regard as the obligations undertaken by the declared powers and the extent to which they have been implemented.

Mr. Straw: The right hon. and learned Gentleman raises an important issue. However, our record in meeting the obligations of the 2000 review, as a nuclear weapons power, is better than any of the other nuclear weapons states.

Sir Menzies Campbell: Before the Government came to power, I was one of those who supported the reduction in warheads on the Trident system. The Government implemented that quickly and got rid of the freefall bombs—the WE177s—and several other systems. In that regard, the Government have acted properly, but I am not sure that that will be enough to satisfy many of those who attend the NPT review conference.

If there is to be some long-term agreement with Iran, it should of course cover more than nuclear or security issues. Other issues for discussion and, one hopes, agreement include trade and investment, independence and impartiality of the police and judiciary, freedom of expression and the discriminatory treatment of religious minorities.

The EU response to the situation in Ukraine has been both well judged and effective and we should take some pride in and confidence from that. The Foreign Secretary will be aware that reports this week suggested that a member of the Commission said no unequivocally to the notion of membership of the EU for Ukraine. The Prime Minister of Luxembourg recently said something similar. In the same reports, it was said that the UK Government were non-committal.

I do not disguise the fact that Ukrainian membership would present difficulties. The Ukrainian economy, for example, is by no means compatible with that of the European Union. The gross domestic product per capita in 2003 was £2,800. In the EU in the same period, the average was £14,900—a substantial disparity. Then there are the problems of governance in Ukraine, which recent events have thrown into sharp relief, and the historical relationship with Russia, which the right hon. and learned Member for Devizes mentioned. However, it appears to me that something is going on in eastern Europe, especially in Romania and in Ukraine. It might not be as dramatic as events in 1989, when the Berlin wall came down, with all the consequences that followed. I have the sense that some movement is taking place in countries that previously were thought to be impervious to arguments about the rule of law, an independent judiciary and control of the military. If that is so, we have an overwhelming responsibility—and it would be in our interests—to be responsive to such movement. That is why we should never say never about Ukrainian membership. We should be willing to say that there may be circumstances in which Ukraine's membership becomes both feasible and desirable. The Government have not said anything on the record about that, but I hope that some consideration will be given to it. In particular, the Government should ensure that no communiqué is issued this weekend that appears to bar for ever any application by Ukraine.

I am in no doubt that in the circumstances presented after the death of President Arafat collective engagement by the EU in the situation in the middle east is essential. We—by which I mean the EU—have, after all, been the largest supporter financially of the Palestinian National Authority, although much of what has been built with the money that we have supplied has been destroyed. Interesting questions arise as to who should be responsible for its replacement. Everything must be done to facilitate the Palestinian elections, which appear to be proceeding remarkably smoothly so far.

I do not believe that a unilateral withdrawal from Gaza will be any substitute for a comprehensive settlement that does not take account of the right of

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return, the status of Jerusalem and, perhaps most significantly, the settlements on the west bank. The right hon. and learned Member for Devizes said that the EU should not compete with the US, and he is right. He was right to say that we need a joint approach, but the evidence on which he sought to rely to suggest that some kind of competition is taking place could fairly be described as hearsay evidence, not evidence that one would wish to stand in the way of a joint approach. The EU may be very persuasive, but no one will be more persuasive in Israel than the US. If we are still talking about a two-state solution—as we must do—it will require the full effort of the whole Quartet. Most certainly, the European Union should in no sense be competing with the United States.

I shall finish with a few words about the constitution. My view may be unique, but I think that the constitution is neither the glorious victory that the Government claim nor the shattering defeat that the right hon. and learned Member for Devizes claimed. The constitution is a sensible balance—it enshrines properly, once and for all, in one document rather than several, the relationships that are at the heart of the European Union. In the course of this weekend, I doubt that the constitution will come under much discussion. In the UK, discussion about Europe may never be brought to a conclusion, but it will certainly not be brought to a proper state of consideration unless and until we have the opportunity provided by the referendum to which the Government are committed. The sooner that day comes, the better.

2 pm

Keith Vaz (Leicester, East) (Lab): It is a pleasure to follow the right hon. and learned Member for North-East Fife (Sir Menzies Campbell). He speaks with great authority on these issues and I disagree with little that he has said so far.

I agree that it is important for the Government to continue campaigning on Europe, but do we not need a date for the referendum campaign? Ministers and Members would then be able to go out to the country to talk about Europe. In fact, it would be much better if we did that in advance of a referendum campaign, because the European project is such an integral part of our foreign policy that we should not need an artificial reason to start talking about it.

I pay tribute to my right hon. Friend the Foreign Secretary for his work on enlargement. It is right that Britain has been the champion of enlargement over the last few years, starting with the Prime Minister's speech in Warsaw five years ago. It is also right that the Foreign Secretary should point out the importance of Turkey's membership of the EU, for all the reasons that he set out, and because once Turkey joins—as I hope it will—Europe will never be the same again. Turkey will bring a new religion to Europe, through the Muslim faith, as well as different cultures. We should see that as a positive development in the history of Europe. We should take into consideration, too, what the right hon. and learned Member for North-East Fife has just said about Ukraine.

Turkey's association with the European Union began in 1963 when it signed its first agreement with the EU, with the eventual promise that it would join at some stage. That is almost 41 years ago, so the forthcoming European Council will have historic connotations—at last, we shall be saying to Turkey, "Let us begin the negotiation process".

Of course, it is right that Turkey should meet all the criteria of every other country. It would be quite wrong if we changed the rules for Turkey or had a different standard from that for other countries. I hope that the go-ahead will proceed this weekend and that when the Prime Minister returns on Monday he will tell us that it has been achieved at last and that negotiations can begin. Whether the process lasts for five years, 10 years or more, I hope that Britain will be at the forefront in developing relations with Turkey and ensuring that not only our trade relations but our people-to-people relations improve.

The comments of the right hon. and learned Member for Devizes (Mr. Ancram) were interesting. It was Conservative policy to hold a referendum on enlargement, yet the Conservatives now claim to be fully supportive of the enlargement process. They argued in favour of a referendum on Nice, but if we had had such a referendum it is possible that enlargement would have been blocked. When the shadow Minister for Europe winds up the debate, I hope that he will reassure us that there is no question that a Conservative Front Bench will call for a referendum on the admission of Turkey to the EU when that eventually happens.

As I said in my intervention, I am concerned about public opinion in countries such as France. The latest opinion polls suggest that 70 per cent. of people in France oppose the entry of Turkey, so I am glad that President Chirac will be appearing on national television in France tonight to argue the case for Turkey. It is extremely important that Governments begin to talk about the enlargement process at an early stage. We did so only at the last moment in respect of the enlargement of 1 May.

It is important to note that, despite the hysteria surrounding the entry of Poland, the Czech Republic and the other eastern European countries, and the predictions of the Conservative party, the *Daily Mail* and its sister papers, a huge number of people have not entered the UK. In fact, enlargement has gone extremely well. The people who have come over have taken part in the registration scheme; they are contributing to our economy, although of course they send remittances to their countries of origin, and are strengthening it by their presence. We should welcome that. I think the same will happen when Turkey joins—whenever that is.

I hope that the Government will fashion a policy on the freedom of movement of Turkish citizens at a very early stage. We do not want a repetition of what happened just before 1 May, when there was a slight change in the Government's position and registration was introduced. I argued very much against the need for registration and I think that view has proved correct. Let us get things right now. Let us tell the Turks—as potential fellow partners on an equal basis—what we plan to do about freedom of movement, so that nobody misunderstands our position.

The enlargement of 1 May will not be a huge consideration this weekend, although no doubt progress will be noted when the 25 Heads of Government meet around the table. I hope that we can do more to build the

new member countries into the existing structure of the EU. Recently, I looked at the number of European agencies and how many were sited in the various EU countries. Obviously, there are no European agencies in the new member states and no plans to hold European summit meetings in any of them because of the deal struck in Nice, which was, as I recall, undertaken to make the Belgians feel a little happier. That is why so many European Council meetings take place in Brussels. Now would be a good opportunity to move one of the agencies from the old 15 to the new 10. Perhaps one of them could be in Prague, Warsaw, Cracow or one of the other new EU countries. It is essential to show that the enlargement process did not end on 1 May. If those countries are to be full and true members of the EU, we should be willing to hold more summits in them and move more of the agencies to them. The new members would feel reassured by that.

The right hon. and learned Member for Devizes mentioned the Lisbon agenda, which will, I am sure, be discussed at the Council this weekend. He was wrong to say that the Lisbon agenda was a failure; it was not. The difference between what happened at Lisbon and at other EU summits was that for the first time economic reform was benchmarked. It was part of that process to review the Lisbon agenda after five years to see how well the European countries had done. In fact, the Kok report, published a few weeks ago, makes it clear that Britain has done well, as opposed to some other EU countries. We have not done as well as the Scandinavian countries—we would expect to see Sweden, Finland and Denmark right at the top, partly due to their population size—but the economic reform agenda that our country is pursuing was praised in the Kok report. The House will know that the 112 indices have been reduced to 14 core indices, but we are in the top tier in a number of cases. So it is wrong to say that we have not done well out of Lisbon. Of course we can do better, but the Kok report is very clear. I am sure that the shadow Minister, the hon. Member for Altrincham and Sale, West (Mr. Brady), will have read that report. He will know that we have actually had a good report, but we need to do better.

Mr. Brady *rose—*

Mr. Cash *rose—*

Keith Vaz: I give way to the hon. Member for Stone (Mr. Cash).

Mr. Cash: Does the hon. Gentleman accept that the Kok report was about Europe as a whole; it was not with regard to the United Kingdom? Does he also accept, as one who has studied the Kok report in detail, that there is no doubt that Mr. Kok did severely criticise the failures of the European Union within the eurozone? Does he further accept that the consequence of that is that the only reason why the United Kingdom is seen to be doing comparatively better is despite, not because of, its policies, for example, on economic and monetary union? In the past, Labour would have supported, and did support, our engagement with the exchange rate mechanism, which the Prime Minister constantly throws at us but actually was supported by the then Labour party in opposition, so we should point that out, too.

Keith Vaz: The hon. Gentleman is right—we have been an economic success in the United Kingdom because of the policies pursued by the Chancellor of the Exchequer. He is right also to say that the Kok report does outline a number of serious criticisms. The point of having a report of this sort is that when we look at Lisbon, five years on, as we shall do in the spring Council next year, under the Luxembourg presidency, we shall at least have the basis for ensuring that there are action plans. The hon. Gentleman will know, because he has read this report, that what is being suggested is that each member state produces an action plan between 2005 and 2006, so that when we get to the spring Council in 2006 each EU country will have an action plan detailing what they will do as a result of the Kok report.

I am very pleased that only yesterday, the Secretary of State for Education and Skills appointed Will Hutton a member of the Kok team, to lead for us in conducting the gap analysis that is being sought to see why we have fallen short of the criteria that have been set out. A gap analysis in the area of learning and skills and education is very important. I know from my time as Minister for Europe that these reports are wonderful, summits are all wonderful, and everything is always such a success in the European Union, but as we have this detailed report we need to act on it, and yesterday a domestic Department has decided to become the first of our Departments of State to ask a person—Will Hutton, an excellent choice as he served on the Kok committee—to produce a gap analysis so that we know where we are going wrong. I want to see other domestic Departments doing the same thing. The predictions of the hon. Member for Stone would be correct if a similar approach is not taken by the Department of Trade and Industry and other Departments that are affected by economic policy. So, we have to take those criticisms; we have to accept that we need to do better. The proposals put forward yesterday and the proposals that will emerge from Departments will be very valuable in ensuring that we get our action plan in place.

I also want to raise an issue that I have raised at every one of these Adjournment debates that has been held before a European Council meeting—I know that the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Sunderland, South (Mr. Mullin), will take a note of this so that he can pass it on to the Minister for Europe—and that issue is reform. On 25 February 2002, our Prime Minister, Mr. Aznar and Gerhard Schröder wrote a joint letter on reform to the then European President. The point that we raised then was that there were key areas that needed to be looked at, and I raise it again because I hope that we shall have some answers at the end of the debate. How many of those points mentioned in that letter of 25 February 2002 have actually been realised? How many boxes can we tick? When I last raised this, we did not have an answer, but I am giving notice because I hope that information will be passed to the Front Bench by the time of the winding-up speeches.

There is no point in our taking brave leadership positions in Europe, as our Prime Minister has rightly done, if the rest of Europe does not follow. Our job is to ensure that if we set benchmarks, we know whether they have been realised, and I think that four years is long enough to have looked at this process. I have said before that the people of Britain will never learn to love the EU until the EU learns to love reform, and that means that

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we need to explain to the people of this country, on an ongoing basis—not just if, but when the referendum campaign is called—the benefits of membership of the European Union. I know that my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) tried to do so during the process of formulating the European constitution, and, to give him his credit and his due, so did the right hon. Member for Wells (Mr. Heathcoat-Amory) when he sat with her on the Convention. They went out and tried to discuss these issues, and I have received many invitations to events all over the country where they have been speaking on them. That is exactly what we should be doing.

The right hon. and learned Member for Devizes, instead of knocking the EU all the time, should be supporting what Britain is doing. We know where he really stands on this issue. We know that he has to adopt a hard-line approach because he speaks for the Conservative party, but we know where his heart really lies on Europe. Unlike others in his party, he wants to stay in the European Union. I will not mislead people by saying that that is not what he wants to do. If that is what he believes, he should be spending his time supporting what Britain is doing, as we spent our time supporting what Government Ministers did before 1997.

Mr. Hopkins: My hon. Friend talks about people learning to love Europe. Is not the problem that people are supportive of Europe but they want a different Europe? They want a social democratic Europe with full employment and good welfare states and social equality, and all the things that the Labour party has traditionally stood for. That is what they are not getting from Europe and that is why they are so sceptical.

Keith Vaz: I know that I cannot convince my hon. Friend of the merits of the euro, and I do not know whether I can convince him of the merits of being in the European Union, but the fact is that the Lisbon agenda is not just about economic reform, it is also about all the other things that go with social policy. If we have failed to explain that to people it is our fault—Europe can deliver these benefits, but we have not explained them to people in places like Luton, Leicester and Manchester, and that is our failure.

Ms Stuart: Does my hon. Friend accept that there is a real problem, because we can preach the Lisbon agenda and then we see such things as the latest merger and takeover directive, which goes totally counter to what the Lisbon agenda said we should be doing? We aspire to things, but we do the opposite. That is what makes it so difficult.

Keith Vaz: My hon. Friend is right. She has great knowledge of these issues, and my experience and her experience, having sat on the Convention, are similar. Before these initiatives take root in the European Commission, and in all those great directorates-general it has all over the place, they need to be discussed here in the House. I believe that the proposals made by the Foreign Secretary and the Leader of the House for proper scrutiny of European affairs, merging all those various Committees into a Committee that really has teeth, are the way forward. I believe that on European issues we should take the route that we took on the Convention, when my hon. Friend the Member for Birmingham, Edgbaston and the right hon. Member for Wells kept coming to the House to report back and seek our views. I believe that the idea of a second Chamber has gone now—I do not think that we shall get that—and that means that we must take a much greater role in ensuring that scrutiny takes place.

I want to end by briefly talking about the EU presidency, which will come to us in July next year. We are already starting to work on the presidency agenda, and this European Council gives us the opportunity to take forward a number of themes. Obviously, the enlargement theme can be taken forward, as will the Lisbon agenda, but I hope that we can develop the theme of Europe being more than just the original countries that joined or the 15, because we are now a Europe of 25—a Europe of many cultures. We should be proud of the differences in Europe and celebrate them, rather than seeking to find excuses about why Europe does not work.

The Dutch have done extremely well in holding together this presidency. I recently visited Holland to look at the aftermath of what has been happening there. They have had some awful problems—not just the assignation of political figures, but at least 17 mosques have been subject to arson attacks. They are going through their own identity crisis and they have held together the presidency so well. We should learn from what has happened in Holland this year and we should ensure that we push forward the idea of not just an economically prosperous Europe that is able to compete with the United States, producing the jobs that we have not had in the past 10 years, but in the words of my hon. Friend the Member for Luton, North (Mr. Hopkins), a socially responsible Europe that does not involve us in giving up one iota of our economic success.

I wish the Prime Minister and the Foreign Secretary well in their negotiations this weekend. If the go-ahead is given to Turkey, Britain will have achieved yet another major success, but I hope that all the other points that I have mentioned will also be pursued because we need to change Europe for it to get better.

2.21 pm

Mr. William Hague (Richmond, Yorks) (Con): In listening to the debate, I feel that I am now taking part in the affairs of a very distinguished but small dining club that meets every six months or so to discuss European affairs comprised of people who are Ministers for Europe, who have been Ministers for Europe or who aspire to be Ministers for Europe, among whom I certainly do not count myself. It is a very distinguished group, in which my right hon. and learned Friend the Member for Devizes (Mr. Ancram) asks pertinent questions and the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) gives a tour d'horizon of world affairs, which he did very well, rightly pointing to reasons for optimism in the affairs of eastern Europe, particularly Romania and Ukraine.

It is evidently the Foreign Secretary's job in that club is to assure us that there is no need for concern, that it is fairly much business as usual and that the European

Council is coming up, at which the matters for discussion are enlargement of the EU, the treaty that is on the table and perhaps the defence of the British rebate—all from the point of view of a Government who are more pro-European than the public as a whole. That could have been said more or less of any European Council during the past 10 years, under the last Government as well as under the current Government.

One might easily get the impression if one had just nipped into the debate that nothing had really changed much in recent years. My concern is that that is not the true background to European affairs. Immense forces are at work in the world far beyond the boundaries of Europe, and in 10 or 20 years' time European Affairs debates in the House will be set against a much darker background than today. The loss of public confidence in the EU's institutions in this country is becoming greater with each month that goes by, and that will have a dramatic outcome in the months and years ahead.

Of course, all that might, to some extent, come to a crunch in the coming referendum on the European constitution, which evidently will be held whoever wins the general election, although the Government seem most anxious, despite the fact that they think it is vital to the future of Europe, to ensure that the constitution and the preparations for its ratification are not debated in the House this side of the general election. Those who advocate a yes vote in the referendum will find their job dramatically harder than those who advocated one in 1975.

The right hon. and learned Member for North-East Fife looked forward a few moments ago to being there with my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) and perhaps the Foreign Secretary, and they will paint themselves as the moderate and informed opinion of the nation, against the rather extremist forces that might try to persuade people to vote no. That was the successful approach of the pro-EU side—pro-EEC, as it then was—in 1975, but hon. Members of all points of view recognise that that will be much harder in the coming referendum.

It will be a much harder referendum for the yes side to win for several reasons. First, those who are old enough to remember the 1975 referendum feel that they were misled at that time because they were not told of the political as well as the economic consequences that would follow from a yes vote. Secondly, those who are not old enough to remember 1975 have grown up in an entirely different world, in which they have benefited from many aspects of the EU.

The framework for co-operation that it has created, the reinforcement of the rule of law and the encouragement of democracy in certain countries and making war unthinkable between most of the countries of Europe are all real achievements, on account of which I am not in favour of a withdrawal from the EU. I believe that we must strive to make our membership of the EU a success, but the idea of ever-closer political integration of countries' institutions and the EU now seems out of date. Ever-closer political integration is an idea whose obsolescence has already come for a younger generation, who are entirely different from the young people of the 1970s and have a different outlook on world affairs. Part of the reason is also economic. We need not belabour the point today about the differences in gross domestic product and employment growth—they have been mentioned already—between this country and many of the eurozone countries in recent years.

So the debate has moved on, and a sure sign that it has moved on is the variation in the statements of the irrepressible Minister for Europe, who is grimacing because he does not want his remarks to be dragged out again. He is the Member of Parliament for my original home town—Rotherham—and he is such an endearing figure and his remarks are so wonderfully indiscreet at regular intervals and so marvellously inconvenient to his colleagues that we really hope that if the Home Secretary does not survive his current career crisis the Minister for Europe can be put into the Cabinet so that we have a source for what is going on there.

The Minister for Europe's remarks are incredibly useful and incredibly revealing. He has declared that the euro is "economically irrelevant." Indeed, he now says that it is "a fetish"—a brave thing to say in the current circumstances. That is the same Minister who only last June at a breakfast meeting of the London chamber of commerce declared that if we joined the euro

"our trade with the eurozone could leap by 50 per cent . . . Our national wealth could rise by 9 per cent."

and that it would produce

"cheaper goods and services for British consumers."

That is now irrelevant, apparently. Whatever one might say about those assertions, they are debateable, but to say that an increase in our national wealth of 9 per cent. is irrelevant is quite remarkable. He now says that he tried to persuade Ministers to

"Stop going on about the euro."

It was incredibly far-sighted of him to try to dissuade them from talking about a policy to which he was so wholeheartedly committed—a foresight rarely granted to any hon. Member.

What is actually going on? The Minister for Europe has not really changed his views; they are well established and well known in private and in public and in the House. What has changed is that that topic—the euro—has become unsaleable to the people of this country, and it has become unjustifiable on the basis of economics. One has only to look at how the eurozone struggles with inflation, which is gathering in some of the eurozone countries, whereas there is economic stagnation in others—the first threat of stagflation, which we last saw in the 1970s—to see how gravely the economic case has been weakened, and he knows that there is no longer any substantial body of opinion in British industry, finance or commerce in favour of joining the euro.

My right hon. and learned Friend the Member for Devizes referred to the roadshow that was going to be launched by the hon. Member for Leicester, East (Keith Vaz), which Members of all parties would join to rouse millions of people in this country into a frenzy of enthusiasm for joining the euro. We have not seen much of that roadshow in recent years.

Keith Vaz: I am glad that the right hon. Gentleman has corrected the record because the right hon. and learned Member for Devizes (Mr. Ancram) said that there was no roadshow. The right hon. Gentleman will

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remember that we did have a roadshow. He had a roadshow, too—was he not on the back of a lorry trying to save the pound?

Mr. Hague: The hon. Gentleman did have a roadshow, but it went on a pretty short road and did not get round most of the country. Mine reached more parts of the country than his, albeit with no greater effect, I readily concede. The assessments of both the Prime Minister and I of the chances of Britain joining the euro at the time of the last election were wrong. I thought that there was a serious possibility that Britain would join the euro in this Parliament if the Labour party was re-elected, and I think that the Prime Minister did, too. Our assessments were both wrong, but that was why I talked about it during the last election and he did not. The opportunity—if one can refer to it as such—has now gone by, and I do not think that it will recur.

The public's sentiment about European institutions and what has happened regarding the case for the euro are signs that greater forces are at work that will affect European affairs in the years to come. It is always instructive to talk to Chinese leaders. I have been in favour of listening to them ever since they turned up at the bicentenary of the French revolution. When one was asked whether the French revolution had been a good thing in the history of the world, he said, "It is too early to tell." Chinese leaders are always good at putting things in perspective. I had the pleasure of meeting them when I was Leader of the Opposition, and when I talked to Jiang Zemin about education in England, he said, "Ah, there are more people studying English in China than there are English people in England", which put things in perspective.

It is now commonplace to observe what is happening in the Chinese and Indian economies and the importance of the economic change that that is bringing to the world. However, it is less commonplace to understand the speed and scale with which that is happening. Eurozone managers want 2 per cent. economic growth a year, but China has 9 per cent. growth a year. As many forecasters say, there is every prospect that in 20 years, both the Chinese and Indian economies will be larger than the European economy.

Recent signs in the eurozone economy are not encouraging. The demographics of European countries are terrible. Again, that fact has become more widely understood, but the speed and scale of the change on the cards is less widely understood. Later this century, steep falls in the populations of Germany, Italy, Hungary and several other countries are in prospect. On top of the unfunded pensions and expensive welfare systems that many countries face, we do not know what such population trends will do to societies. We know that they will create more difficulties with pension funds and that businesses should sell zimmer frames rather than baby-care products, but we do not know what they will do to a society's optimism and ability to innovate. We do not know whether they will make a society more conservative and more or less prone to save.

The long-term outlook is uncertain because of demographic and economic trends. The European Commission has forecast that within what we hope are our lifetimes—a few decades—the extent to which the European economy will make up the world economy will go down from 20 per cent. to 10 per cent., while that of the United States will continue to advance from 23 per cent. to 26 cent.

Such figures are just statistics, but behind the statistics, as ever, there will be millions of human stories. The talent, capital and dynamic forces in the world will head east and west rather than spending time in the European Union. Many people in Europe will miss out on the activity, progress and pioneering in the world and they will not like it. The United States will look elsewhere for its economic and political allies—to countries such as Brazil, South Africa and Australia. There will be immense political, economic and social strains on the European Union and its citizens, with perhaps the greatest loss of influence, relative prosperity and future potential experienced by any group of countries in peacetime in the modern world.

It is no exaggeration to say that that situation faces European countries over the next 20 years. One would think that it might be on the agenda of a European Council on top of the many routine matters that must be discussed because it is the main thing happening in the world. However, perhaps it is creeping on to the agenda. The report from Mr. Wim Kok has already been mentioned in the debate and it gives a similar message. It says:

> "Europe has lost ground to both the US and Asia; its societies are under strain; and some ugly political forces are beginning to manifest themselves."

He and his colleagues say:

> "What is at risk in the medium to long run is nothing less than the sustainability of the society Europe has built, and to that extent, the viability of its civilisation."

Those are strong words, but not excessively strong, given the evidence.

What is the collective response of European Governments? It is largely paralysis. There is a monumental failure of leadership. Those Governments often fail to recognise the problems or to explain them to their people. The structure of the European Union—as it is now, and as it would be if the proposed constitution were ever ratified—does not make it sufficiently cohesive to respond to such a threat, and does not give its member states the freedom to respond to that on their own, so we have the worst of every world.

Mr. John Burnett (Torridge and West Devon) (LD): Unfortunately, the situation is not one of paralysis. The European Union produces policies that actively undermine our economy and people. It is hatching a policy that will undermine and destroy the trust industry in this country. What could be worse for our economy? Can no one understand that such initiatives are deeply destructive and that no one will vote for closer integration in such circumstances—it is inimical to us?

Mr. Hague: The hon. Gentleman is quite right to correct me. I am glad that there are Liberal Democrats who are unlikely to vote for the European constitution—that is something of a revelation in itself. He is right to correct me because the situation is not quite one of paralysis. Unfortunately, there are some detectable movements, and although they are pretty small given the scale of such world events, they are certainly not positive.

There were supposed to be many more such movements rather than a situation approaching anything like paralysis. The Lisbon Council was held in 2000, and the Prime Minister came to the House—I remember it well because I was opposite him at the time—to tell us that it marked a

"sea change in European economic thinking."

He said that it was a "fundamental reorientation" and that it would bring

"concrete measures with clear deadlines"

He said that it would lead to the adoption of

"urgent measures to make the European economy as a whole more competitive, flexible and dynamic."

He said, with great flowing rhetoric, that it represented

"a turning point in Europe's approach to economic and social policy."

He said that it meant—how about this in Europe?—that we could

"seriously contemplate a return to full employment."—[*Official Report*, 27 March 2000; Vol. 347, c. 21–22.]

All that was on the cards after the Lisbon Council five years ago, but what has happened since? Mr. Wim Kok's report examined what has happened, but he concluded that most of the things that should have been embarked upon after the summit have not been embarked upon. Although several have been adopted, such as the recently agreed merger directive, they represent only a small advance. The directive is not so much a concrete measure as a piece of mud. It retains co-determination within companies and means that if companies merge and more than one third of the work force are from Germany, the new company must adopt the German rules. That will not promote a market for corporate control in Europe that will discipline management and improve competitiveness. While the world changes, the EU is still concerned with an integrationist agenda that is reducing the confidence of the people of this country in most of its branches—governmental institutions, the Commission, the Council of Ministers and the European Court of Justice.

Mr. Cash: My right hon. Friend is making an exceptionally interesting, articulate and intelligent speech. Will he acknowledge that many of the criticisms that he is citing are of course consequences of not the new European constitution, but the treaties? When he speaks of paralysis, does he agree that there is a paralysis not only in the thinking of Europe and the Government, but, I say with regret, among some of our colleagues because they are unable to appreciate that the only way to get round the problems that he is accurately defining is by addressing the existing treaties along the lines of the poll that I mentioned a little earlier.

Mr. Hague: If I followed my hon. Friend all the way down that road, there would be paralysis in my speech, as well as in the European institutions. The poll that he mentioned is important, as it is in line with many other published polls, which show that young people in Britain are even more dissatisfied with the operation of European institutions than older people. That may seem counter-intuitive, but when one talks to young people around the country and looks at every survey, one realises that it is certainly the case. Among women under the age of 25 who were surveyed a few weeks ago, seven out of 10 did not want to be members of the EU at all. That is a reflex reaction from people who have seen too many decisions taken out of their control.

Whichever institution one looks at, it is getting further and further away from the real concerns of real people around Europe, and from the major forces affecting the world economy. On tax, for instance, we see judgments of the European Court of Justice increasingly intruding into national decision making, which was not meant to happen. It has not been commonly understood that that is happening. The Prime Minister often stands at the Dispatch Box and says that our veto on tax is safe, yet now there are judgments of the European Court of Justice about foreign subsidiaries of companies and cross-border transactions, such as dividend payments within the EU, that affect tens of billions of pounds of revenue, which the Treasury is struggling with and fears. The rights of the nation to control its own tax affairs are being eroded.

Ms Stuart: I wish to ask the right hon. Gentleman a question, rather than make a party political point. In respect of judgments in the European Court of Justice, other countries have protection because they have a written constitution, which the European Court never challenges if it comes to a stand-off. Does that not strengthen the case for the United Kingdom having a written domestic constitution?

Mr. Hague: Presumably, the hon. Lady is advocating that the United Kingdom pass a certain set of laws that protect it in some way, as that should have the same effect as a written constitution. It ought to have the same effect, of course. What is a constitution? It is a set of laws that are a framework for government passed by the country concerned. She raises an important and legitimate point. I favour alternative solutions, such as the European Court of Justice not pushing forward the boundaries of European competence, but she raises an entirely fair point.

The right of the House to set taxation for this country is fundamental. Our ancestors in this place hundreds of years ago brought about a civil war in order to secure that right. The loss of the ability of the representatives of the people of this country to control taxation will further damage the standing of the European Union and its long-term future. The same can be said, and has been mentioned today, of the fisheries policy. In the interests of time, I will not go into detail about the biological and economic catastrophe that that has brought about—

Mr. Bercow: Go on.

Mr. Hague:—despite the encouragement of my hon. Friend. We need only consider the recent efforts, for which we should give the Government credit, to change the practices of fishing for sea bass, which lead to the deaths of thousands of dolphins in European waters, and the frustration created by the difficulty of getting any European agreement about that. Even on these ecological and environmental matters, the European Union is failing its citizens.

The Commission, too, has been mentioned in the debate. Looking into the finances of an organisation is often the boring bit—the nitty-gritty—but it is always

[Mr. Hague]

important because it usually tells us most of the things we need to know about an organisation – about accountability, about its integrity and about the quality of its management. The views of people such as the famous whistleblower, Mrs. Andreasen, and the refusal of the European Court of Auditors to sign off the accounts of the Commission tell us some pretty damning things about accountability, integrity and quality of management.

We in the House would not tolerate a Government agency 93 per cent. of whose payments were judged to be unsafe or riddled with errors, yet that is the position with the European Commission. We would not tolerate an institution where spot checks had found 25 per cent. of the farm aid in Italy, 23 per cent. in Greece and 21 per cent in Spain subject to fraud or error, or an agency that had not been able to have its accounts signed off for 10 years. It is an outrage that money is raised from the hard-working people of this country and all the countries of the European Union, yet there is such scandalous inattention to the use of that money in the European Commission.

I cannot understand why Ministers do not go to a European Council, bang on the table about such an issue, say that the people of this country will not tolerate such things and ask when the European Commission will clean up its act. That is not a difficult thing to do. It is done in companies throughout the country and in Governments throughout the world. Why can it not be done in the European Commission?

The Minister for Europe shakes his head as though that were a hopeless exercise, and the raising of the possibility of fraud and corruption was just one of those tedious things that the founders of the great European future must put up with. If nothing is done, the culture of complacency and arrogance in European institutions will continue. The result of economic structures being unreformed and political institutions being unresponsive will be that the outlook for Europe is far darker than it currently is.

Mr. MacShane: Can the right hon. Gentleman, with his great experience, tell us what percentage of the EU budget is returned to national Governments for direct payment by national Ministries and Exchequers?

Mr. Hague: Of course a very large percentage is returned to national Governments. In some countries that is part of the problem, but it is clear that there is an immense problem within the Commission. We have, for instance, the statement of Mrs. Andreasen that

"the chief accounting officer of the European Commission"

not the countries –

"signs payments without seeing any supporting documentation."

That was in her speech when she came to London not so long ago. In her experience, anyone could access the payment system of the European Commission

"and change amounts, change the beneficiaries, and change the dates without leaving an audit trail".

so let us not blame the countries of the European Union. The problem is at the heart of the Commission itself. I shall give way to the Minister again, so that he can explain.

Mr. MacShane: Can the right hon. Gentleman say what percentage of the payments made directly by the Commission and signed in Brussels have not been signed off by the auditors?

Mr. Hague: I can give the hon. Gentleman plenty of percentages, including the fact that 93 per cent. of the payments are considered unsafe or riddled with errors. It is all very well the hon. Gentleman taking the side of the Commission and trying to persuade us that there is not a problem. I warn him that it is the sort of thing that deeply undermines public confidence in the European institutions.

Mr. Bercow *rose*

Mr. Hague: I shall give way for the last time, as others want to speak.

Mr. Bercow: I am grateful to my right hon. Friend for giving way, and I apologise for being absent for a great deal of his speech. As the Minister for Europe seeks intelligence and clarification, does my right hon. Friend think it a matter of the utmost seriousness that the report of the European Court of Auditors found that no less than 89 per cent. of the humanitarian aid to Zimbabwe was lost through fraud?

Mr. Hague: My hon. Friend gives another stark example. The aid budget has been a particular problem, with possible fraud and possible corruption. A report by accountants showed that there were 10,000 possible instances of fraud and corruption in the European Commission budget. That is not to be dismissed, and it is only an example of the many different ways in which the European Union's institutions are losing the confidence of the people they were meant to represent.

That makes the case for a more flexible Europe, as advocated by my colleagues on the Front Bench, a compelling one. It makes the case for liberalisation of the economies of Europe advocated by almost everyone in the House a vital one. If the trends of which I have spoken continue to gather pace, the issue in our lifetime will be not whether the European Union is to become a superpower, but whether it will survive at all.

2.50 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): It is a privilege, but also a huge challenge, to follow the right hon. Member for Richmond, Yorks (Mr. Hague), not least because he tends to be so much more eloquent than many of us. I was struck by his analogy when he said that this was like a dining club. It seems also to be a terribly all-male one. That has certainly been my experience on the European Convention.

I am sad that the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) is no longer present, because when he was explaining his commitment to the European Union I suddenly thought, "Yes, this is the problem; it is old men

dreaming." I do not mean to be unkind. For those of us in the post-war generation, our dream of the European Union was fulfilled in 1989, when the Berlin wall came down, and in 2004, when eight former communist countries came into the European Union.

The real problem is that we have not come up with a new dream that engages young people, who take it all for granted. When I tell my children that Germany and France will never go to war again, they say, "That's very interesting, mum, but I never thought that they would go to war anyway." That is a part of the problem. We think that the European Union is a fragile creature and that it will collapse if we question anything that happened in the past. Far from it: we need to look at it in a new way.

I want to look at parts of the European constitution as it stands, assuming that it will be accepted, and to put them in the context of the negotiations about the accession of new countries and the question whether that would work. My assumption is that none of the political parties across Europe will spend the amount of political capital that they will need to spend to get the constitution ratified in the interests of a document that they do not think will see us out for at least the next 10, 15 or 20 years, given that once they have committed themselves to referendums on these treaty changes, it will become very difficult not to have referendums on future such changes.

I therefore thought that I would go back to the text and try a modelling exercise. There are now 25 member states, we know that Romania and Bulgaria will come in soon and we have started negotiations with Croatia. Turkey is knocking on the door, and I want to make it clear that I am absolutely in favour of its accession. We have to find a way of bringing Turkey in, and not through some different sort of agreement status. We have to make it possible for it to be incorporated.

When we look at the map of Europe, however, we see a big gap in the western Balkans. We will have to get to a point, probably more speedily than we think, at which quite a number of other countries can accede. There will be a lot of very small countries. We can even talk about Serbia and Montenegro, although I am not entirely sure whether that union is sustainable, as well as about Macedonia, Albania and Kosovo. We are potentially talking about a European Union of 34 or 35 members.

The European Union is built on a structure that has always given disproportionate rights to small countries. That was fine when we started with a European Union of three big countries and three small ones, but it continued. In a European Union of 25 members, we have roughly six bigs and 19 smalls. In respect of the constitution as it stands, the institutional agreement limits the size of the European Parliament to 750 Members, but it also gives a minimum of six seats to every country. Expansion towards 35 member states therefore squeezes the countries in the middle.

We are also saying that every country should have one commissioner, but the proposal on the constitution acknowledges something that I think is very important—the need to try to reduce the size of the Commission. It proposes that, by 2014, only two thirds of countries will have a commissioner. That will not get us anywhere, however. By the time we get to 2014 and look at a European Union of perhaps 35-plus members, the Commission will have 20-plus commissioners—a size that we have already said is too big. Is that structure sustainable, and will it be accepted by the key members as we expand, as I think we need to do?

One of the countries that may enter the European Union has a very high population, and the definition of qualified majority voting as it stands in the European constitution has a population-based element. On that basis, I wonder whether Germany and France will be prepared to accept a European Union in which Turkey has higher voting rates than they have. I do not know the answer. If we really want to look ahead over the next 15 or 20 years and to have a European Union that can expand and develop, is the constitutional treaty as it stands a vehicle that allows us to do so? That decision has to be made at some stage.

I also wonder—this is a technical point—whether, between now and any ratification, there is still a mechanism to clarify some points in the constitution and to make them legally clearer. The issue arises out of something that I came across in close reading about the presidents of the Council and the Commission. I remember the debate on this issue in the Convention. The original draft made it clear that the President of the Commission and the President of the Council could not be the same person. There was a specific line to exclude that possibility, but it was removed, and we now have a statement that the office holder may not also hold a national mandate. There is also an argument that, in the treaty as it stands, as a commissioner may not hold any other office, that means by implication that they should not hold any other European office.

What I am disturbed about is that, in evidence to the Dutch Parliament, Dutch Ministers made it clear that it was their aspiration that the offices should eventually be held by one person. Furthermore, Dutch legal services clearly stated in evidence to the Dutch Parliament that they thought that the correct legal interpretation was that it would be possible for the offices of President of the Commission and President of the Council to be held by one person. Of course, as the treaty stands, both those people will be appointed by qualified majority voting. As I understand it, the British Government are clear that they want those positions to be held by separate people, and I wonder whether it is possible clearly to state some basic understandings of the facts.

I congratulate the Government on the publication of their short guide to the European Union, which goes some way towards giving an understanding. They were right to explain past developments and what the European Union means and does. Even among colleagues, real understanding of how the operations work and what the Council of Ministers does is sadly lacking. As hon. Members have already said, it is a shame that we tend to have a narrow focus in debates such as this, and that the domestic Departments are not more involved, so as to give us some indication of domestic policy.

While Ministers are going to the Council meeting, debates about the budget are also going on. Politically, the budget debate is in many ways far more significant than debates about the European constitution. I wonder whether it is wise to make the British rebate—it is called a rebate—such a political totem. I happen to have great

[Ms Gisela Stuart]

sympathy with the point made by the right hon. and learned Member for North-East Fife, who said that it is the outcome that really matters. If I had been a poker player, I would have put the British rebate on the table and said, "It comes at a price—the common agricultural policy."

When I travel across Europe, as I still do now and then, I find that colleagues talk not about whether the British rebate will be challenged, but about when it will be challenged. I recall extensive discussions with a former commissioner, Henning Christophersen, who was also a member of the praesidium of the Convention. If we examine the rebate in closer detail, it is not worth as much as it seems, because we do not get certain other payments because of it. The removal of the rebate and the CAP would result in long-term gain for both the UK and for the long-term sustainability of the European Union. Between now and the referendum, I hope that both sides occasionally generate a debate informed by facts rather than misunderstandings. One of the great virtues of the referendum is that people will make up their minds on what they want to see in the future. People do not have an appetite to leave the European Union, and they want the EU to work.

When negotiations over the constitution broke down at Christmas last year, it was because Spain and Poland refused to sign up. No one, but no one, suggested that Spain and Poland could always leave the EU—bizarrely, Poland had not even joined at that point. Why does the analysis that if a country says, "No," it must leave apply only to the United Kingdom? I cannot understand that.

Mr. Hopkins: Was it not the case that when the talks broke down because of Poland and Spain, Whitehall experienced a palpable sense of relief that the matter would not return to the agenda for another seven years? Unfortunately, it has returned.

Ms Stuart: I shall let Whitehall speak for itself. I never understand why the British always accept being put into that kind of position—the reason why I never understand it is probably because I was not born here—and feel that they must apologise and prove that they are good Europeans. By the way, the British are extremely good Europeans.

Enlargement has received cross-party support. As far as I can see, we are the only country that has always supported Turkey's application. The issue has never been party political and has always concerned how we can make Turkey's application happen. The rest of Europe has always seen that policy as a fiendish plot by perfidious Albion to bring in Turkey in order to break up the European Union; far from it. In future, Europe must achieve greater co-ordination in its foreign and security policy, and Turkey is such a significant player that it is incumbent on us to make sure that it is with us.

Mr. Cash: Examining matters historically, does the hon. Lady agree that Britain, far from being perfidious, has been the bulwark of democratic freedom in Europe for at least the last century and probably for much longer? After an intensive internal debate, *The Economist* has significantly shifted its position on the EU. On 25 September, it stated:

"A shell of an organisation called 'The European Union' will probably be preserved, but some of its current members might even quit and negotiate new association agreements".

Does she have any sympathy with that view? She probably knows that I do.

Ms Stuart: I hope that that does not happen. I remember *The Economist* front page when the Single European Act was passed. It felt that the Single European Act was disastrous and that it should be torn up. If we do not end up with a structure that allows us to move forward, the danger exists that such a break-up might occur.

It is depressing that the legal instrument to take the Lisbon process forward was not incorporated in the constitution, because the institutions of the Commission felt that that process would leave them out of the loop. Self-centred institutional interests prevailed rather than a desire to make the process work, which is a great pity. I make that criticism because I want the European Union to work and my children to experience the benefits that I had. I do not want to break up the European Union. As the negotiations with Turkey continue, I hope that we stick to what the constitution currently says on religious values—some people argue for that because they want to keep Turkey out.

On military, security and defence policy and the European Union, we are currently making tremendous progress with or without the constitutional framework. If one visits the west Balkans, one finds huge changes in the way in which European Union countries deploy their national troops. Over the past six months, national caveats have been lifted to an unprecedented extent. European Union countries have done that because the military has learned from experience and convinced their politicians to change the political framework. In a sense, that is how the European Union must proceed. It must respond to what people want it to do and not hope that a framework imposed from the top will deliver the goods.

3.7 pm

Mr. David Heathcoat-Amory (Wells) (Con): I am pleased to follow the hon. Member for Birmingham, Edgbaston (Ms Stuart). I miss our weekly visits to Brussels as members of the Convention on the Future of Europe, which drew up this wretched document. When the constitution fails, perhaps we will be sent out again to do a better job and will listen to the instructions given to the Convention, which were not to write a constitution, but to create a more democratic Europe that is closer to its citizens.

I agree with many of the hon. Lady's observations, and particularly those on Turkey. Those of us who want to draw Turkey in a European direction should be extremely worried about the constitution on those grounds alone. In my view, the constitution will make Turkey's accession almost impossible. Indeed, I shall go further: apologists for the European constitution sometimes say that enlargement—10 countries joined in May—makes it necessary. In fact, the opposite is the case: greater variety and diversity in Europe make the case for a more varied treaty relationship and count against the command and control mechanism that is entrenched in this European constitution.

I was interested in the hon. Lady's question, which I hope that the Minister for Europe will answer, about whether the President of the Commission could be same person as the President of the Council of the European Union. The Foreign and Commonwealth Office is adamant that that could not happen under the constitution, but I have received legal advice that the situation is ambiguous. That matter needs clearing up. Any idea that the constitution brings clarity, certainty and finality to those difficult issues of who does what in Europe is clearly at variance with the fact that large chunks of it are already subject to different legal analyses by different lawyers in different countries.

I have the final document – a Christmas paperback landed on my desk a week ago. I do not know whether it was sent to all my hon. Friends or just to me, on the ground that I am most likely to read it.

Mr. Bercow: I am very surprised about that.

Mr. Heathcoat-Amory: I am sure that my hon. Friend will form a queue with others at the Vote Office in order to read it in time for Christmas.

The draft constitution runs to more than 500 pages and costs £47 if someone actually wants to buy it. In our last debate, the Minister supported the idea that it should be sent to every household in Britain. If I sent it to one of my constituents, the postage, I am informed by the post office outside, would be £4.31, so at a rough estimate the postage cost alone to the Government would be £130 million.

Mr MacShane: I take the right hon. Gentleman's point entirely; I made a similar one in the last debate. Is he saying that it is his personal position, or the position of the Conservative party, that this money should thus be spent?

Mr. Heathcoat-Amory: I can certainly find better ways of spending that money, as, I think, could my constituents.

I do agree on the need for a debate on the treaty's contents. I am therefore rather alarmed by the pocket edition that has been published by the Foreign Office, which is presumably intended to be some form of substitute. I have a copy here. It is longer than the whole of the American constitution, so it is stil, although potted, pretty lengthy. What alarms me about it is the inaccuracies, half-truths and distortions that it contains.

I should like the Minister to tell me why, for instance, the document describes the post of the new European Foreign Minister as simply the merging of two of the existing foreign policy jobs under the existing European Union. That is a complete distortion. Anyone with the slightest acquaintance with the real constitution knows that there is a vastly expanded role for this new post. The new Foreign Minister for Europe will conduct foreign policy on behalf of member states. He, or conceivably she, will run the external action service, which is Eurospeak for the European Foreign Ministry. Indeed, under the terms of the constitution, by declaration appended to it, work on the setting up of that Ministry is already proceeding, even before any votes in referendums have been concluded. The Foreign Minister will also run the European diplomatic service, convene and chair the meetings of Foreign Ministers, and set the agenda for those meetings. None of that is in the existing treaties—it goes way beyond anything that is described for the existing jobs.

Mr. MacShane: As the House is sparsely attended, perhaps the right hon. Gentleman and I can have this dialogue. All the actions that he describes are carried out principally by the Commissioner for External Relations. Article I-28 of the new treaty says that the new European Minister for Foreign Affairs will carry out policies

"as mandated by the Council".

That means that he or she will need the unanimous agreement of the Council of Ministers of all 25 member states before he or she can do anything. For the rest, he continues the work currently carried out by Mr. Patten, who has just retired as External Relations Commissioner.

The right hon. Gentleman is making heavy weather of this. I understand his general opposition, but he should not be unfair on a very accurate and precise document produced by our civil service in the Foreign Office and which provides a neutral description of what is in the treaty.

Mr. Heathcoat-Amory: I will give another example, then. This document says that the European Foreign Minister would not replace Foreign Ministers of the member countries, but article III-206 of the constitution clearly says that in the United Nations Security Council, the European Foreign Minister will replace the British Foreign Secretary when he is describing or defending a European position. So at the request of the European Foreign Minister, he has the right to replace the British Foreign Secretary. That is in the constitution.

Mr. MacShane: Again, the European Union cannot be a member of the UN Security Council—only its sovereign member states can. That is why Germany is seeking its own independent permanent seat on the Security Council. The existing practice in general UN bodies and discussions where the European Union has a common policy as represented by one of its functionaries is what is stipulated in the treaty—it carries on existing practice. The right hon. Gentleman knows as well as I do that the EU cannot become a member of the United Nations. With respect, he should not—I suppose that he has to—describe this procedure in a way that does not correspond to the reality of what is in the treaty or is the legal basis of how the UN can operate.

Mr. Heathcoat-Amory: I am not saying that the European Union would become a member of the United Nations—I am saying that the British Foreign Secretary would be replaced by the European Foreign Minister at the request of that European Foreign Minister. That is what it says in the European constitution. It is interesting that the Minister did not dispute that.

I will give the Minister another example. The Foreign Office document says that the European charter of fundamental rights

"does not create new rights, but simply highlights existing ones."

[Mr. Heathcoat-Amory]

Well, that is interesting; let me give him an example to the contrary. Article 13 of the charter, which forms the whole of part 2 of the constitution, says:

"Scientific research shall be free of constraint".

That is an unqualified guarantee that a scientist conducting experiments will not be able to be constrained by ethical considerations or considerations of animal welfare, so when the Union starts to legislate in the area of research and development—again, that is provided for in the constitution—a scientist who is constrained may well appeal under article 13 of the charter. There is nothing whatever about that in the existing treaties, nor in the separate European convention on human rights. It is a new right that clearly and explicitly extends rights into wholly new areas. It is therefore factually incorrect for the Foreign Office to claim the opposite.

Tony Baldry: My right hon. Friend is making some powerful points—although spiritually we may be slightly at odds in our approach to the European Union. During the referendum campaign on our accession to the European Union, the Government of the day did not publish any such documents. This document is clearly intended to influence public opinion on the referendum. If it is not accurate, surely it should be referred to the Electoral Commission, because there must come a point when it is partial electioneering as opposed to independent, objective advice given by the Government of the day.

Mr. Heathcoat-Amory: My hon. Friend makes an extremely powerful point. We already know that the Electoral Commission has complained to the Government about the privileged position that the Government have given themselves in the run-up to the referendum. We await the Government's response on that point. My hon. Friend correctly says that the commission should widen its inquiries and start to look very carefully at what is in this propagandist, one-sided and partial documentation that the Government are printing and publishing with taxpayers' money and may send to every household. If they send it to public libraries, it will immediately be filed in the fiction department. I would be worried if it were sent to everybody as a basis on which they can make up their minds about the future of the constitution.

Mr. MacShane: Article II-73, to which the right hon. Gentleman referred, reads:

"The arts and scientific research shall be free of constraint. Academic freedom shall be respected."

I rather thought that since Galileo and Newton that was a fundamental position of British freedom. If the right hon. Gentleman is now saying the opposite—that we should not write this in as a common rule that we want other EU member states to respect, this is not the Conservative party but a return to some mediaeval rejection of freedom for arts and scientific research and, above all, the freedom of academe to do their work as they think best. The right hon. Gentleman is on very odd ground.

Mr. Heathcoat-Amory: The Minister for Europe has missed the point again. I am not saying that the right is good or bad; I am disputing the Foreign Office's assertion that it is not new. It is clear from the explanations to article 13 that it is a new right. They state:

"This right is deduced primarily from the right to freedom of thought and expression."

I am not considering thought and expression but the possibility of countervailing laws to circumscribe and restrict the right of a scientist to undertake procedures and experiments being deemed illegal under the charter. We can debate whether that is good or bad on another occasion. I am keen on animal welfare and I believe that scientists should be constrained by law in what they can do to animals. However, a scientist would claim that, under the article, his right to research is entirely unrestricted. That is new. There is nothing about that in the European convention on human rights or the existing treaty. It is therefore factually incorrect to claim that the right is not new. I should like the Minister for Europe, at the end of the debate and after taking advice, to correct the contents of this taxpayer-funded document.

Ms Stuart: I realise that we are now in danger of making anyone who may still be listening to the debate switch off completely. However, although the right hon. Gentleman makes a legitimate point, which he is right to raise, does not article 51, which deals with the field of application at the end of the charter of fundamental rights, cover it? The British Government have gone to extraordinary lengths to get what are called horizontal clauses included to ensure that the provisions of the charter apply to the institutions, bodies, offices and agencies of the Union. The provisions therefore relate only to the Union's agencies, not to member states.

Mr. Heathcoat-Amory: I hesitate to correct the hon. Lady, but she knows that the charter covers not only EU institutions but member states when they implement EU directives or regulations. As I said earlier, the constitution states that the EU will be able to legislate on research and development. It is therefore entirely plausible that the EU will pass laws on scientific research that member states have to implement. A scientist could therefore easily appeal to the European Court of Justice if he were restricted in any way. Even the hon. Lady's comments do not undermine my point that the right is new. Nothing like it exists, and that contradicts the assertion in the document to which I have alluded.

If Government literature is inaccurate and the original text, which I have in my hand, is ludicrously long, how will people make up their minds about the European constitution? I suspect that they will do that by asking themselves some simple questions: do they want more powers to be transferred to the EU? How have the existing EU institutions discharged their current powers?

On transfer, there can be no doubt. The Union advances into new areas—competencies, as they are called—such as criminal justice. Sixty-three new matters will be subjected to majority voting for the first time. The excuse for that is that it will make the EU more efficient. By efficiency, the ability to pass more EU

legislation is meant. Last year, the European Scrutiny Committee, of which I am a member, examined 1,080 new proposals from the EU. We do not therefore suffer from lack of EU legislation. The Foreign Secretary said in his opening remarks that the Commission was girding itself to repeal possibly up to 100 items of legislation. That is a tiny percentage of even one year's output from the current EU under the existing treaties.

The pamphlet gets one thing right when it states that the constitution

"gives national parliaments the power to ask for changes to proposed European laws."

Thanks very much. We shall have the power to request changes. We have that at the moment, but we do not have the power to do anything about the avalanche of new regulations. The Government regularly mention the need for fewer business regulations—I have lost count of the times I have heard Ministers claiming that it will all be different in future. They say that the EU has turned over a new leaf and often point to conclusions at the end of European summits, where it is solemnly agreed that the EU will regulate in future only when absolutely necessary. I shall give only one example to the contrary.

In the new Session, we must transpose into British law the art resale levy, known in French as the droit de suite directive. It insists that when a work of art by a living artist is resold, a small percentage has to be collected and paid to the artist. It applies in France and Germany, with the result that works of art of any value are sold not in France or Germany but in London. Under majority voting—with the British Government, I am glad to say, voting against it—the new directive will be imposed on the British art market. American art dealers cannot believe their luck. Expensive and valuable works of art will be taken from the London art market, flown across the Atlantic and sold in New York where, of course, the levy will not be paid.

Yet the EU and the Government signed up to the Lisbon process, which is supposed to be about competitiveness and making us a high growth zone in the new global business environment. It would be comic if it were not so tragic. Of course, the constitution contains nothing that will do anything about the matter. Indeed, it will make matters worse because the Union is now advancing into new areas such as energy. New majority voting will overwhelm us in the remaining matters where we continue to have a veto.

Let us consider the point about whether existing institutions discharge even their current budgetary powers efficiently or effectively. I can add little to the comments of my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) on the subject. He mentioned Marta Andreasen, whom I met last week when she came to London to give a speech. I had dinner with her and others afterwards and it was sad to hear her recount her lonely struggle to bring some sense into the European accounting system. She described how European accounts do not even have double entry bookkeeping. That was invented 500 years ago in Venice but it has not yet reached Brussels. We are considering not a small amount of money but a budget of 100 billion euros a year. Mrs. Andreasen, who was the first qualified accountant to be made chief accountant, did what any accountant would do. When she discovered the mess, she started to complain about it and see her superiors. She was eventually sacked for disloyalty, and it is particularly shameful that the European Parliament, which is supposed to stand up for the rights of taxpayers, refused to give her a hearing. During the whole messy business of her dismissal, another scandal arose in EUROSTAT, the agency that draws up official statistics for the European Union. It was found to be riddled with fraud and error, and slush funds and hidden accounts were discovered. Once again, no one lost their job. The only people who lose their jobs in the EU are the whistleblower who draw attention to the problems in the first place.

Mr. Brady: The EUROSTAT affair is linked to the point that the Minister for Europe made to my right hon. Friend the Member for Richmond, Yorks (Mr. Hague). Those funds should be spent and controlled directly by the Commission, yet there is no control and rampant fraud.

Mr. Heathcoat-Amory: My hon. Friend is quite right. The excuse that much of the money is spent in member states is a feeble one. The accounting system is based in Brussels, and Mrs. Andreasen told us that there is no audit trail at all. When something goes wrong, it cannot be traced back to the person responsible in the Commission's accounting department for authorising that money. There is a complete lack of accountability at every level, and it will get much worse under the European constitution, because the same institutions will be given even more powers and staff. The whole thing will get bigger, even though its foundations are shaky.

In the Convention on the Future of Europe, I tabled a number of amendments to try to rectify the position. I suggested that when the European Court of Auditors discovered problems in a budget line, further money should not be spent under that budget heading until the auditors were happy. If there was fraud, mismanagement and waste in a national programme operated by a member state, no money would be spent at all the following year. We would simply turn off the tap. Of course, no one took the slightest notice of my amendments, because the people who drafted the European constitution are employed in the institutions and will receive all the extra powers and, indeed, expenditure.

The European Union has an enormous problem. It has suffered a loss of public confidence, and there is a growing gap between the European political class and ordinary members of the public. The constitution, instead of solving those problems and reforming the institutions, makes everything much worse. My concluding thought is simply that it does not have to be like that. This should not be the only Europe on offer. There is a new, different and better Europe trying to be born, but the first thing that we must do is get rid of this wretched European constitution. Fortunately, the means to do so exist in the referendum that we have been promised. I challenge the Government to give the people a say on the constitution in the referendum without further delay.

3.32 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): I am pleased to participate in our debate and to follow so many interesting and good speakers, especially the right hon. Member for Wells (Mr. Heathcoat-Amory) and the right hon. Member for Richmond, Yorks (Mr. Hague), who gave an excellent and entertaining speech. There have been many other good speeches, but I was particularly struck by those two. Like the right hon. Gentlemen, I strongly oppose the current proposals on Europe, although we probably differ on what we want in their place. However, we can debate that another time.

I did not intend to talk about the euro, but I shall dwell on it because we have moved in a positive direction. Five years ago, the Socialist Campaign Group of Labour MPs, to which I am proud to belong, invited Sir Edward George to an open meeting. He made a sound case against the euro, and I asked him whether he was suggesting that it should be kicked into the long grass. He said, "Yes, it should be kicked a long way into the very long grass." It clearly is in the very long grass now and I am sure that Sir Edward, in his retirement, will be pleased about that—as, indeed, am I. One need only compare unemployment in the eurozone and than in Britain since the establishment of the euro to see that things are getting worse there. We are doing relatively better outside the eurozone—the constraints of membership will cause serious political stresses in those countries very soon, especially with the depreciation of the dollar, which could cut the eurozone economy off at the knees. Those countries must start to manage their economies very differently.

My right hon. Friend the Foreign Secretary spoke about Turkey. I am an enthusiastic member of European Standing Committee B, an exciting scrutiny Committee; unfortunately, not too many members of it attend, and most interestingly, the Liberal Democrat members hardly ever attend. Given that the Liberal Democrats are the most enthusiastic Europhiles in the House, I am surprised that they do not attend, because the Committee is always interesting.

Mr. Anthony Steen (Totnes) (Con): As a member of the European Scrutiny Committee, like my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) and my hon. Friend the Member for Stone (Mr. Cash), may I tell the hon. Gentleman that our Committee is in exactly the same position? The Liberal Democrat members never turn up.

Mr. Hopkins: I have not yet reached that elevated position, but I am fascinated to hear about it. I should point out, however, that some Liberal Democrat Members have, like me, a more sensible view of such matters—one of them is in the Chamber today, and I understand that there are one or two others. I digress.

We were all in favour of Turkey applying for membership of the European Union, although that is some way off at this stage. I have always been in favour of enlargement, precisely because it will make Europe a much looser association of states, and more power will inevitably move to member states and away from the centre. I push that argument whenever I can, and the admission of Turkey would certainly have that effect.

Some questions were raised about Turkey's membership. Amnesty still has some concerns about Turkey's human rights record—although it is improving, it still has some way to go. It is important that we press the human rights argument at every turn. We do not want backsliding in that respect anywhere in the European Union and we must keep pressing Turkey on that point.

Interestingly, the document that we read talked about the need for more public sector restructuring, which, I think, is code for privatisation. I do not want a Europe that makes privatisation a condition of membership. I am against privatisation of our public services, and Turkey should not be pressed in that direction either. Apparently, 80 per cent. of its economy is already in the private sector, so 20 per cent. in the public sector is not unreasonable for a modern, democratic state.

The document also raised the issue of the common agricultural policy. Clearly, that would be problematic, as a much poorer country with a very large agricultural sector would put enormous pressure on the CAP. The document said that the CAP would be applied only in a limited way to Turkey. It did not even say that there would be a phasing-in of the CAP arrangements, as is the case for other new member states, I think, but that there would not be full membership of the CAP. I will return to the CAP later.

A broader point has been raised about whether Turkey is part of what we might know as Europe. That is not an unreasonable point. It is perfectly reasonable for Turkey to join the organisation, however, although perhaps we ought to give it a different name, as I suggested in European Standing Committee B. I have wrestled with possible different names, none of which sound impressive or snappy, but one possibility would be the "Western Eurasian Association of Democratic States". That would be a reasonable description—[HON. MEMBERS: "WEADS?"]

Ms Stuart: I am always puzzled by this argument, because no one in history has referred to Turkey as the sick man of Asia. It was always referred to as the sick man of Europe.

Mr. Hopkins: I do not take a hard line on such issues, but I know that some do not regard Turkey as part of what we know as Europe. I am prepared to be corrected on that.

In time, however, I believe that other states, further afield, might want to join the organisation. For example—these are realistic possibilities—some of the Francophone north African states, as they move towards becoming much more democratic and modern, might want to join. Indeed, I think that France would be keen to have at least one other Francophone country inside the European Union, or whatever it becomes, to bolster the Francophone component, as such countries speak French as their primary language, after Arabic, I suppose.

Europe will be a looser association of states. The imposition of a rigid set of rules and a rigid constitution was conjured up in the minds of those like Sir Edward Heath who thought of the European Union as a smaller group of western nations essentially based around France and Germany—the post-war deal. Those who

still have that mindset about the design of Europe are wrong about the future, because Europe will not be like that. It is a great mistake to impose rigidities on it.

The Foreign Secretary referred to the budget. As we have heard, the Court of Auditors has failed to sign off the Commission's expenditure for the 10th consecutive year. The budget is clearly not audited properly. It is not run by accountants. Many of my hon. Friends—fine people—are accountants, and they are doubtless very worried about the state of the European Union's finances.

The Foreign Secretary made a good point about the need to reduce the proportion of member states' national income to be contributed to the European budget. That is an excellent proposal, but implementing it would be politically difficult—although there is one simple way in which that could be achieved at a stroke. As I have said before, abolishing the common agricultural policy would solve many problems: the problems caused by new nations joining the EU, our own rebate problem, and problems that the CAP causes in the wider world.

I have often described the CAP as an elephant on the lawn. When people talk about reform they turn the elephant around occasionally, or take a little of its food away temporarily. Perhaps it does not grow so much in one year, and then grows more in another. It is still there, though—and elephants rightly belong in Africa and Asia. Indeed, if I may pursue the metaphor, if we helped the agricultural nations in Africa and Asia rather than the agriculture sector in the EU, we would do a better job for the world and would be seen in a more benign light by those outside the EU for whom the CAP causes great difficulties.

The CAP should simply be abolished and agriculture policy should be repatriated to member states. If Britain withdrew from the CAP—if that were possible—we would do better outside it. We would not have to make the contributions and we would even have an opportunity to buy cheap surpluses.

Mr. Burnett: As usual, the hon. Gentleman is making profoundly sound points about matters such as the constitution and the euro, although I am disappointed that he did not give us a little meander through the growth and stability pact.

Does the hon. Gentleman agree that the CAP is, in a sense, a voluntary policy? Dairy quotas were imposed on us in about 1982 or 1983. I do not know whether Italy still operates that system, but it is preposterous. Has the hon. Gentleman any views on the common fisheries policy?

Mr. Hopkins: I have made too many meanders already, but I will say that I also oppose the common fisheries policy, to which many more able speakers have referred. People ask me why I comment on the CFP, given that I represent Luton, North, which is a long way from the fishing fleets. My hon. Friend the Member for Great Grimsby (Mr. Mitchell) frequently speaks about the issue.The growth and stability pact is also a nonsense. I have spoken about it before and I fear that I would speak for too long if I went into it now, but I agree with the hon. Gentleman. The question of whether countries are adhering to the pact seems to trouble the Commission almost weekly.

There are problems with structural funds as well. Much of Britain's structural fund spending is to be removed. In that instance at least we received some kind of payback for our EU membership, although not as much as other countries. In fact, many of my hon. Friends who enthuse about the EU do so simply because they have received little bits of European money in their constituencies. Well, those little bits of European money will not be there in future; they will be replaced, I understand, by our own domestic Government spending. I am very pleased for the areas that need the money, but I think that that will make people feel rather differently about the EU.

We will in fact be paying in more, because we will not be getting anything back. If we could guarantee that all the extra money that we pay out will go to the poorer nations and help the new member states to raise their living standards, and to converge with richer countries such as us, that would be fine. But we know that at least 50 per cent. of the budget will be swallowed up by the CAP—and it is the CAP that causes the problems.

The structural funds arrangement is clumsy. It is designed to keep people enthusiastic about the European Union by paying money directly to regions and labelling it as European money. I would prefer a simple fiscal transfer arrangement whereby rich countries pay in, poorer ones take out and the latter decide democratically what they want to do with that extra money.

Tony Baldry: Is there anything in the European Union that the hon. Gentleman thinks worth while?

Mr. Hopkins: Belonging to an association of states with shared values in terms of democracy, human rights, the economy, the welfare state, redistribution and trade union and workers' rights is important, and those are the values that I would stress. Other organisations to which we belong, such as the Commonwealth, do not have that many rules; nevertheless, there is still a sense of their being right. The Europe that I am looking to would of course be a much closer arrangement than the Commonwealth, but even the Commonwealth does at least attempt to insist on certain standards of democratic behaviour. We must do the same within the European Union.

I should point out that I certainly regard myself as a European. I am enthusiastic about Europe in every sense—culturally and historically—and I go on holiday there every year. I try to speak European languages and almost all the things that I enjoy—perhaps barring jazz, which is African-American—are connected with Europe. I love nothing better than discussing issues such as these with European socialists; indeed, I was doing so only this morning during a very pleasurable meeting with a left-wing politician from Denmark. I discovered that we had shared cultural attitudes and I found the conversation interesting and stimulating.

As I have pointed out before, in the 1970s and 1980s we urged that European economies should be run according to a policy of co-ordinated reflation, in an effort to overcome the problem of unemployment. Such a policy would be very sensible and much better than the rigid deflation currently taking place in the eurozone. We could easily replace the eurozone with co-ordinated reflation to good effect, and there would be benefits all round.

[Mr. Hopkins]

Mention has been made of the aid budget, which is frequently discussed in European Standing Committee B. I apologise for continually referring to that Committee, but I am an enthusiastic member of it. We know that the Department for International Development does an excellent job with its aid budget. Our reputation is high throughout the world in that regard, and especially since the Treasury took the unusual step of forming a holy alliance with DFID in an effort to push the aid budget. Of course, we should spend more—all rich countries should—but we are doing well. The aid is distributed efficiently and is going to the right places, which is in marked contrast with what happens in the EU.

We have already heard about corruption in the EU, but even when corruption is not involved, EU aid distribution is very inefficient and misdirected. Such aid does not go to the poorest nations in sub-Saharan Africa. Much of it goes to the slightly better off countries in northern Africa—the Francophone countries—in what amounts to a political deal. Aid should not be about political deals, but about helping those who need help. We could repatriate the aid budget to the benefit not of ourselves, but of those who receive it. Such distribution would be more efficient and, as a result, our reputation in these matters would be even higher than it is.

I come to an issue that was raised by my hon. Friend the Member for Cannock Chase (Tony Wright) at a recent meeting in Paris. He said that Europe had become rather à la carte. Despite attempts at rigid control from the centre, Europe has, in reality, become à la carte: some member states belong to the eurozone and some do not; some sign up to Schengen and some do not. In some respects, we have opted out and have derogations from European legislation. The Prime Minister has insisted on some of them, and quite rightly so. I believe that there are other respects in which, even now, we would do well to seek exemptions.

One such example would be the alcohol and tobacco duties regime. Britain has the right approach to taxing and imposing duties on alcohol and tobacco, keeping up the price for public health reasons. It is also a tremendous producer of revenue that can be spent on other vital aspects of public services. Yet we are being constantly undermined by doubt about the precise rules governing our personal imports of alcohol and tobacco. If there were a definite numerical limit—a lower one than is implied now, and not just guidance about personal use—to the amount of alcohol that could be imported, and if there were rigid controls over the amount of tobacco coming in it would be beneficial in every possible way. Above all, it would raise money for good purposes.

We were told in the pre-Budget speech, if I remember correctly, that the evasion of tobacco duties is equivalent to about £2.5 billion a year. For half the amount that we lose through the smuggling of tobacco, we could have free long-term care for the elderly. If we had an understanding with Brussels that we were exempt from its insistence on an open market in tobacco and alcohol, we could reap all-round benefits to public health and have more money to spend on other valuable services.

The problem with Europe is that it is governed by political elites. I am indebted to a colleague in the No campaign for pointing out that Europe's political elites at the top level—the diplomats and governing minorities—are always enthusiastic about Europe. If we come down to the next layer—perhaps to the Parliaments—we will find some sceptics, making more of a balance overall. Probably the majority will go along with the elite because they seek advancement in government and so forth, but at least a proportion of people will be less enthusiastic. By the time we get down to the electorate, we find that a very large number of people, sometimes majorities, are sceptical, and the elites are always worried about such majorities. It seems to me that, in the end, elites have to be governed by majorities. The people have to make their choice and they are not fools, despite the propaganda constantly pumped at them—particularly on the continent—by the elites. The people still seem to have sceptical views because they have a feeling that something is being taken away from them.

The Swedes voted no in their euro referendum because they believed that their welfare state, which is well funded on the basis of a high level of taxation, would be taken away from them. That prospect frightened many people on the left—working people, trade unionists, social democrats and so forth—into voting no. Opposition to the euro was not right-wing, but left-wing—and quite rightly so. Those people saw the EU moving in a neo-liberal direction, which they did not want. The struggle on economics inside the EU is between social democracy and neo-liberalism, and many working people do not want neo-liberalism.

Mr. Cash: As the hon. Gentleman knows, I share many of his views on questions of principle about the EU. I speak to him in a spirit of mutual constructiveness about problems on the left-wing side of the argument. I am thinking of Laurent Fabius in France and the Labour party in this Parliament. I know of many early-day motions and expressions of concern from Labour Members, but I am not convinced that I have ever seen anything that I would regard as a serious revolt over Europe, equivalent to what occurs in the Conservative party. When push comes to shove, I believe that such revolts are the only way in which these matters will ultimately be resolved.

Mr. Hopkins: I do not want to remind the hon. Gentleman about this, but the previous Conservative Government voted for Maastricht. When they went into opposition, the Conservatives underwent a conversion and opposed it. It is interesting that, in Britain especially, political parties tend to be sceptical about Europe when they are in opposition, and to change their minds when in government. I may be old fashioned, but my rigid mind means that I have not changed my views for a long time. I am always happy to be challenged about what I say—politicians have to be like that—but I have not been persuaded that my view is incorrect.

I have been speaking for rather a long time, but a few interventions have led me down paths that I was not able to pursue. I believe that a case can be made for a democratic socialist Europe, but not for a neo-liberal Europe. I and others support a democratic socialist Europe, through the Centre for Social Europe and other organisations.

There is a legitimate and strong socialist case against the constitution. I hope that the constitution will be voted down by one country or another when the matter goes to referendum and that it will not come into force. That would allow us to return to the present status quo and to argue more sensibly for a better Europe with full employment, equality, proper social protection and pensions, and a welfare state that benefits everyone.

I consider myself to be a good European because I want a good Europe for all Europeans, and one that is beneficial in the wider world. The approach adopted by me and those comrades who share my view is the way forward.

3.56 pm

Tony Baldry (Banbury) (Con): It was worth turning up to this debate just to hear the hon. Member for Luton, North (Mr. Hopkins), who represents a species of politician that I thought had died out with the Labour Euro-Safeguards campaign. The Minister for Europe can never again dare to associate the no campaign or Euroscepticism solely with the Conservative party. We have just heard the authentic voice of Eurosceptic Labour, and even the word "comrades" was used. Clearly, it is worth hearing that voice more often, explaining the Euro-Safeguards campaign. I thought that people who used such language had all been purged from the new model Labour party.

I give advance warning to the House that my speech this afternoon will have two parts. The first part will be very bad tempered, and the second very tedious. I shall begin with the bad-tempered bit. European policy affects pretty well everything that we do in this House and in this country. It is not acceptable that it is debated only in the European Standing Committees and the Select Committee on European Scrutiny.

As Chairman of the Select Committee on International Development, I was fortunate to be able to attend the trade negotiations at Cancún, and I am grateful to the Government for that invitation. However, that visit brought it home to me that the EU negotiates in those areas, such as trade policy, where it has total competence. Pascal Lamy had very little time to brief Ministers from the nations involved about what was happening in the trade negotiations. In fact, the Secretary of State for Trade and Industry spent a large chunk of her visit in Honduras, where she opened an embassy and a new office for the Department for International Development. I am sad to say that the office was closed recently because of cuts in the relevant bit of DFID's budget as a result of extra spending on Iraq.

I shall speak about trade policy later, which is now an EU competence. We ought to have a debate on EU trade policy at least once a year, with the Secretary of State for Trade and Industry at the Dispatch Box.

The House will know that my principal interest in this House at the moment is my chairmanship of the International Development Committee. We have lots of cockshies: we had one today in DFID questions, and when the hon. Member for Luton, North spoke a moment ago about EU development assistance. All sorts of arguments can be put forward about the external affairs budget, and so on. We never have a coherent debate in the House on EU development assistance at which the Secretary of State for International Development gives an account of the quarter of all UK development spending that goes to the EU.

Not long ago, the International Development Committee published a report on migration and development, including many issues that relate to the European Union, such as migration policy and the recruitment of doctors, nurses and other skilled people from developing countries. We did not have a debate on that.

Twice a year, we have these debates on Europe, but they are like group therapy sessions. The usual suspects turn up and make pretty much the same speeches—they are good and enjoyable speeches, but we do not move on much. My bad-tempered point is that the Procedure Committee should look at how we can find more time for debates on the Floor of the House on specific motions on Europe and EU policy, rather than just these general debates twice a year, which are no proper substitute for accountable debate. The Minister for Europe is an honourable man and I am sure that he will ensure that Ministers in other Departments read what colleagues on both sides of the House have said today on specific policy areas, but no coherence will emerge if we just have these group therapy sessions.

The comments made by my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) were important. At some stage before the end of this Parliament, we should have a proper debate on the constitution. I am prepared to bet any amount of money that the Government business managers will do anything other than have a debate on the constitution on the Floor of the House before this Parliament finishes. If an issue is as important as our membership of the European Union, we should give more time to specific motions on it on the Floor of the House.

It is now time for my tedious bit.

Mr. MacShane: That was not too bad.

Tony Baldry: Well, the tedious bit will be really tedious.

The International Development Committee recently took evidence from officials from the Department for International Development and the Department of Trade and Industry on Cotonou. We all left the meeting feeling that we had failed the House—and the House itself had failed—by not giving any proper attention to Cotonou and its potential impact on developing countries. It is certainly as important as Doha. Glenys Kinnock, who was co-president of the ACP-EU Joint Parliamentary Assembly, described Cotonou as the bedrock of Europe's development policy, but there has been little debate about it in this House. Indeed, since Cotonou was agreed in 2000 and trade negotiations begun, only one article—that I could find—has been published in the UK press. There have been no statements to the House on Cotonou.

A few weeks ago, the Under-Secretary of State for International Development was in Brussels to discuss issues surrounding Cotonou, but no subsequent statement was made to the House—not even a written statement in *Hansard*. On 3 December, there was a ministerial meeting to review the Cotonou agreement, but again no statement was made to the House—not

[Tony Baldry]

even a written one. On 2 December, there was at least a debate in Westminster Hall on the Caribbean and that brought the first mention of Cotonou in the House since an oral question three Sessions ago. These trade negotiations will have a significant impact on Caribbean countries—a quarter of the Commonwealth is in the Caribbean—and on the many poor, least developed countries in Africa and the Pacific. Indeed, the Prime Minister is talking about a Commission for Africa next year.

The Under-Secretary would not have volunteered any information on Cotonou in Westminster Hall unless he had been prompted to do so. Even then, he gave us only a short paragraph that had been passed to him by officials—and that was despite having been in Brussels the previous week to discuss Cotonou and at a ministerial meeting on the issue the next day. The coalition against the European Commission's proposals on Cotonou is widespread. The solitary press article to which I alluded earlier appeared in the *Financial Times* almost two years ago. It raised the concerns set out in a World Bank report, which called on Cotonou to be radically simplified—an important point, given that EU commissioners will have more bag carriers at trade summits than African, Caribbean and Pacific countries will have lawyers. Non-governmental organisations, including ActionAid, Oxfam, Christian Aid, CAFOD—the Catholic Agency for Overseas Development—and a number of others, have been circulating Members with a briefing entitled "Six Reasons to Oppose Economic Partnership Agreements in their Current Form". I acknowledge that economic partnership agreements are part of the tedious language of trade negotiations, which is why it might be helpful if debates such as this could take place when the Secretary of State for Trade and Industry was in the Chamber to answer them; however, they are the new instruments that will be introduced to replace the existing arrangements with ACP nations.

Earlier this month, officials from the Department for International Development and the Department of Trade and Industry gave evidence on Cotonou to the International Development Committee. After hearing that evidence, every member of the Committee believes that we have not sufficiently kept our eyes on the ball on Cotonou and on the impact that discussions will have on the least developed countries, in particular the ACP countries.

One of the officials described the negotiations on Cotonou as

"a highly uneven playing field"

for developing countries to negotiate on. There is no idiot's guide to Cotonou, but these are the basics. In 2000, the Cotonou agreement replaced Lomé, and it marked a shift from non-reciprocal tariff preferences to establishing reciprocal trade agreements for all ACP countries. The Cotonou agreement proposes to create World Trade Organisation-compatible economic partnership agreements—EPAs—between the EU and the six ACP regions. The ACP group will continue to exist, but its role and scope will be radically altered. That will mean that quite wealthy countries, such as the Bahamas, will negotiate with quite poor countries, such as St. Kitts and Nevis, under the same arrangements.

The EU has said that the economic partnership agreements should have a strong developmental emphasis—although we have yet to see evidence of that—but that they should also include reciprocity, so preference will go. In other words, as the markets of the EU open up, the EU expects the markets of the poorer countries to open up simultaneously. In evidence to the Select Committee, officials stated that economic partnership agreements will

"promote development through trade by maintaining ACP preferential access to the EU market".

However, they also said that the regional trade agreements "must include reciprocity". Ministers need to indicate how those two seemingly incompatible objectives—maintaining preferential access and including reciprocity—will be put into effect in a WTO-compatible manner. If that does not happen, which side will the UK be on? Will it be on the side of those who want to help the least developed countries or of those who want to drive a mercantilist solution as speedily as possible?

Officials also said that

"further analysis will need to be done to look at which sectors, and on what time scale, reciprocal market opening by the ACP would best meet their developmental needs".

Who will conduct the analysis and, given that the economic partnership agreements are due to begin in 2008, when will it be carried out?

It should also be remembered that countries such as St. Kitts and Nevis, which has only four trade negotiators, are simultaneousiy having to deal with the ACP negotiations on Cotonou and the Doha negotiations at the WTO, which will be going on until next year. In a recent speech to ACP Heads of State, Kofi Annan said:

"A major concern, for example, is the impact that the trade liberalisation to be wrought by EPAs would have on fiscal revenue. Many of your countries are heavily dependent on income from tariffs for government revenue. The prospect of falling government revenue, combined with falling commodity prices and huge external indebtedness, imposes a heavy burden on your countries and threatens to further hinder your ability to achieve the Millennium Development Goals."

That is rather powerful stuff from the Secretary-General of the United Nations. He is effectively saying that our Prime Minister is setting up a Commission for Africa on the one hand, yet on the other what the European Union, through the Cotonou negotiations, is putting in place threatens, to quote the words of the Secretary-General, to "hinder" least developed countries'

"ability to achieve the Millennium Development Goals."

There does not seem to me to be very much policy coherence. The UN Secretary-General is telling the ACP states that negotiations with Europe will make life a lot more difficult for them rather than a lot easier.

We should consider dropping the principle of reciprocity in the EPA negotiations, because reciprocity between the EU and the ACP countries constitutes a substantial threat to the economies of those nations. Not least is the concern about the uneven playing field on which reciprocity is being negotiated. There has been little coverage of the subject in the UK press, but it has deeply concerned the press and people in the developing world.

The Prime Minister is rightly focusing on Africa as the lead theme for Britain's G8 presidency, so it seems somewhat strange for us to be making life more difficult

for Africa elsewhere. It is simply not acceptable to talk up the EU's commitment to a bilateral agreement at the World Trade Organisation while simultaneously shopping around for what might be more advantageous bilateral deals.

The Government, when they are pressed on these economic partnership agreements, say, "We understand that there are problems here, so perhaps we can come up with some alternatives." One suggestion that officials have come up with, which I think Ministers are toying with, is a suggestion for a generalised system of preferences, but as yet there has been very little discussion of the limits of such systems. It is probable that it will prove impossible to offer all developing countries "Everything but Arms" access, but what steps are the Government taking to ensure that a viable alternative with at least as good access is available to ACP states that do not wish to pursue an economic partnership agreement?

When the Under-Secretary of State for International Development, the hon. Member for Harrow, West (Mr. Thomas), responded during the recent debate on the Caribbean, he said:

"When I was in Brussels this week, I received assurance that the EU does not by any means expect full reciprocity. We have received continual assurances from the EU that it sees EPA as tools for development ... The current EPA negotiations are focused on regional integration. For that reason alone—although there are others—I do not think that we should delay the start of negotiations. They need to continue in tandem with the Doha ... negotiations."—[*Official Report, Westminster Hall*, 2 December 2004; Vol. 428, c. 41WH.]

Hearing that, hon. Members could be excused for gaining the impression that, apart from a few tweaks, all is well in trade policy, yet officials were very much darker just 10 days earlier. On 30 November, they told the International Development Committee:

"I think probably the most worrying area is the fiscal one: that if the ACP or indeed the WTO negotiations forced the ACP, particularly African countries, to reduce their tariffs, they would have a huge problem in terms of their revenue. The World Bank has come up with some figures and it looks extremely grave from their evidence where they have estimated that offering the EU duty free access would incur losses amounting to one per cent of GDP and seven to ten per cent of Government revenue for sub-Saharan Africa. Obviously, therefore, you need to pace this and you need assistance for substantial fiscal reform. That is not the only area, obviously."

The official then went on to explain this other area of real concern. She said that

"the UK as you know is very keen to see conditionality attached to EDF in terms of good governance and properly targeted development, but we certainly would not want to see any conditionality attached to implementing trade reforms. Basically, the work needs to be done, we need a dialogue with the Commission, but obviously it would be helpful if the Committee and others can be saying, do not let us rob Peter to pay Paul."

I entirely agree with that.

The Government have said that next year Africa will be very important, and I am quite sure that we shall hear a lot from the Prime Minister, the Foreign Secretary and others at the beginning of the year about the importance of the G8, the importance of the Commission for Africa, and the importance of Britain's presidency of the European Union in the last six months of next year to take forward their agenda on Africa. However, I ask the Minister for Europe to relay to the Secretary of state for Trade and Industry and others in the Government that if they get the Cotonou negotiations wrong the Commission for Africa will produce no more than hollow words because all it will mean is that the EU will make life in terms of trade, which is, of course, crucial to every developing country, much more difficult than at present in those developing countries.

I had hoped that we would have an opportunity to debate trade policy on its own—we clearly will not—but that is an important part of EU policy, where the Commission largely has competence and the Government need to ensure that the Commission is responding to what I believe is a very considerable consensus in this country that, next year, we should seek to make poverty history, but we will not make poverty history if we do not get the Cotonou trade negotiations right.

4.16 pm

Huw Irranca-Davies (Ogmore) (Lab): It gives me great pleasure to follow the hon. Member for Banbury (Tony Baldry). I was particularly taken with his analogy of this being a group therapy session, something like "Europeans Anonymous", but I am not sure in which role that casts you, Mr. Deputy Speaker—perhaps the group therapist, looking on sagely as we expound our problems and difficulties.

This has been an intelligent and wide-ranging debate, even though I have marked differences of opinion with some of the comments that have been made. I regard myself as coming from the greatest little European country that exists—of course, I am talking about Wales—and it is further to travel to Wales than to France. I am great a pro-Welshman and a great pro-Britisher as well. I am also a strong pro-European, but I share some of the frustrations expressed on the Floor of the House today.

One problem is how we get out and tell people in Ogmore, Caerphilly or Luton that this is a great project and that the steam has not gone out of it. As my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) said earlier, what is the great new dream that we put in front of people? Where is the project going? How do we get youngsters very much involved?

Yesterday evening, I attended a colleague MP's event where young people—new, young aspirant voters—were invited to pin up their thoughts about crime, Europe and international development on stick-it notes on a board. It was noticeable that few comments on Europe and the EU were pinned up, but one said, "I don't think they're doing a very good job in Europe, but I don't know a lot about it either." That is a major problem. How do we communicate not only the difficulties, but the successes and strengths? I am a frustrated pro-European and I am here today in this group therapy session not only to tell people about those problems, but to say what we should perhaps be doing.

Being at the heart of Europe is of direct benefit to Britain. Despite some articulate conversation today, some of what has been said is outdated, Eurosceptic jingoism—not all of it, but there has been an element of that. We need to look at the facts. I stress that we need to look at the European initiatives that create and safeguard jobs across the country. We live on an

[Huw Irranca-Davies]

island—that fact can be regarded as something of a traditional difficulty and as a great strength of ours—but we are also an island that is part of Europe.

Mr. Hopkins: I hope that my hon. Friend's reference to jingoism was not directed towards the left. We have had international meetings with people from France, Sweden, Denmark, Spain and elsewhere this year. We are an international movement of the left, fighting for a socialist Europe.

Huw Irranca-Davies: One aspect of my humble contribution with which my hon. Friend will agree will be the stress that I put on the way in which Europe has been of great benefit to workers' rights and protections. That matter is significant to my hon. Friend's constituents, as it is to mine.

Britain is clearly better off in Europe, and that is not only because of our ability to access to the world's largest single market, with a population that is now more than 450 million, but because we benefit from receiving the lion's share of foreign investment. I know that because my constituency borders the M4 corridor in south Wales. The M4 corridor is a great infrastructure project that has brought investment directly to mid and west Wales.

The UK is something of a gateway to the vast European market. More than 3 million jobs in 800,000 companies depend on the EU. Some 2 million British workers are employed directly by foreign investors. We are now such an integral part of Europe that eight of our 10 top trading partners are based there. The inter-reliance of countries on exports is significant. We now export more to France than to the 50 countries of the Commonwealth, and four times as much to the EU as to the whole of the US.

To touch on the point raised by my hon. Friend the Member for Luton, North (Mr. Hopkins) about discussions with international colleagues and the socialist agenda—I praise the work of our colleagues on the left in such discussions—the direct benefits of adopting the European social chapter in 1997 are being felt throughout the country. I challenge anyone who is sceptical about the wider benefits of Europe to examine the facts to find out the differences that European-led initiatives and funding are making throughout the country, especially in Wales and notably in south Wales.

Despite some scare stories, EU legislation has spearheaded initiatives to drive the economy forward, and it has made British countries able to compete in a global environment. However, to the people of Britain and Wales—and workers in Ogmore—EU membership means much more than simply free market opportunities for goods and services. It has led to fundamental improvements to working conditions and a minimum level of workplace rights. Those rights, which were voted through with the support of Labour MEPs, include a reduced maximum working week of 48 hours, which has been of particular benefit to families and has had an impact on reducing work-related stress. Further rights coupled with that include entitlements to paid leave and one day off a week. It might seem to Conservative Members that I am offloading something, but if we are talking in terms of group therapy, it is important to offload such information and remind people, especially in the light of much of today's debate, about the good that has been achieved through the EU.

It is not only full-time workers who have benefited from advances in workers' rights. Some 6 million British citizens, most of whom are women, have benefited from the part-time workers' law, which guarantees them equal rights to paid leave, pensions, maternity rights, access to training and other company perks and benefits. That fundamental change has been driven through in the European Union by Labour MEPs and others. Up to 1.3 million temporary workers have benefited from an EU law that has granted them conditions comparable to those of people on full-time contracts.

Many advantages have been gained through the EU, yet we do not often hear them covered in such debates or media representations of them. Somehow we prefer to dwell on what is perceived as the ridiculous, the unfortunate, the regrettable and the errors, but we forget the great advances that we have made, not least on workplace protections and rights.

One aspect is health and safety. British workers have benefited from the greater health and safety protection guaranteed by the EU, which is especially significant when one considers that 500,000 people in western Europe will die as a direct consequence of previous exposure to asbestos. That is of particular importance in my constituency, not because we have a prevalence of asbestos-related disease, but because those in my constituency who were affected looked across the UK to find support groups. They were also anxious to lobby for the protection of workers in future. Although it is already strictly controlled in Britain, the marketing and use of asbestos will be banned throughout the EU from 2005. Asbestos will continue to pose a risk for those working on older buildings—electricians, builders, plumbers and all crafts. That is why Labour MEPs backed a new package of safety and training measures to target workers who will continue to be exposed to asbestos.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): The hon. Gentleman is making an interesting and salient speech, but I hope that he is not suggesting that the Government, regardless of persuasion, would not have passed such measures anyway. Common sense dictates that we protect people from asbestos. I am sure he is aware that at Turner and Newell 40,000 people have lost their pensions because of asbestos claims from America.

Huw Irranca-Davies: I hope that no Government of any persuasion would object to asbestos protection measures. My point is that they were introduced with the vociferous support of Labour MEPs in particular.

Europe-wide measures such as those are forging a working environment in which workers take precedence over company profits and exploitation, which are being banished from our great continent. We should embrace Europe and the Government's role at the forefront of the European project, not sideline ourselves from what is being achieved in Europe for the people of Britain, the working people of Wales and my constituents. It is time

to move on and discover the new vision—the dream that will engage the youth and others in the European project.

Mr. Wayne David (Caerphilly) (Lab): Before my hon. Friend moves on to the European vision, will he confirm or dispel the suggestion that the new constitutional treaty will be good for the workers of this country? I believe that will be the case. Does he agree?

Huw Irranca-Davies: I entirely agree. The European constitution is undoubtedly part of the process of reform. I described myself at the beginning of my contribution as a frustrated European. I do not for one moment assume that everything in the EU is perfect—far from it. Many hon. Members in all parts of the House have identified problems of clarity, accountability and fraud. All those diminish confidence in the European Union, but if we focus on the problems to the exclusion of all the achievements, we jeopardise the whole project and the success that can emanate from it.

The European Union has allocated £1.5 billion in structural funds to Wales in 2005–06. With matching funding from various sources—public, private and voluntary—that brings the total structural funds available to more than £3.2 billion. Under the guidance of WEFO—the Welsh European Funding Office—those funds directly benefit some of the poorest and most ostracised members of our communities, many of them in my constituency. Projects set up with European funding have boosted job prospects for many in south Wales and lifted community morale. There is a direct relationship between the turnaround in communities and community spirit, and the European funding that is going into a great variety of projects. For example, Bridgend Youth Focus, a project set up with European funding, is receiving £2,927,000 to help young people who are most at risk from social exclusion begin to lead valued social and economic roles in their communities. It tackles health, welfare, education and training, and provides personal support programmes. Some of the most vulnerable youngsters benefit directly from our engagement with the European Union.

Mr. Brady: The hon. Gentleman is talking about large sums of structural fund money benefiting Wales. Is he suggesting that if the British Government were directly responsible for spending that British taxpayers' money and it was not channelled through the EU, it would not be spent in Wales?

Huw Irranca-Davies: I am glad to have received that intervention, as I shall certainly place on record an expression of my confidence that, if the distributor putting such funds towards helping the most vulnerable and ostracised in our society were a Labour Government, that money would indeed go to those communities.

Other youth support projects have been set up in Porthcawl and the Lynfi valley with European social fund grants. To date, more than 2,000 projects have been approved, totalling more than £1.1 billion over the past few years in my constituency alone, or for those who would prefer it, €1.6 billion.

My hon. Friend the Member for Luton, North said that, whatever replaced the structural funding, we should look to ensure that we still protected such communities. I echo that sentiment. Whatever proposals the Minister or the Treasury make, we should ensure that those funds continue to be diverted to the areas where they are of most use.

In Bridgend, a rural economy action project was set up with a European grant enabling strategic support to be given to sustainable regeneration of its rural communities. In particular, an intermediate labour market initiative, again boosted by European support, aims to assist the long-term unemployed back to work and is undertaking programmes of work that aim to contribute to the regeneration of the environment and to help and stimulate the growth of new green businesses and social enterprises.

That use of European funding directly ties in with the Government's overall objectives not only in terms of employment, but of training and skills development. With such projects under way, deprived communities rebuilding themselves and employment prospects rising, people in Ogmore, Wales and across the whole of Britain will want the EU to continue.

Mr. Liddell-Grainger: I thank the hon. Gentleman for his incredible patience in giving way. He will know that I look across the bay from Bridgwater to his constituency. It may interest him to know that the Welsh Development Agency and others have tried to steal businesses from Bridgwater, which is an industrial town, for Wales. He may say that there is nothing wrong with that and that it is merely competition, but my area does not have any European funding at all, while his does. Does he think that that is right?

Huw Irranca-Davies: The only remark with which I take issue is the suggestion that the Welsh Development Agency is stealing investment. It has been singularly successful in attracting investment to Wales. I pay tribute to the work that the WDA has done. I agree with the hon. Gentleman that there is a competitive environment, but the WDA has been singularly successful in attracting investment, as is reflected in my speech. I realise that its success has also meant that other regions have lost out on some occasions. Sometimes we lose out as well.

With the British presidency of the EU next year, the opportunity to fulfil the Lisbon strategy and make it come to fruition as part of a co-ordinated Europe-wide effort led by Britain should not be missed. Britain is already achieving key indicators set by the Kok report, such as those on employment, and is set to be second only to the Danes, Swedes and Finns in areas such as research and development, child care, science and lifelong learning. Why is it wrong for Britain to lead a European effort to achieve those targets, when it obviously benefits Britain, Europe and all of us to continue to seek reform? This country is succeeding as a leader in the EU whose aim is to lift productivity, employment, opportunity and fairness in an environmentally sustainable economy. That success has been nourished, sustained and safeguarded by membership of the Union, which increasingly looks to us for innovative policies that work and for a Europe that works.

[Huw Irranca-Davies]

The accession of Turkey is a great opportunity. That point relates to the core of my speech that the EU is a union of not only open financial markets and so on, but of values, not least of which are human rights. The EU cannot, as one Conservative Member mentioned, simply be a trading association. The EU has a greater role as a propagator of fundamental humanitarian values that all progressive EU nations hold, which is its strength. A European Free Trade Association-style organisation would destroy our progress as a community of nations on environmental safeguards, workers' rights and so much more. A pared down economic and trade club is no substitute for a community of nations with shared values—the former knows the price of everything and the value of nothing. The EU, represented by its member states, has beliefs as well as a balance sheet, which is why the accession of Turkey is to be encouraged.

Despite difficulties such as comparative GDP, their judiciaries and their traditional ties to Russia, countries such as Ukraine should not be ruled out from accession in the distant longer term. I concur with the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) that we should not rule that out, because if their values and aspirations are similar to ours, our great EU group should not rule out membership to Ukraine or others.

Mr. David: My hon. Friend has emphasised the need for the European Council to take a positive decision on beginning negotiations with Turkey. Does he agree that Turkey's progress in a relatively short space of time is remarkable? One reason why that progress has been made is the incentive of the possibility of joining the EU at some time in the future.

Huw Irranca-Davies: I agree entirely. My hon. Friend has great knowledge in this sphere and he has made my point far better than I could have done. The EU is far greater than a pure trading entity, because it spreads and propagates values. Although I am extremely positive—I know that my hon. Friend is also very positive about Turkey's accession—we should not let up the pressure on Turkey to reform its domestic agenda.

Andrew Mackinlay (Thurrock) (Lab): I am grateful for the chance to disagree with my hon. Friends, who represent most of south Wales. My hon. Friend the Member for Ogmore (Huw Irranca-Davies) has discussed values, and I have listened carefully to his carefully crafted words. Does he share my view that Turkey cannot accede unless and until it can demonstrate a robust parliamentary democracy and the fulfilment of the Copenhagen criteria, which cannot be diluted?

Huw Irranca-Davies: My hon. Friend has made a wise intervention. His position does not differ greatly from that of the Government, which is that we must see that those criteria are being met as part of the rules for accession. *[Interruption.]* My hon. Friend has thrown me slightly. I understand that hon. Members in the process of group therapy will blank, but I am back on course now. To echo the comments made by my hon. Friend the Member for Leicester, East (Keith Vaz) on enlargement, it is right and proper that we congratulate the Government on the role that they have played at the forefront, sometimes very bravely with opposition from other, more strident voices elsewhere.

In conclusion, where do we go from here? My hon. Friend the Member for Birmingham, Edgbaston and the right hon. Member for Richmond, Yorks (Mr. Hague), who is not in his seat but was here for the bulk of the debate, both argued for change, but from very different perspectives. My hon. Friend spoke of the need for a new dream or vision of Europe that would inspire the young not only of 1987 or 1997 but of 2007. She may not have been aware that, as she made those comments, the right hon. Member for Richmond, Yorks was nodding strongly in agreement. I do not know whether that is a cause for great joy or concern.

We need some new watchwords as we enter a new era with the European Union and address the issue of the European constitution. I suspect that somebody somewhere at the forefront of a marketing company will come up with something really inventive. However, it needs to be based on reform, renewal and reconnection because, despite my unashamed pro-European credentials, I worry as we see from the latest polling figures that we are failing to make the case strongly. That is partly because of our own failure in not singing from the same hymn sheet and not singing loudly enough, and partly because our Government and other Governments need to work much harder to put pressure more strongly on Europeans to go through the process of renewal and reform much more quickly and seriously.

As I approach the end of this group therapy session, I can honestly say that I feel much better now and that I am sure that I will be back for another session. I hope for continued progress and improvement for myself, for other hon. Members and for the European Union.

4.42 pm

Mr. William Cash (Stone) (Con): Having listened to the expressions of the triumph of hope over experience that we have just heard, I should say that I do not wholly negate the views of those who desperately want the European Union to work. The problem is that many of its aspirations, noble as they were in 1945, have been, in fits and starts, gradually subjected to reality. We are now at the crossroads—not exclusively, by any means, in terms of the constitution.

The hon. Member for Ogmore (Huw Irranca-Davies) mentioned polls. A few weeks ago, ICM carried out a poll for the European Foundation, of which I happen to be chairman. It asked this question:

"Some people say that Britain should renegotiate the existing EU treaties so that they are reduced to trade and association agreements. Do you agree or disagree?"

The results were extremely interesting. They showed that 58 per cent. of the population at large agreed with that proposition. Significantly, as I told the right hon. and learned Member for North-East Fife (Sir Menzies Campbell), 65 per cent. of people in Scotland agreed—as did 68 per cent. of 18 to 24-year-olds, which I found exceptionally interesting.

At the heart of the questions that we have been discussing today—and which I have been trying to address since I entered the House in 1984, for which

I make no apology—is the need for reality. We have now reached a point where we are fairly close to it, but it has been a hard slog. There is nothing anti-European about being pro-democracy.

In his concluding remarks, the hon. Member for Ogmore spoke of the necessity—almost as a justification for the constitution—of combining the legal framework of the progression towards political integration with human rights. There is nothing in the existing treaties, as compared with the convention of Strasbourg, about human rights. Some would argue—I do not—that the existing treaties have worked well. I believe that they have not worked well not because of the absence of human rights but for other reasons, which I shall consider shortly.

I would dispute strongly the idea of human rights being the ultimate justification for the constitution of a community of values. After all, this country produced the Magna Carta and the Bill of Rights. In many respects, the American constitution was based on the principles that we had enunciated. Jefferson, at the age of 33, had considerable regard in drafting the constitution, which he did himself in only a few months, to the traditions of the British constitutional arrangements. He took the view—I believe, justifiably—that they had gone off key because we relied too much on a constitutional arrangement that was insufficiently democratic.

The most important human value, right or attribute—the word that I prefer—is democracy. It is the means whereby, through elections, the voters decide how they are to be governed. It enables us to have freedom of speech and debate in the House. The principles in which we believe are entirely based on democracy and its application to the ordinary daily lives of the people whom we have the honour to represent.

My great quarrel with the European Union is over its continuous progress away from the principles of democracy. I have raised repeatedly with the Foreign Secretary the point, which he conceded to me on 9 September, that in the constitution, primacy lies not with the EU but with Acts of Parliament. If the constitution were passed and the House of Commons chose—it is matter of political will—to pass legislation that was inconsistent with any previous enactment, which could, and should in my view, include repeal or amendment of the European Communities Act 1972, judges in the British courts would be obliged not to disapply any subsequent Act but to apply it to the constitution. In other words, as I put it in the European Scrutiny Committee the other day, "UK voters rule OK."

Mr. David: Is the hon. Gentleman suggesting that if the European Union were more democratic and the sovereignty of individual nation states enhanced he would not oppose the EU?

Mr. Cash: In a moment, I shall look at the ingredients of the EU's failure to work. After being elected chairman of the Conservative back-bench committee on European affairs with 62 per cent. of the vote in a secret ballot—I do not know what the result would have been if it was not secret—I was asked in 1990 or 1991 by Lord Hurd of Westwell, who was then Foreign Secretary, to write a paper for the Conservative manifesto committee on the workings of the European Union. It has since been published by Duckworth in "Visions of Europe". I am sure that the book is no longer on sale, but the title of my contribution was "The European Community: Reality and Making It Work". Despite the considerable attempts over the years to demonise my views, I have only ever believed that a framework of co-operation in Europe—I urge hon. Members to notice that I did not use the word "co-ordination", which the hon. Member for Birmingham, Edgbaston (Ms Stuart) used in her speech, because I do not accept that it is part of the process—between truly democratic nation states does not promote nationalism but democracy. Those states could co-operate within a framework that benefits everybody in trade, commerce, industry and, as happened in the war, defence alliances.

Ms Stuart: My colleagues may not thank me, but at the risk of encouraging the hon. Gentleman, I do not understand his accusation that the EU lacks democratic accountability. There are two streams of legitimacy—the Council of Ministers, a directly elected assembly of Government representatives, and the European Parliament, which is also directly elected. The public, however, cannot identify where responsibility lies, and are uneasy about the responsibility deficit. There is not a democratic deficit. If there were, we would fight European elections on a pan-European party ticket, but I would not expect the hon. Gentleman to advocate that.

Mr. Cash: I disagree with the hon. Lady. When decisions are made by QMV about governmental matters, as opposed to matters of trade, that creates serious problems for future elections. The acquis communautaire kicks in, and decisions by British voters, who may wish to change a Government because they do not like the laws that they passed—I would like to repeal many authoritarian laws passed by this Government—are subject to decisions that are binding on this country by virtue of the European Communities Act. We might tolerate for that for the time being, but it prevents us from unravelling those unwanted laws at a general election, which is undemocratic. It is not merely an interference but an inhibition and even a prohibition that prevents the people of this country from changing the laws at an election.

Mr. Richard Bacon (South Norfolk) (Con): Does my hon. Friend agree that the hon. Member for Birmingham, Edgbaston (Ms Stuart) is wrong, because legitimacy does not derive from the Council of Ministers or the European Parliament? It derives from consent. If a body has consent it has legitimacy. If it does not, no matter what is written it does not have legitimacy.

Mr. Cash: I am grateful to my hon. Friend for his contribution, with which I agree.

The issue of the general election can be compared with that of the European Court of Justice, for example. If it makes an adjudication in relation to matters that we might want to change, whether under the constitution, or, as I shall explain, with respect to existing treaties, it is then set in concrete, and our judges are obliged to apply the law, as enunciated by the European Court of Justice as the ultimate jurisdiction. That is yet another

[Mr. Cash]

inhibition, unless, of course, we can change it. My argument, profoundly, is that we can change it, but we must show that we have the political will.

The arguments that I put forward are not exclusively concerned with the issue of the constitution, to which my party is opposed in principle, I am glad to say. I attempted to set out arguments when I was shadow Attorney-General to demonstrate the necessity of regarding that as a matter of fundamental change requiring a referendum, which I am glad that the Government have also accepted, because of the issue of primacy. It is of the highest political importance that we get this right, which is why I am glad to take part in such a lengthy debate.

These matters must be set out as clearly as possible. They relate not just to the mechanics of institutional change, but ultimately and fundamentally, to the way in which we are governed, which I have been trying to argue for the past 15 to 20 years. That is not to say that we need to be entirely negative abut the advantages of co-operation, whether in Europe or in other alliances on the international stage. The issue is how it is prescribed and followed through in practice.

With respect to the question of the United Kingdom and the arrangements for the constitution, before I deal with what the existing treaties contain and why I regard that as a matter to be dealt with now—before the general election and not afterwards—I want to touch on whether the European constitution would survive a no vote in any one of the countries.

It is completely clear—I hope that the Minister will not disagree—that if any one member state fails to ratify the treaty, the draft constitution will not go into force. I think that that is accepted on both sides of the House. What follows from that, however, is that the existing treaties will continue to apply, because their repeal is dependent on those provisions that I put to the Prime Minister in Prime Minister's Questions some months ago—that all the existing treaties will be revoked, and all the laws and regulations, European Court of Justice rulings and the acquis communautaire will be repealed but reapplied, which is the key point, under the new doctrine of primacy prescribed by article 1(5), or 1(6), of the proposed constitution. If that constitution fails, by definition, the existing treaties continue.

What that boils down to is that all kinds of permutations are possible as to what may be decided on at that stage. Ireland and Denmark, for example, went for second bites of the cherry. That was disgraceful—it was disgraceful that my Government allowed that to happen in the case of Denmark, and I said so at the time. There is a question as to what would emerge, apart from the idea that there would be a rerun of a referendum, which I regard as pretty unthinkable in terms of British democracy and constitutional arrangements. None the less, there would have to be a negotiation between member states that had agreed to go ahead and those that had not.

That brings me to the problems that I see with regard to the existing treaties that would be left, as it were, on the statute book. Let me give an example. In an intervention, I mentioned the growth and stability pact. As we know, it has been in serious trouble. Some Members may recall that I felt so strongly that it would not work in practice that when my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), as Chancellor of the Exchequer, sent a letter to all Members of Parliament saying why he thought it was a good idea, I felt it necessary to send a letter to Conservative Members saying why I thought not just that it was not a good idea, but that it would not work.

As it turns out, those of us who thought that the growth and stability pact was an unworkable proposition have been proved right. Analysis from the university of Bonn states unequivocally that the main effect of the pact has been to encourage countries to cheat by misreporting their deficits. When I put that to the Foreign Secretary in an intervention he did not reply, but the reality is that countries are cheating, which has caused many of the difficulties between Germany and Italy, for example.

According to Mr. Wolfgang Munchau in the *Financial Times* of 13 December, one important reason for the fact that

"the stability pact is flawed in principle and not just in practice"

is that

"the euro was built on mistrust: the Germans, in particular, mistrusted the Italians. Another more respectable reason was the desire to emulate the experience of the US during the 1990s."

I happened to attend a bankers' conference in Frankfurt, and heard Chancellor Kohl express very similar views all of 10 years ago. The growth and stability pact goes to the heart of the way in which the European economy is supposed to work: that is the key point. It is not just any pact; it is a deal that was struck in an attempt to bring a degree of stability to the European economy. Why is the European economy not working under the existing treaties? Why do we have low growth and high unemployment? The short answer is—although I am sure that the Minister for Europe does not want to hear all this—that there is no reason other than the fact that the pact cannot work.

The Minister for Europe is engaged in his own peculiar Houdini trick. He knows how unpopular is the European project that he has hammered so stridently for the last 10 years, and he knows that it is not working. He knows that it does not even appeal to his own constituents. So he is shifting his ground in a shifty manner, and putting out statements criticising even his own Government for the basis on which they arrived at the completely false conclusion that the euro was capable of working and ought to be applied in the United Kingdom. The bottom line is that it does not work.

We have heard today about Wim Kok's report, which is only a few weeks old and which I raised with the Prime Minister the other day. It has been acknowledged by members of the Government—I must say in all fairness—that it is not working. Some have attempted to put up a fairly good defence, but the fact is that Wim Kok's report makes clear that the European economy is not working. It is not working because of the intrinsic faults in the thinking behind the social agenda—the hon. Member for Ogmore promoted that agenda as an advantage—which is driving economies such as Germany's mad.

Massive over-regulation is inhibiting the growth of the economies of individual member states. A recent edition of *The Business* pointed out that according to a European Commission report, even the Commission believes that over-regulation is costing European business £1 trillion a year. David Arculus, chairman of the Prime Minister's own Better Regulation Task Force, submitted a report to the Prime Minister saying that over-regulation is costing the British economy £100 billion a year. According to the British Chambers of Commerce, in the past few years certain directives, many of which come from the European Union, have cost the economy £30 billion.

The fact is that it is possible to reform the system, but it is not being reformed. It is no good the Minister for Europe, the Foreign Secretary and the right hon. and learned Member for North-East Fife talking about the virtues of the system, or the hon. Member for Ogmore talking about common values. Why should we respect common values if they are creating social tensions, high unemployment and low growth? There is a direct correlation between the treaties' provisions and the proposals for economic governance. As even some in the Minister's own party and many of the unions know perfectly well, schools, hospitals and other elements of the domestic economy cannot get the public expenditure that they want because of the constraints imposed by the convergence criteria laid down under the Maastricht treaty.

I remember saying during the Maastricht treaty debates that I never thought the day would come when I had to criticise my own Government for deliberately creating unemployment. There are Conservative Members who will not agree with that line of argument, and I am not suggesting that we should have a free-for-all on public expenditure. What I am saying is that we can decide on these issues for ourselves in this place. The problem that the Government and Labour Members face is that the inhibitions that are not only putting strain on the economy but causing strains within the Labour party are the consequence of applying artificial criteria that originate in Europe. Instead, we should be making these fundamental decisions for ourselves.

I come to our relationship with the United States. The entire existing treaty framework, including the Maastricht, Amsterdam and Nice treaties, creates serious problems for our relationship with other countries. It is perfectly obvious that compared with the United States, European countries have politically diverse opinions on all aspects of international life, such as free trade, NATO and how to organise economies. It cannot be disputed, for example, that the French are far more protectionist and sceptical about NATO, and that they organise their economy in a more statist fashion.

The French are also espousing the creation of a European superpower; indeed, President Chirac openly called for that just before his state visit. I pointed that out to the Prime Minister and asked him how he is going to manage to ride two horses at the same time, given that he wants not only an EU superpower but a relationship with the United States. These are absurd foreign policy differences not merely of opinion, but of principle. Intrinsic to this part of my thoughts is the need for a democratic principle to be placed above all others.

In the United States there is a deeply rooted community of thinking about how democracies should work—for example, through the operation of congressional committees, the working of the economy and the operation of Congress. After all, the European Union, for reasons already given, falls short and has fallen short over the last 100 years. Let us cast our minds back and look at that situation. Let us also remember that it is the United Kingdom and the United States that fought for the liberty on which many of the principles that Europeans encourage us to espouse are based. It is not very good, if I may say so, for people to criticise the UK in respect of its attitudes towards Europe; we should have regard to the fact that people such as my own father were killed in the last war fighting for those very freedoms.

Sir Menzies Campbell: The hon. Gentleman is anxious about protectionism, so how would he characterise the Bush Administration's attitude towards steel in Ohio, farming in the mid-west and Boeing?

Mr. Cash: Very simply, with respect to the steel issue, America had to go through a process, as we did in the UK—some would argue, though I think wrongly in this instance, that it also applies to coal—of restructuring. America has not dealt with the problems that it should have dealt with to restructure the economy and make it more competitive. The same applies to agriculture in the mid-west. I doubt whether the right hon. and learned Gentleman would put forward the common agricultural policy as a paragon of virtue compared with—*[Interruption.]* I assume that he accepts that restructuring and change are necessary to accommodate the requirements of the modern world.

I do not think that the Americans are, by nature, protectionist, but I know that the French are. I am not just talking about modern French economics and politics. Those of us who have studied French history know that we need look only to the times of Colbert to realise that there is an intrinsic protectionist and statist attitude—Richelieu, Colbert and so forth—that lies at the very core of the way in which the French think. That does not mean that we have to think any less of them for that. I happen to love France and I spend as much time as I can there. I speak French, but that does not mean that I have to agree that the French economic philosophy is better than that of Adam Smith, for example, which I happen to think is far preferable.

Andrew Mackinlay: A member of the flat earth society!

Mr. Deputy Speaker (Sir Alan Haselhurst): Order.

Mr. Cash: So many matters have been mentioned. For example, my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) quite rightly stated that taxation is coming through the back door. Dealing with immigration is a problem under the Amsterdam treaty, even without mentioning what the present Government have done. Under that treaty, which I have to say we renegotiated, there was an agreement that the veto would be lifted in the five years following its coming into effect—April this year, I believe. That is one of the reasons why we have so many difficulties to cope with already.

[Mr. Cash]

Dealing with fraud is another problem. My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) made some strong points about that, as did my right hon. Friend the Member for Richmond, Yorks. I believe that fraud is another matter that could be dealt with in this House. Various Conservative Members lost the party Whip during a debate on the Finance Bill in, I think, 1994, although I was not among them on that occasion. We nearly defeated the Government on the day in question, as that Government well knew. I stipulated in the debate that questions relating to fraud should be dealt with by adjusting our procedure to ensure that the Public Accounts Committee could keep an eye on how money is spent here. I urge the Minister for Europe to adopt that proposition.

The Minister for Europe intervened on a Conservative Member earlier and got quite heated about fraud. There is a simple answer to the problem, however, and I believe that the Comptroller and Auditor General and the Chairman of the Public Accounts Committee agree with me. If we took advantage of the opportunities available to us, and if the Government were to agree, we could get a handle on how European money is spent in the UK. Our PAC, National Audit Office and Comptroller and Auditor General are superb, and we would be able to hold proper investigations into how that money is spent. That would be a useful and practical way to try and solve the problem of fraud.

What is the way forward? I wish that the BBC and other media organisations could bring themselves to be less partial in their approach to these matters. I am engaged in a very extensive correspondence with the BBC director-general, and a few days ago received a letter that was four and a half pages long. I shall not go into detail, but it appears that some progress is being made.

A committee is being set up under Lord Wilson of Dinton to look into the question of pro-EU bias in the BBC, and a report will appear in due course. I trust that we will make some progress on that front. Experience has taught me not to be over-optimistic, but the matter is terribly important. The BBC is often the main source of information about what is going on in the EU. I told the director-general in one of my letters that I do not argue for one side of the debate by any means, but that the BBC charter requires matters of public policy to be presented in an even-handed fashion.

The Gilligan affair demonstrated some of the corporation's deficiencies in that respect and some very good lessons were clearly learned. However, we have the BBC charter on the one hand and the producer guidelines on the other. Those guidelines are, and must remain, subsidiary to the charter, as they arise from its application. We must press for those two factors to be combined with the agreement attached to the charter by which the BBC governors undertake to ensure proper impartiality.

Finally, where do we go from here? I think that the European constitution is dead in the water. I do not believe that it has a cat in hell's chance of being approved by the British people. I have said why I believe that the existing treaties do not work in various respects, but there are many others. Foreign policy and defence are other matters that could be looked at but—as I have said in articles and other presentations—we must know what the alternative is. I say that with great respect to those other Conservative Members who have spoken, including my hon. Friends on the Front Bench.

It is not good enough for us to say that we do not want a constitution in principle and then expect the British people to vote against it. I believe that the British people have already discounted that possibility from the political market place, as they did our proposals for a referendum on the euro in 1997. As the ICM poll with which I began my remarks showed, the people of this country want to return to something along the lines of EFTA. The new arrangement may not be a precise replica of that, but it will be very close.

I urge my colleagues on the Front Bench and in the Government to accept that we cannot proceed without a plan B, which has to be a renegotiation of the existing treaties. Renegotiation has been mentioned, but it cannot be confined only to foreign aid, fishing, the social chapter and, perhaps, the common agricultural policy. It must go much deeper and address the political structure of Europe; the democracy question that I raised earlier; how we relate to the European Court of Justice, on which the House of Lords produced an important report recently; and how we co-operate, not co-ordinate, with other member states. In fact, as I have often tried to express it, we say yes to European trade, but no to European government.

We must look at how we would be able to renegotiate those treaties. The Prime Minister talked to the Leader of the Opposition the other day and said that renegotiation was all for the birds. He asked how we would get the agreement of 24 other countries. The answer is that it might be difficult, but I predict—and some of my past suggestions have not been entirely wrong—that when we set a course with the political will to achieve constructive objectives in the interests of our own voters and those in other member states, and they see that the present set-up is not working, they will like what we offer. We will offer a renegotiation of the treaties combined with the serious and determined threat of withdrawal, because otherwise no one would take any notice. When the political will of Britain is set out on that negotiating table and we mean what we say—we must do so—people will start to listen and they will act accordingly.

The tectonic plates of Europe are already moving. The tectonic plates underneath the Minister for Europe have moved in the past few weeks. The renegotiation is already on the agenda. I know that my colleagues on the Front Bench are grappling with how far down the road they can go. I believe that they are not going far enough—they have not even begun to touch second base. They got to first base by saying that we will renegotiate in principle on fisheries. In the interests of Europe, of this country and of the Conservative party, it is essential that we have a properly formulated policy of renegotiation, combined with the threat of withdrawal, with the aim of associated status and free trade. And we must mean it.

5.23 pm

Andrew Mackinlay (Thurrock) (Lab): I apologise to House for not being in my place for the early part of the debate, but I was involved in other parliamentary business.

The subject matter for the debate is drawn widely. Because it is European affairs does not exclusively mean the European Union. Nor is there a specific motion before us that demands action. A good friend of mine gave me some wise counsel earlier this afternoon, saying that Mr. Speaker expects hon. Members to refer to contributions made during the debate. I intend to do so, both in respect of a comment made by my hon. Friend the Member for Ogmore (Huw Irranca-Davies) and of the lengthy but interesting speech by the hon. Member for Stone (Mr. Cash).

You will know, Mr. Deputy Speaker, from your long time in the Chair, that Whips on both sides occasionally visit the Tea Room to say, "The House is about to collapse. Can you come and do 10 minutes?" I always let rip at them, because I believe that that insults me and the House. However, when—as on this occasion—I decide that I would like to make a contribution, it apparently does not go down too well with those colleagues who occupy certain areas of the Treasury Bench.

Mr. MacShane: Not me.

Andrew Mackinlay: Not my hon. Friend, who is an outstanding Minister for Europe and one of the longest serving of the many Ministers for Europe in the Government. I hope that my commendation does not put his job in jeopardy.

Everyone acknowledges that the hon. Member for Stone feels strongly and passionately about Europe, but it was deeply depressing to listen to his speech because he seems to lack a vision of what Europe could become and he does not see what has already been achieved. In 1992, when I entered the House, the Gracious Speech referred to the possibility of enlarging the EU. In my maiden speech, I spoke of my hope that Poland, Hungary and the Czech Republic would be able to join both the European Community and NATO, so it was profoundly moving for me and, more important, for many others when on 1 May those countries entered the European Union. For them, in many ways, it was the culmination of world war two—a long journey from 1 September 1939 to 1 May 2004, when they finally achieved true independence in the EU. We should take great pride in that.

When the history of our time is written, our Prime Minister will be given credit for two important things: his diligence and perseverance on Ireland and his vision for the European Union, with which I am proud to be associated because it will be one of his lasting legacies. Opposition Members who constantly disparage the EU should pause to think. They should remember that we are not the only members of the EU; we are not alone in following the rules, regulations and the acquis—so do 24 others. It is mutual; there is shared sovereignty.

Above all else, the beauty of the EU is that it has become a vehicle for the minimisation and resolution of conflict. People aspire to reach and achieve the Copenhagen criteria, and adjust accordingly. That adjustment is often painful and difficult; for example, the Baltic states had to ignore the scars of 30 years of Soviet occupation and come to an accommodation with their Russian minorities. It is to their credit that they did so. Those are great achievements.

It is worth looking at recent history. I have a passion for world war one. A student once asked whether it had affected my view of politics. I replied, "No, not at all", but on reflection I decided that perhaps I was wrong, because standing at Tyne Cot cemetery on the Ypres salient or at Langemark, the German cemetery in Flanders, one cannot help but be profoundly moved. We realise how small a village western Europe was and how much pain and trauma it suffered for hundreds of years. The European Union has resolved many conflicts.

The hon. Member for Stone is extremely proud of his late, gallant father and his contribution to the defence of democracy in world war two and I acknowledge that. However, as he went on to traduce the Republic of France, I remind him that in the early summer of 1940 Winston Churchill offered the French Government an indissoluble union. Things have moved on, but I mention that fact because Winston Churchill recognised that the future interests of the United Kingdom and the Republic of France were indivisible and that we had to move forward with common purpose. It is important to bear it in mind that a man of some vision recognised that although France had a republican system and Britain a monarchist system, and although there was a history of conflict, those two great countries, separated by a small channel, needed to work together.

Mr. Cash: Very simply, I would recommend that the hon. Gentleman read the biography of Churchill by Roy Jenkins. About 10 pages are devoted to this one question, as a result of which Roy Jenkins concluded that Churchill's position had moved very substantially indeed by the time he became Prime Minister. He said, "associated but not absorbed".

Andrew Mackinlay: There has been no absorption at all, and it is absurd to suggest, as the hon. Gentleman does—he goes on and on and on, like a Duracell battery—that somehow there is this absorption. He cannot bring himself to give any accolade to the European Union for its achievements, yet it clearly has been the source of great conflict resolution and it is the hope of Europe.

Sometimes we are asked by constituents, "Why are you interested in Kosovo, Bosnia and Herzegovina and Croatia? These are faraway countries." It is our European backyard, and not only have we suffered conflicts in the past decade in that region but there is the potential in some areas for them to flare up again. I think that all Members share the view that we need to do everything we can to avoid future conflict in our backyard—in the Balkans. Even if we cannot be persuaded—I think most people are—of the need to do it for humanitarian reasons, we need to do so out of naked self-interest, because when there is conflict in south-eastern Europe all of us will have the traditional problems of refugees, asylum seeking, the great burdens that exist and the heartache that we have to deal with in our surgeries and so on.

We now need to get the European Union, with all its energies, offering the carrot to Serbia and Montenegro and to the people of Kosovo that their future can be in the European Union, and the future of the European Union will of course mean that many of the causes of conflict will be at least diminished. The very fact that people can live in one community and work in another—the free mobility of labour—in what was the former Yugoslavia is itself one of the great resolvers of conflict.

[Andrew Mackinlay]

I hope that the Government will redouble their efforts through all the international agencies and through the European Union to do what they can not just to persuade the states of the former Yugoslavia to comply with the international tribunal, which clearly is a precondition of EU entry negotiations, but to make it clear again and again that if there is compliance there is the prospect of being able to join other countries that have now acceded from the former Yugoslavia into this European family.

I also want to say to the Minister, as we are talking about European affairs, that all those in the House will be shocked by the limitations on democratic campaigning in Ukraine. I think that there has been insufficient interest by the European Union, and to some extent by the British Foreign Office, in that region in recent years. The Minister looks a bit shocked, but I have raised the subject of Ukraine and Belarus in the Foreign Affairs Committee on a number of occasions. The response has been that these are faraway countries with which we should not be primarily occupied. If the Minister thinks that is wrong, I would love him to amplify on the point.

The House is united in its concern about the lack of democracy in Ukraine, but we treat it differently from Belarus. I do not think that there has been a qualitative difference between the regime in Belarus and that which has existed hitherto in Ukraine, and I think that we need to have a fresh approach on Belarus. It has 10 million people. It is very close to Poland. It could be absorbed into the European Union, if only there was a change of regime. I think that the cold freeze in which the European Union has put Belarus is not the best tactic.

Sir Menzies Campbell: Has the hon. Gentleman analysed why that so-called cold freeze might have arisen? Might we have been unduly sensitive to the interests of Mr. Putin and Russia?

Andrew Mackinlay: I think that could very well be so, but I also think that sometimes we do not see the inconsistencies in our approach. The failure of democracy in Ukraine is not dissimilar from the situation in Belarus, but we have been much more tolerant of Ukraine and President Kuchma, which is wrong. Our tactics in relation to both those countries should be reassessed.

My hon. Friend the Member for Ogmore (Huw Irranca-Davies) spoke about Turkey's accession, and I think that I am in a minority of one in the Chamber because I am very unhappy about the present course. I do not oppose Turkey or, indeed, any other country joining the EU. In fact, in the very long term, we should allow countries that are strictly not in Europe to join if they meet the criteria. Hawaii is clearly not part of the continent of America, and I cannot understand why places such as Kyrgyzstan should not aspire to join if they so wish in years to come.

Turkey has two problems, which Her Majesty's Government choose to ignore. First, it is not yet a robust parliamentary democracy. There is a long way to go before it can demonstrate that it reaches anywhere near the Copenhagen criteria, but even if it does, we must have regard for scale. It is a country of approximately 80 million people, but Turkey does not know exactly how many people it has in its population. The nature of records and censuses is much more limited in that country. It also has common borders with Armenia, Syria, Iran and Iraq. That is a serious problem for us all, because even if Turkey met the Copenhagen criteria, its geography is extremely difficult in terms of commercial security and combating terrorism, given the need to police those vast expanses of border.

Of course, such problems could be overcome in time, but that will not be easily achieved in the next decade. That will leave us vulnerable to all the problems of people smuggling, drug trafficking and threats from terrorism. When Estonia and Poland acceded to the EU, we rightly stipulated that they must have good, robust national boundaries—they are also our EU boundaries—and I do not believe that that can be achieved in the foreseeable future in relation to Turkey's boundaries, given all the countries to which I have referred.

Mr. John Taylor (Solihull) (Con): I am grateful to the hon. Gentleman for giving way during his very impressive speech. On the other side of the account, will he bear in mind the fact that Turkey has made a worthy contribution to NATO for a number of years?

Andrew Mackinlay: Yes, of course. Turkey has made such a contribution. That is a matter of fact, but it is also a reason why the United States is interfering in European affairs, doing all it can to put leverage on the United Kingdom Government and other EU Governments to admit Turkey before it has reached the Copenhagen criteria, and we cannot ignore a matter of geography. When someone seeks to join a club of which any hon. Member might be a member, irrespective of whether we like him or her—the person may have great appeal in many respects—it is legitimate that other criteria often must be taken into account. One of the problems is Turkey's geographical situation, the scale of its landmass and the fact that we would have difficulties with many of the countries that it borders, and we are rushing ahead without thinking through the consequences.

We must not ignore the fact that, at present, Turkey occupies some EU territory. I am sympathetic to some of the history of the Turkish minority in Cyprus and I am not saying that the Turkish army should withdraw this weekend, but we cannot have serious negotiations while a foreign power is occupying our EU territory.

Mr. Hopkins: My hon. Friend is making very impressive points. I think that he referred in passing to Kurdistan, which does not technically exist at the moment and I understand that Turkey would resist the establishment of a Kurdish state, although many hon. Members would think the creation of such a state beneficial and appropriate. Will he say whether the acceptance of a Kurdish state would be part of his conditions for Turkey joining the EU?

Andrew Mackinlay: I believe in national self-determination, which goes back to Wilson's 14 points. In my view, that should always be our objective, but we are constrained by other treaties and by the realities of

history, and so on. However, when national entities exist, every attempt should be made to try to accommodate nationalities in political structures. That could lead to the growth of federalisation in the region and a place in which the Kurdish people may feel that they have a political identity. It is not for me to redraw the map this afternoon, but our foreign policy should be sensitive to national self-determination and try to find ways of reflecting that in state structures and the European Union. The European Union is important because it has developed the policy of a Europe of the regions. One factor that has driven Poland and even the United Kingdom to have local legislatures is the fact that the EU works in such ways. The Kurdish nationality could well be accommodated.

It is time that we talked up the European Union. I do not lie awake at night worrying about the treaty itself. It might be defeated in the referendum, but I shall campaign with vigour because it is a totem of the concept and movement of Europe, about which I feel passionately, as I hope I have demonstrated. If the treaty were to go down, as the hon. Member for Stone indicated, we will still have the existing arrangements, which work. I am also keen for compromise and accommodation. The European Union should be proclaimed by Labour Members—and, I hope, Opposition Members—as a great achievement.

The hon. Member for Altrincham and Sale, West (Mr. Brady), who is sitting on the Conservative Front Bench, has been kind enough to nod on a couple of occasions, which I took as an indication that he might agree with me. I hate to spoil that, but I must say something to Conservative Members—I do so with the utmost charity. Do they remember that in the weeks before Poland, Hungary, the Czech Republic and other countries came into the European Union, the press, bolstered by Conservative Members, tried to indicate that half of Poland would be in London by the following weekend? They said that we would not be able to move for Poles, but that has not happened. We have a lot of attractive, exciting and intelligent young men and women from the accession countries in London, which I welcome, but that has not presented one problem whatsoever. We in the United Kingdom will benefit greatly, both immediately and in the long term, from the fact that our Prime Minister had the bold courage to say, "I'm not going to have a transitional period on this. They can come." I am proud of him.

5.42 pm

Mr. Graham Brady (Altrincham and Sale, West) (Con): The hon. Member for Thurrock (Andrew Mackinlay) was kind enough to say that I nodded at one or two points in his speech, but he did not say which ones. I am happy to say that I agreed with some of what he said. I should point out that in the past few weeks, Café Lech has opened at the end of my road in Altrincham. Although I have not yet had the opportunity to visit the establishment, it is welcome as the first Polish restaurant in Altrincham. I am sure that it will be a splendid institution.

We have had a good-natured and honest debate in which we heard several excellent and thought-provoking contributions. My hon. Friend the Member for Stone (Mr. Cash) accused the Minister for Europe of shifting his position and attacking the euro, but he missed the real beauty of the Minister's position. In only the past few days, the Minister has attacked the Chancellor for being anti-European Union, while himself denouncing the euro as an economic irrelevance. He is managing to take both sides simultaneously, which is a marvellous achievement.

My hon. Friend sensibly advocated including EU expenditure in the UK in the remit of the Public Accounts Committee. He urged the Conservative party to go beyond the powers that we have set out to bring back from Brussels—the common fisheries policy, the social chapter and elements of EU aid. I urge him to understand that we will go further than that. We have said that the most important thing of all is establishing the principle that powers can be returned, and that the EU must no longer be a one-way street or a conveyor belt moving only towards Brussels. Once we have established that principle, I hope that my hon. Friend will realise that it is an important change and that, instead of movement in only one direction, there can be flexibility, not just for the UK, but for other member states as well. The Dutch, for example, have expressed their views about parts of the common agricultural policy and other aspects of what the EU does.

The hon. Member for Luton, North (Mr. Hopkins) spoke tellingly about the damage that has been done to the economies of the eurozone countries. He also spoke about Turkish membership. In response to an intervention, he struggled to think of anything positive about Europe, except for his holidays and the wine.

My hon. Friend the Member for Banbury (Tony Baldry) made a strong case that what we do not need in the House on the subject of Europe is group therapy. Sometimes, perhaps, we do. He made the valid point that what we do need is better debates on European matters, especially on matters on which the EU has exclusive competence. He stressed the importance of a level playing field for the developing world in matters of trade policy.

The hon. Member for Ogmore (Huw Irranca-Davies) described himself as a frustrated pro-European and then listed a large number of employment and health and safety laws that could have been implemented by a British Government without EU legislation. He went on to speak about structural fund projects which, he said in response to my intervention, he believed would be funded by the Government if the EU were not doing so.

Ms Stuart: By a Labour Government.

Mr. Brady: Indeed. The hon. Member for Ogmore believes that the EU has made no difference to funding for his constituents.

My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) pointed tellingly to the inaccuracies of the Foreign Office's own guide to the European Union. As he pointed out, there are some gross discrepancies between what is in the guide and what is plain to see in the treaty.

The debate was opened in magnificent style by my right hon. and learned Friend the Member for Devizes (Mr. Ancram), the shadow Foreign Secretary, who rightly highlighted the apparent disappearance of the EU constitution and the Government's pathetic inability to introduce their own Bill on the EU

[Mr. Brady]

constitution. We await the Bill, which we will happily deal with when it is available. We are deeply frustrated, as no doubt is the hon. Member for Ogmore, that we do not have the opportunity to debate the matter, which the Government apparently believe is of great importance for the United Kingdom.

The Foreign Secretary spoke about the Government's determination to keep the size of the budget limited to 1 per cent. of gross domestic product. He admitted that there may be some discussion of own resources at the weekend and said that there would be a veto on any proposed change to the rebate. That is welcome. He refused to accept that questions regarding a common foreign policy and the activities of the high representative of the EU should be answered by the Department in this country. I stress to the Minister that if the Government are committed to a common foreign policy for the EU, they must at the very least recognise the right of hon. Members in this place to ask questions about their policy and to expect answers. The Foreign Secretary went on to speak about the progress that we expect to be made with regard to the opening of accession talks for Turkey.

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) spoke of his extreme disappointment at the lack of legislation for the constitution. He approaches the matter from a different standpoint from mine, but I commend him for his honesty in making clear his party's open commitment to greater political and economic integration in Europe. We do not share that commitment and it is not popular with the public, but we are delighted that he is so open.

We had hoped that Ministers would clarify the Government's policy on European affairs in advance of the events later in the week. Perhaps the Minister will still do so in his closing remarks. It is particularly important at a time when the Government's EU policy is being gradually deconstructed by the Minister for Europe and the Chancellor of the Exchequer. It is becoming increasingly difficult to know exactly where the Government are facing.

In recent weeks, we have seen the report from the royal commission on environmental pollution, which showed the abject failure of the common fisheries policy. We have also had confirmation from the Minister for Europe that the only fish stock that seems to be increasing at the moment is the red herrings found swimming in the vicinity of No. 11 Downing street. We have already been treated by my right hon. and learned Friend the Member for Devizes to accounts of the Minister's desire to leave the common agricultural policy, his view that the euro is an economic irrelevance and his claim to have persuaded the Foreign Secretary of the case for a referendum. I cannot quote the exact words in the interview that appeared in the *New Statesman* on 13 December on page 37, but I am sure that many others will go to the Library to look them up.

Mr. Hopkins: Can the hon. Gentleman give us the full quotation?

Mr. Brady: I cannot give the full quotation, but the Minister said:

"I turned to Jack and said, 'Jack, we're'"—

blank—

"'We've got to give a referendum. I don't think we can hold out.'"

There was no counter-push, and I do not remember a single statement from a pro-European saying that we should not have a referendum. It may be helpful if the Minister can indicate whether that conversation happened, or whether, like his telephone conversation with the King of Spain, it was merely a figment of his own fevered imagination.

The question of EU resources is one of the matters that will arise at the Council meeting. We know from Commission President Mr. Barroso's statement of strategic objectives that

"We must back our ambition with the necessary financial resources at a European and national level. We will not be a true Union without a vigorous cohesion policy."

There is a clear conflict between the Government's position and that of the Commission. The Commission's ambition for a vigorous cohesion policy implies an increase in resources. What we need to know is where the Government really stand on this wider policy, which is one of the Commission's principal objectives for the forthcoming Council meeting.

In looking at the real priorities for the EU and its future development, a number of hon. Members on both sides of the House have referred to the Lisbon agenda. My right hon. Friend the Member for Richmond, Yorks (Mr. Hague) spoke very eloquently about the big forces that are at work in shaping the future of Europe and the world—demographic and economic trends that, as he said, are not being addressed by the EU and are not on the Council agenda for this week. He described a state of paralysis, but graciously accepted a correction from the hon. Member for Torridge and West Devon (Mr. Burnett), who made it clear that it was worse than paralysis and that there is a movement in the wrong direction, rather than no movement at all.

We have also heard a great deal about EU enlargement, which will occupy much of the agenda for the Council meeting. I hope that the Minister can answer some questions about Turkey's possible accession to the EU. Does he agree that the accession negotiations may be a long process, perhaps taking more than 10 years? Can he throw some light on the report in yesterday's edition of *The Guardian* that the Prime Minister has proposed some Turkish delights to soften opposition to Turkey's accession in some European countries? Would the Government find it acceptable if the beginning of accession talks was delayed until the second half of next year? Is it true that the Government are already trying to renegotiate the constitution to limit Turkey's potential voting weight? Are the Government ready to agree to a clause ensuring that accession negotiations with Turkey need not necessarily end in its membership? Would not the latter be a cruel blow to Turkish hopes after the Government have built up its expectation of joining?

Will the Minister also tell us how he views Romania's accession? We very much hope that Romania can join in 2007, but can he tell us whether he is satisfied that it has done enough to tackle corruption and problems with the integrity of the political and judicial processes?

Incidentally, yesterday in Foreign Office questions, the Minister gave me an undertaking that he would consider my request to cover the expenses of British election monitors in Ukraine. Will he tell the House whether he has yet reached a conclusion and whether the Government will rapidly implement such expenses payments?

Mr. MacShane: I will pay for the hon. Gentleman to go.

Mr. Brady: That is a kind offer, but I made it clear yesterday—admittedly from a sedentary position—that I will go if the Minister will come. I suspect that he has plans for Boxing day too.

The Lisbon agenda is of central importance to Europe's future economic competitiveness. Some hon. Members have suggested that everything in the garden is rosy. For example, the hon. Member for Leicester, East (Keith Vaz) suggested that we are ahead of schedule on the Lisbon agenda and that things could not be going better. However, former Commissioner Bolkestein said that the Lisbon agenda may not happen given current progress—as he put it, "Not now, not ever." That is a counsel of despair from somebody who is close to the process.

Yesterday, the new President of the Commission, Mr. Barroso, said this about the Lisbon agenda:

"For the time being, it may look too much as a catalogue of worthy aims. The Commission wants to reshape it and transform it into a road map for prosperity, identifying clear objectives and a demanding calendar."

However, the objectives were set out years ago. We are supposed to have reached the halfway point, yet little progress has been made.

Turning to the priorities for the European Council meeting, we have heard a good deal today about fraud, corruption and hopeless accounting procedures in European Union institutions. The European Court of Auditors has refused to sign off the accounts for the 10th year running. The former chief accounting officer of the EU, Marta Andreasen, has been referred to in the debate, and she has described the problem lucidly. I shall quote from her article in *The Times* on 6 December, which said:

"In 2002 I was appointed chief accountant to the European Commission to help—as I then believed—to reform the inadequate systems and stamp out fraud. I drew attention to those inadequacies; I refused to sign accounts that I believed unreliable; for two years I was suspended from my job, obliged to live in Brussels yet forbidden to enter any EU building; and in October I was dismissed, the charge against me being disloyalty, a decision against which I am appealing.

But I do not believe that I was disloyal to draw attention to the failures that leave the EU's budget completely vulnerable to fraud and error and to propose urgent changes. The National Audit Office found that in 2002 alone there were 10,000 examples of possible fraud in the EU's accounts. For nine consecutive years the EU court of auditors has refused to sign off the budget. The numbers are huge. The annual EC budget is around €100 billion (£65 billion). The auditors cannot clear 95 per cent. of that. We simply cannot tell what is happening to that money; the system does not allow us to say even if the money is well or fraudulently spent."

David Taylor (North-West Leicestershire) (Lab/Co-op): The OLAF annual report for 2003–04 states that €1.5 billion of the €100 billion budget is in accounts under investigation. How does the hon. Gentleman account for the disparity between those figures and his figures?

Mr. Brady: The systems of accounting in the EU do not allow anybody to see how the system is working or know how the money is spent. When I met Marta Andreasen, she made it clear that that is deliberate, because it suits too many people for the picture on EU expenditure to be opaque.

The Chancellor of the Exchequer was prompted to call for the Commission to put its house in order. In turn, he was denounced by Peter Mandelson for "crude Euro-bashing", and the Minister for Europe attacked Departments whose default setting is to issue press releases attacking Brussels. However, when I asked the Minister for Europe to list those Departments, his brief response to my written question simply said, "No." Was the Chancellor serious in his determination to clear up the EU accounts or was it just populist posturing to make it appear that he would be less negligent in dealing with EU fraud than the Prime Minister, if only he were in charge?

I asked the Minister for Europe what discussions the Foreign Secretary has had with the Chancellor about accounting practices in the EU. The answer stated:

"My right hon. Friend the Foreign Secretary has not discussed this matter with the Chancellor of the Exchequer."—[*Official Report*, 30 November 2004; Vol. 428, c.63W]

The Chancellor has not spoken to the Foreign Secretary, but perhaps he has taken some advice from Marta Andreasen, the EU's former chief accountant and the whistleblower who knows so much about practices in the EU. When I ask what meetings Treasury Ministers or officials have had with Marta Andreasen in the past year, I get the answer, "None." It seems that the Chancellor's real interest in EU fraud is in persuading people that he is doing something about it while he actually does nothing.

We have real priorities that should be addressed at the Council meeting. The Chancellor has talked about the importance of fraud but has done nothing. We have heard the Prime Minister himself, a great champion of the EU constitution, apparently accepting—we want to hear an answer from the Minister on this—that the constitution, which he has already signed but will not bring before the House, is already outdated because it cannot deal with the possibility of Turkish membership. Will the Minister tell us whether that is one of the so-called Turkish delights that the Prime Minister offered to the Germans a couple of days ago?

The truth is that the Government have not made a proper assessment of the implications of the EU constitution that they are trying to foist on the British people. Even in one of the most obvious areas of concern—the effect on our business competitiveness—Ministers cannot give straight answers to the straight questions that I have tabled in the past few weeks.

The Council meeting may, like so many that have gone before, achieve modest progress on matters of real concern. Moves towards expansion and the opening of talks on Turkish accession are welcomed by the

[Mr. Brady]

Opposition, but there will not be the leadership and vision that Europe needs if it is to address the real challenges that were set out by my right hon. and learned Friend the Member for Devizes and my right hon. Friend the Member for Richmond, Yorks. There will be no moves to achieve the more open, flexible, decentralised Europe that our people want and that Europe needs if it is to survive to enjoy a free, prosperous future.

6.1 pm

The Minister for Europe (Mr. Denis MacShane): This has been an enjoyable debate. My first debate in the House of Commons was the equivalent debate in 1994, in which the right hon. Member for Wells (Mr. Heathcoat-Amory) sat in my seat as a Europe Minister. I have stayed roughly the same, but it might be fair to say, if one examines his speech of 10 years ago, that he has changed a bit.

The hon. Member for Banbury (Tony Baldry) made a fair point about the nature of debate on Europe in this House. Ten years ago, the House was fuller and there were more, shorter interventions. Some of those were tough, but there was not the relentless whinge of negativism that we have heard this afternoon. I wish that we had a mechanism—this is not for me, but for the Leader of the House, for the Chair, Madam Deputy Speaker, and for the usual channels—whereby we could find ways of discussing these issues in more depth. My right hon. Friend the Foreign Secretary tried to do that through the Standing Committee on the Convention on the Future of Europe, which sat while the Convention was carrying out its work—the first time in British parliamentary history that a treaty was discussed and subjected to cross-examination while the negotiations were going on. Alas, not one Conservative Front Bencher bothered to turn up. Until they take the question of Europe seriously instead of reproducing bromides from the Rothermere press, it will be difficult for the House to take seriously their views on Europe.

Mr. Brady: Will the Minister give way?

Mr. MacShane: I should like to make a little progress.

The Conservatives can take some comfort, because there is now no question of a plan B, as their plan A is in front of all our eyes. It was ably put forward by Lord Pearson of Rannoch, who said that the European Union is a

"bad idea like slavery, communism and high-rise flats."

I like the "high-rise flats"—the idea of the EU as a super-Trump tower about to bear down upon us. He also says:

"There is nothing right-wing, negative, frightening or extreme about leaving the EU."

That was plan A. However, it was confirmed more recently at a more senior level by the Leader of the Opposition's former speech writer, now a distinguished MEP, Mr. Daniel Hammill, who headed an article in *The Wall Street Journal* on 2 December with "Is Britain on the Way Out?" To his satisfaction, he proved that the answer was yes. The vision he offered was that of another Norway.

In Oslo, however, Norway is known as a fax democracy because it has implemented more EU directives than the United Kingdom. Every law passed in Switzerland has to conform with EU law and the taxpayers of Norway and Switzerland have to pay hundreds of millions of euros to Brussels. If the Conservative party has a vision of our being out of Europe and somehow having a glorious future separate from the EU, let me make it clear, and let every business know, that it would mean still paying a large cheque to Brussels, still obeying every Brussels directive but having no control over the shape and implementation of the directives. That should be on the record.

Let us also be clear that the Conservative party's current policy is to put Britain in breach of its treaty obligations. Leaders of the Conservative party have confirmed that they wish to pass national legislation that would put Britain in breach of its current treaty obligations on specific key matters. That means, for the first time in British history, that the United Kingdom would vote to put itself in breach of solemn treaty obligations, either meeting large fines from the European Court of Justice or withdrawing from the EU because of one tiny matter. We all have sympathy for the problems of British fishermen. However, outside the EU, no European country would be obliged to allow British fishermen to land their fish at French or other ports. That shows the frivolity, facetiousness and irresponsibility of the Conservative party's current policy.

The debate is about the discussions that we will hold tomorrow at the European Council meeting. The House broadly supports the idea that the EU should open negotiations with Turkey without new hurdles, barriers or conditions. We look forward to Croatia taking the European road. I have said that consistently in all my visits to Zagreb. However, we want those accused of terrible war crimes in the 1990s to be made accountable and the entire Croatian state apparatus to work to secure the delivery of Mr. Gotovina to The Hague.

Croatia and the western Balkans show the fatuousness of the cliché that conflict in Europe is no longer thinkable. It was not thinkable 10 or 15 years ago—colleagues of all parties would have made such remarks. However, conflict then exploded in our midst, with the consequence of 1 million asylum seekers surging across all our European borders. Why did it happen? It was precisely because of Europe's failure to act and have a coherent common foreign policy. We had the sit-on-the-hands policy of Conservative Foreign Ministers, one of whom will return to the House if the voters of Kensington and Chelsea are foolish enough to vote Conservative at the next election. He will undoubtedly sit on the Opposition Front Bench before long. I look forward to that because I hope that he will go on his knees to the British people to apologise for the disasters of isolationist British foreign policy of the 1990s. That dirge of isolationism was heard in many contributions to today's debate.

The right hon. and learned Member for Devizes (Mr. Ancram) made a speech that contained more metaphors about dogs than the House had ever heard before. It will be read out for ever more at Crufts. We all know and love the right hon. and learned Gentleman—he is the House's favourite shaggy old Labrador. We have to take him out for a walk every night because we

know that if he does not rid himself of his anti-European bile he will be unhappy. He does not believe a word of the rubbish—he had been a liberal pro-European all his life until the Conservative party lately adopted its current wretched policy.

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) was right when he said that we should not set the bar any higher for Turkey. He was also right to say that we have to pay serious attention to Ukraine. My hon. Friend the Member for Thurrock (Andrew Mackinlay) also made that point. What an example Ukraine has set in recent weeks. Once again, people are rising to demand their democratic rights, supported by the united voice of Europe, including High Representative Solana and the Presidents of Poland and Lithuania. Europe has spoken as one—it is not the Europe of conflicting, competing, discordant voices depicted by the Opposition.

Mr. Cash *rose—*

Mr. MacShane: On election monitors, I offered the hon. Member for Altrincham and Sale, West (Mr. Brady)—*[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order. It is obvious that the Minister does not intend to give way at the moment.

Mr. MacShane: I offered to pay the way for the hon. Member for Altrincham and Sale, West on Boxing day, but it was a tease. We are good friends, I hope, despite our differences at the Dispatch Box, and I can assure him that, having spoken to the leader of our Council of Europe delegation, the Foreign Office will make funds available, not literally for every single hon. Member, but for those who want to go to Ukraine. We want Britain to be there.

Mr. Brady: I am grateful to the Minister for the help that he has provided. However, I was referring not just to Members of Parliament but to other British citizens who have volunteered to help in Ukraine but who must meet the costs from their own pockets.

Mr. MacShane: We have provided a great deal of money to the Organisation for Security and Co-operation in Europe to help to pay for official election observers. I was talking about Members of Parliament—I do not think that I can write a cheque at the Dispatch Box for other British citizens who want to go to Ukraine.

My hon. Friend the Member for Leicester, East (Keith Vaz) was, as always, positive. The letter signed by the Prime Minister, Mr. Schröder and Mr. Aznar in 2002 made 10 points, many of which have already been achieved. I am happy to write to my hon. Friend with the details rather than detain the House. I have a special affection for the right hon. Member for Richmond, Yorks (Mr. Hague), as I represent his parents in the House. I am sorry that he was not in Rotherham last Tuesday when, with His Excellency the French Ambassador, I unveiled a plaque in front of the town hall beside the cannon forged in Rotherham that was used to sink Napoleon's fleet at Trafalgar. However, we have moved on, as the plaque commemorates the 100th anniversary of the entente cordiale:

"Britain and France: Allies in war, friends in peace, partners in Europe, admirers of each other's people and culture."

I hope that it stands for another 100 years in Rotherham.

The right hon. Gentleman, however, made an uncharacteristically pessimistic, dark and apocalyptic speech. He told us that it will be difficult to secure a yes vote on the new treaty of Europe. I welcome that suggestion because, unlike the Opposition, who believe that a no vote on Europe is already in the bag, I am not complacent. I prefer to start with a hill to climb, and I am sure that the British people will not resile from this important treaty and isolate themselves from the rest of Europe. We all remember the right hon. Gentleman's winning intervention in the election. He warned the British people that if they voted Labour Britain would become a "foreign land". Would he like me to speak French now? Are the people of Rotherham living in a foreign land? Such scaremongering rhetoric is unworthy of his leadership qualities to which, one day, I expect the Conservative party must return.

Mr. Hague: Will the hon. Gentleman respond to an actual point in my speech and explain why Ministers cannot go to the Council of Ministers with an adamant insistence that the hopeless accounting procedures of the European Commission be reformed?

Mr. MacShane: That is a perfectly fair point, and I shall deal later with the question of accounting, which was raised by other hon. Members. The right hon. Gentleman's new book, which we are all reading avidly, is, in one sense, about how Britain had to deal with Europe in the past. It was impossible for Britain to act co-operatively with all our European partners because of the divisions and conflicts to which some hon. Members wish to return. The right hon. Gentleman praises William Pitt's

"preference for redesign rather than revolution".

That is exactly what the new treaty is—it is a redesign of the rule book that allows Europe to function. The right hon. Gentleman, however, embraces the revolutionary prospect that Britain should dishonour the treaty that it signed, resile from it and refuse to ratify it. While the Turks want in, the Tories want out. As he comes to reflect on where his once great party will be after the next election, I hope, and I am confident, that like every sane person born in Rotherham, he will be with me on the British side of the debate, in favour of honouring the treaty that our great country has signed.

My hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) took us sensibly into the future Europe of 34 or 35 countries. That is precisely what this treaty seeks to do—to allow a Europe that expands to have a sensible rule book. She asked me specifically about whether the President of the Commission could also be the President of the Council. If she reads article I-22, she will see that the task of the President of the Council shall be to work

"in co-operation with the President of the Commission".

[Mr. MacShane]

If she then turns to the job description of the Commission, she will read in article III-347 that

"The members of the Commission shall not, during their time of office, engage in any other occupation, whether gainful or not".

It is therefore stretching the interpretation of the new treaty a bit too far to say that the two posts can be merged into one, when, clearly, under the rule book, they cannot. Her point, however, is important.

Ms Stuart: With the greatest respect, my hon. Friend is not answering my question. It was not my interpretation. If the Dutch legal services, under the current Dutch presidency, report to their Parliament that, in their legal interpretation, it is a possibility, what is our answer other than saying that we do not agree? Is there any mechanism of pinning that down further?

Mr. MacShane: This is a serious problem. Of course, one can find lawyers in The Hague, Berlin, Paris and in every Inn in the Strand who will give an interpretation. I have read out to my satisfaction—whether the House is satisfied will be seen—that the treaty clearly separates the two, and says that one cannot do the other's job. We will have to have that discussion with the Dutch, and I am happy to write to my hon. Friend.

The right hon. Member for Wells read out a speech, much of which we have heard before. It included an extraordinary attack on article II-73. It is worth reading into *Hansard* what that article says:

"The arts and scientific research shall be free of constraint. Academic freedom shall be respected."

I am delighted that that is laid down as a fundamental European value and written into a solemn treaty. Only the Conservative party, with its blind anti-European hostility, could see in that anything other than something for which British academe, British scientists and the House of Commons have fought for a long time.

Mr. Heathcoat-Amory: For the third time of asking, will the Minister for Europe understand the point that I have made, not the point that he would like me to have made? I was not disputing the merits of that right. I was simply pointing out that it is a new right, whereas the pamphlet that he issued said that there were no new rights in the charter of fundamental rights. I was therefore contradicting what his pamphlet said, not disputing the merits of the issue.

Mr. MacShane: I am sorry, but it has been a fundamental British right, with which I thought that I grew up, that

"The arts and scientific research shall be free of constraint. Academic freedom shall be respected."

That is not a new right. It is something for which Britain has always stood and fought. As usual, we are just disagreeing on the issue.

I think that my hon. Friend the Member for Luton, North (Mr. Hopkins) said that there should be no more free trade in tobacco and alcohol, and that Britain should somehow have an opt-out on the exchange of tobacco across the channel. If I have misinterpreted him, he can correct me.

Mr. Hopkins: I was merely saying that an opt-out on standardised tobacco duties and free trade would be sensible for a very good reason: we have the right levels of tax and duty, and continental Europe has the wrong levels.

Mr. MacShane: Many European countries are moving towards our levels, and we do not have the highest ones. My hon. Friend should think about whether his argument should apply to 24 other countries, whose different sectors might say that they are losing fiscal gain or other advantages because of British goods and services. I can well imagine that some state-subsidised airlines are not keen on competition from easyJet and Ryanair, and he should be careful before he goes down the road that begins to hint—I am sure he did not mean it—at the kind of protectionism that every socialist has fought against all their lives, and that the Conservative party now seems to be embracing.

The hon. Member for Banbury asked about the Cotonon agreement, which deals with trade between the EU and the Asian, Pacific and Caribbean countries. He read out an important speech, much of it addressed to colleagues of mine in other Departments. I will ask them to write to him, although I mean no discourtesy: we in the Labour party entirely agree with his substantive point about the need for more debate in Europe.

My hon. Friend the Member for Ogmore (Huw Irranca-Davies) listed many of the advantages that we gain from being in the EU. I hope that he circulates them all to his constituents and every other British citizen. They will then realise that there is only one future at the election: voting for the party that supports those advantages, and against the party that wants to stop Britain from enjoying them.

The hon. Member for Stone (Mr. Cash) made a lengthy speech, in which he made his usual points but also revealed the new thinking of the Conservative party. He rightly said that he was against not just this treaty but the one before it—and the one before that, and the one before that. He unashamedly used the word "withdrawal" in announcing that that was where the Conservative party wants Britain to go. What he said in 1992 had become the thinking of many members of the Cabinet by 1997; what he said in 1997 became Tory policy in 2001; what he says today is Tory policy for the future. We need to tell every business man in Britain that that is the Conservative party line: that the Conservatives want to pull us out of our biggest trading bloc.

As for the important question of errors in the European Commission budget, it is a budget of about €100 billion. As one of my colleagues said, about €1.5 billion of that is contested. Both the Public Accounts Committee and the National Audit Office have drawn attention to lost moneys, accounts that cannot be signed off in Ministries and municipalities, and indeed direct fraud. I do not think that that calls into question the way in which Britain tries to deal with the problems. I fully accept, as do we all, that the EU—like most of its member states—currently operates a cash-based accounting system rather than the accrual system required in the UK public sector. Our public sector has only recently adopted an accrual system, and we are fighting hard to get the EU to do the same.

About 85 to 90 per cent. of the EU budget goes back to member states. The complaint is really with Ministries here. Anyone who looks at the accounts in detail will see that some of the payments not just of the countries mentioned, but of Ministries here, cannot be accounted for properly: I fully accept that. In fact, the Commission employs fewer people than the BBC—even the slimmed-down BBC—and its budget is about a quarter of the size of the Pentagon's. That is a relatively small amount of money, those are relatively few people, and we have 25 countries co-operating as never before.

The alternative, of which we have heard from the Conservatives, is the old Europe of conflict, division, confrontation and not seeking to speak with one voice. Every Member knows that in the new treaty we have preserved control over tax, vetoes on foreign policy and defence, and our permanent seat on the Security Council. In the European constitution we have given new powers to Parliament and Government. That is why the French are calling it "la constitution anglo-saxon".

Mr. Brady: Will the Minister give way?

Mr. MacShane: No, I must finish my speech if I am to have time to mention other Members.

Several Members have referred to a famous speech. I should be grateful for a transcript.

Mr. Quentin Davies (Grantham and Stamford) (Con): Will the Minister give way?

Mr. MacShane: The hon. Gentleman is a good friend of mine, but he has only just come into the Chamber.

As I was saying, I should be grateful for a transcript of that speech. I shall send whoever transcribes it a copy of Miss Lynne Truss's remarkable new book, so that they can put the commas and full stops in the right places. In the speech, I mentioned a telephone call from a distinguished French journalist in Brussels who said "Mr. MacShane, you Brits have won. You have an Atlanticist, pro-business Commission President. You have one of the top Commission slots and English is now the language spoken. The constitution, in the view of everybody in France and Germany, was written in London. What comment have you got to make?" I said to him, "Join the Conservatives, because it is about time they got back to the real world and realised that being in Europe is good for Britain." Signing the new treaty is good for Britain, and the Conservatives will become electable again only if they become sensible on Europe again. I wish them well in that task.

Paul Clark (Gillingham) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

PETITIONS

Rochdale Metro Link

6.26 pm

Mrs. Lorna Fitzsimons (Rochdale) (Lab): This petition, consisting of the signatures of 6,556 of my constituents, is prompted by the Secretary of State for Transport's statement in July that the planned extension of Rochdale's metro link—known as phase 3, or the big bang—is cancelled. My constituents know that the spiralling costs had to be dealt with, but they regret the way in which the problem has been handled. However, they are grateful for the fact that the Government are now committed to finding a solution and they would like to thank my right hon. Friend the Member for Manchester, Withington (Mr. Bradley) and the Minister of State, Department for Transport, my hon. Friend the Member for Harrow, East (Mr. McNulty), for their efforts with the working party.

My constituents think that the recent local transport plan announcement was regrettable and that the Leigh and Rochdale schemes should be granted, as they are totally in keeping with the Government's integrated transport strategy.

The petition states:

The Petitioners request that the House of Commons urge the Secretary of State for Transport to consider further the implications of cancelling the extension of Manchester metro for the outcomes of other Government initiatives, such as housing market renewal, Kingsway business park and the regeneration of Oldham and Rochdale town centres; and urge the Secretary of State to talk to the Deputy Prime Minister about his decision's impact on regeneration in some of the poorest areas in the United Kingdom, and to consult the Exchequer to ensure that the maximum impact of much-needed Government regeneration programmes is not lost.

To lie upon the Table.

Draycott Manor School

6.28 pm

Mr. William Cash (Stone) (Con): The petition of Draycott Manor school is signed by 2,754 parents, pupils, teachers and governors.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled

The Humble Petition of the parents, pupils, teachers and governors of Draycott Manor school, in Staffordshire sheweth

That the Petitioners are against Staffordshire county council's plan to close Draycott Manor school

Wherefore your Petitioners pray that your Honourable House will urge the Government to use their influence to persuade Staffordshire county council to reconsider, and to change its plan to close Draycott Manor school and other Staffordshire schools

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

St. Mildred's School

6.29 pm

Mr. William Cash (Stone) (Con): The petition of St. Mildred's school, Whiston, in Staffordshire, consists of 1,150 signatures.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled

The Humble Petition of the parents, pupils, teachers and governors of St. Mildred's school, Whiston, in Staffordshire, sheweth

That the Petitioners are against Staffordshire county council's plan to close St. Mildred's school, Whiston

[Mr. William Cash]

Wherefore your Petitioners pray that your Honourable House will urge the Government to use their influence to persuade Staffordshire county council to reconsider, and to change its plan to close St. Mildred's school and other Staffordshire schools

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

St. John's School

6.30 pm

Mr. William Cash (Stone) (Con): The petition of St. John's school, Alton, consists of 1,400 signatures.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled

The Humble Petition of the parents, pupils, teachers and governors of St. John's school, Alton, in Staffordshire, sheweth

That the Petitioners are against Staffordshire county council's plan to close St. John's school, Alton

Wherefore your Petitioners pray that your Honourable House will urge the Government to use their influence to persuade Staffordshire county council to reconsider, and to change its plan to close St. John's school, Alton, and other Staffordshire schools

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

Tenant Farmers

Motion made, and Question proposed, That this House do now adjourn.—*[Paul Clark.]*

6.31 pm

Mr. Huw Edwards (Monmouth) (Lab): It is an honour to have the opportunity to address the House on the issue of tenant farmers. Apart from not having the security of the capital value of their land and buildings, tenant farmers are also disadvantaged in a number of ways. I shall deal with some of them, particularly with single farm payments, milk quotas, diversification and tenant farmers' personal housing needs.

For those wishing to enter farming, having a tenancy may be the only method available, so the role of the tenant sector is important to assist new entrants to the industry. I acknowledge that the issues affecting tenant farmers have been considered by the Tenancy Reform Industry Group, under the chairmanship of Julian Sayers, and I also want to acknowledge the Government's response, which was published last year.

My recent interest in the subject was prompted by two tenant farmers who attended my constituency advice surgery in Abergavenny. They are dairy producers with a herd of 95 Holstein-Friesians and they also keep sheep. They are Cathy and Nick Sprackling and they run the Ty Mawr farm in Dingestow, near Monmouth. Their concern was with the particular rules governing single farm payments and I will raise the matter briefly here in the House. Because single farm payment is based on three reference years, they were unable, for one reason or another, to submit a claim for sheep annual premium in 2000. As a result, they not only failed to receive that premium, but were further disadvantaged. They wrote to me about their problems and I submitted their letter to the Minister's office today. That was the issue that they came to see me about, and as I discussed with them particular issues affecting tenant farmers I thought of raising these concerns on the Floor of the House.

They did not have any specific concerns with their own tenancy arrangements and had a high regard for the landlord, Mr. Bosanquet, who I also know well, but they raised important issues that it is right to put to the House. We discussed the price of raw milk, the cost of buying milk quota and especially their concern about future housing. I became intrigued to hear about the problems they faced with regard to housing. Because they are tenants, they will inevitably lose the property that they live in when they decide to retire. In order to find housing, they have currently taken out a mortgage to buy a property in the town of Monmouth, knowing that they will have to let it out until the time at which they retire. They are able to secure only a buy-to-let mortgage, which means that they are being further penalised. They are not going into rented property—a second home—in order to make profit. It is all about security for the future.

I understand that, traditionally, tenant farmers often sold their stock to secure sufficient funds to buy a property, often in the countryside if that was their choice, but that possibility is now largely ruled out because of both the relatively low value of stock and the relatively high price of country properties. I was particularly concerned to hear about the way in which

they were being disadvantaged in the housing market and I wondered whether mechanisms could be introduced to help people who have difficulty getting affordable housing. Right hon. and hon. Members who represent rural constituencies know of the great difficulties in being able to live in such areas. My constituency of Monmouthshire is an area of very high property prices.

One initiative that I know about in Monmouth is called the shared equity scheme, which is being introduced by a private developer, Lovell, in conjunction with the housing association. Effectively, people buy half the house and the other half is kept by the housing association. It makes housing far more affordable. I wondered whether such schemes could be made available to people in rural areas and I was very pleased to hear that a charity called ARC Addington has such a scheme. Its strategic rural housing scheme allows applicants to choose a property and location. That property is then rented back to them, or made available for purchase under a shared equity arrangement.

My constituents, Mr. and Mrs. Sprackling, were penalised by having to secure a buy-to-let mortgage, and they tell me that the taxman will penalise them again by treating the rent from their property as unearned income. They believe that it would be fairer to treat that property as their main residence, and to regard any rental income as earned income.

There are not a great many tenant farmers in my constituency, but they do exist. To its credit, Monmouthshire county council has about 50 tenanted farms. The scheme governing county council farms was established after the first world war. It allowed local authorities to rent land to farmers as a way of helping men coming back from the war. It was a "farms fit for heroes" scheme, to go alongside the "homes fit for heroes" scheme introduced at that time.

In many rural areas, pockets of council houses were built after the Housing Act 1919 made it possible for rural and agricultural workers, and others on low incomes, to live in the countryside. That opportunity has largely been lost as a result of right to buy, as many of the properties involved have gone into the private sector.

One important function of the tenant sector is to allow new entrants to come into the farming industry. However, the Tenant Farmers Association has highlighted the challenges facing new entrants to farming, and called for policies that help rather than hinder their progress. The TFA has always championed the cause of new entrants. Tenancies are the principle mechanisms by which new tenants access the industry, and the TFA is keen to ensure that a strong supply of tenancies remains available to new entrants. Local authorities may be able to continue the traditional role of having tenant farms, but the indications are that they are more likely to divest themselves of their estates than to invest in buying land for tenant farmers.

One way to encourage more entrants into the industry would be to increase the opportunity for people to retire from it. There has been much talk about that in recent years. I well remember the crisis of the late 1990s, when I attended packed meetings with the former Member for Brecon and Radnorshire, now Lord Livesey. Many farmers wished that they had the opportunity to get out of the industry. Early retirement schemes have been available in many other professions and public-sector occupations, and it would not be unreasonable for a similar scheme to apply to the farming sector.

As a result of the inquiries that I have made and the parliamentary questions that I have submitted to the Government, I understand that progress on this matter has been very slow. The TFA has urged the Government to implement a commitment in the new manifesto to develop a scheme allowing people to retire from the industry so that they can make way for others.

The Welsh Assembly has also discussed this matter. It was said that implementing an early retirement scheme was inhibited either by the constraints imposed by the EU, or by the Assembly's limited powers, but I hope that the Government will continue to consider the possibility.

Diversification is another issue that affects tenant farmers. The TFA has highlighted the problem that some tenants face when considering diversification. Business advisers often suggest that farmers consider diversification as an option for business development, but it is not always appreciated that tenant farmers may not be able to take advantage of diversification because of the restrictions that apply under tenancy legislation, and in their tenancy contracts.

The chief executive of the TFA, George Dunn, has said:

"Most agricultural tenants will require the consent of their landlords before embarking on a non-agricultural project on let land. If such a project would add to the profitability of a tenant's business and help to sustain the level of rent, it would seem clear that the landlord should support it. However, some landlords insist on the observance of 'agricultural only' clauses which appear in tenancy agreements and take a negative attitude to tenants' plans to diversify."

A survey by the TFA discovered that on traditional lettings under the Agricultural Holdings Act 1986, tenants reported that 53 per cent. of landlords had taken or would take a negative attitude to the carrying out of non-agricultural activities on let land. However, other research commissioned by the Country Land and Business Association suggests that landlords are more favourably disposed to support tenants wishing to diversify—96 per cent. of all landlords surveyed by the CLBA would grant consent if asked by their tenant, subject only to reasonable terms to protect the landlord's interest and the value of the land. Examples of diversification include cafes, boat moorings, caravan sites and Christmas tree growing. Those and other forms of diversification have been encouraged. In fact, they have been a necessity in agriculture in recent years.

Concern has increased over reports that some landlords, including traditional landlords, are taking the opportunity, where available, to bring existing farm tenancies to an end as a lever to extract concessions from tenants on any single farm payment entitlement that might be established. Where that happens, it appears to be very unreasonable. I have not personally come across any cases in my constituency, but I know that it has been a concern of those who represent tenant farmers. In order to avoid that serious problem occurring, the TFA is putting pressure on the Government to introduce a statutory code for the tenant to be able to enforce a valuation of the entitlement at the end of the tenancy if

[Mr. Huw Edwards]

he does not want to take it away with him. That would then be passed to the landlord for allocation to an incoming tenant in return for the compensation settled. That method would be similar to the provisions contained in legislation that provides compensation to tenants for milk quota or other end-of-tenancy claims on improvements.

Speaking to my constituents, Mr. and Mrs. Sprackling, I was concerned to hear about the problems they have with the price of raw milk. They currently receive 17.2p per litre for raw milk, which is a slight increase on the average price for last year. However, they and other tenant farmers in similar situations cannot make a profit at that price. While we all acknowledge that consumers get a good deal when they go to a supermarket and buy six pints of milk for £1.24 or a little more, the worry is how little the farmers get. Several dairy farmers in my constituency have given up in recent years because of the problems faced by the dairy sector.

Together with other hon. Members, I have supported the call for a new strengthened supermarket code of practice. The current code of practice was introduced following the report by the Welsh Affairs Committee on the livestock industry. After publication, we made representations to the Office of Fair Trading that a code of practice be introduced. It was introduced, but on a voluntary basis. There is a strong argument for strengthening it and possibly placing it on a statutory basis.

I am sure that all hon. Members would acknowledge that the tenant farming sector plays an important role, especially for those coming into the industry. The Government have been active in working with all parts of the industry to ensure that the concerns of tenant farmers are addressed and that they are not disadvantaged. We must all support tenant farming and help it flourish, as well as recognising that some of the disadvantages faced by tenant farmers must be addressed.

6.43 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I am grateful to my hon. Friend the Member for Monmouth (Mr. Edwards) for securing this debate and I congratulate him on taking up the cudgels on behalf of tenant farmers. Tenant farmers have long been and remain an integral part of the UK agriculture industry and the social fabric of our rural communities. Before the first world war, 90 per cent. of agricultural land in England and Wales was tenanted. Today, the figure is nearer 33 per cent.

Despite the reduction in scale, the tenanted sector continues to make an important contribution to farming in several ways. It allows people to farm without the capital needed to buy land. As my hon. Friend rightly pointed out, that is the only way into the industry for many people. The sector also provides opportunities for new and younger entrants to the industry to ensure a dynamic and vibrant future for farming.

That is especially important, given the ageing farming population—although I am not sure that the word "ageing" is accurate. The average age of farmers is 59, and, although that may seem old, when we look at the statistics we find that it was much the same immediately after the war. The farming population is ageing in the sense that we are all ageing, but the extent to which its profile is changing is open to a little more discussion. The industry is certainly changing and it faces a variety of challenges. It is frequently more difficult for older farmers to adjust to changes at a time of transition such as the present, so the current opportunities are relevant. The tenancy option offers landowners and tenants the flexibility to let or rent land according to individual needs.

As part of our strategy for a sustainable food and farming industry, the Government have made clear our commitment to encouraging a viable and prosperous future for the tenanted sector.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Will the Minister give way?

Alun Michael: I am not sure of the protocol, Madam Deputy Speaker. I am not aware that intervention by a third party is possible.

Madam Deputy Speaker (Sylvia Heal): It is entirely up to the Minister whether he chooses to give way.

Alun Michael: I will give way to the hon. Member for Brecon and Radnorshire (Mr. Williams), but I am rather surprised that he is making an intervention without notice.

Mr. Williams: Thank you, Madam Deputy Speaker. I apologise to you and to the Minister. I was told that the debate could continue until half-past seven, so I thought that I might make a contribution. May I encourage the Minister to say something about single farm payments for new entrants, especially tenant farmers? It is a UK scheme and many new entrants and business builders are concerned.

Alun Michael: The hon. Gentleman is not a new Member and my understanding of the protocol is that if a third party wishes to speak they have to seek permission from both the Member instigating the debate and the Minister, but that may merely be politeness rather than a requirement of the House. I shall certainly be addressing the issues that were raised, including single farm payments—

Madam Deputy Speaker: Order. Perhaps I should clarify that that would be the case if a speech was being made, rather than an intervention.

Alun Michael: I am grateful, Madam Deputy Speaker. We learn something every day.

I was pointing out the importance of the tenant farmer sector, before I turned to the specific points that my hon. Friend the Member for Monmouth raised on behalf of his constituents. If, as we want to do through the strategy for food and sustainable farming, we are committed to ensuring a viable and prosperous future for the tenanted sector it is important that we ensure that tenant farmers are able to adapt to the changing circumstances in agriculture and take advantage of emerging possibilities.

Farmers today can no longer rely on food production, or food production supported by subsidy-related production, as the sole means of earning their income. Diversification from traditional agricultural activities is often essential to ensure the sustainability and prosperity of a farm business. Greater awareness of the need to protect the environment has led to changes in the way in which land is farmed and managed.

Tenant farmers have often been hampered in adapting to those changes due to the legislative framework and the structure of agricultural tenancies, which relates directly to one of my hon. Friend's points. That is why, at the end of 2002, Lord Whitty and I asked the Tenancy Reform Industry Group to look at the way forward for tenancy reform. I am pleased that my hon. Friend noted the work of the group, led by Julian Sayers. The TFA made a constructive contribution to that work.

The main features of the group's recommendations were proposals for changes to the Agricultural Holdings Act 1986 and the Agricultural Tenancies Act 1995. At the end of September, the Government issued a consultation document on a regulatory reform order on tenancy reform, which, if adopted, will implement all the proposals for legislative change made by the Tenancy Reform Industry Group. The proposed amendments to the legislation will create a more flexible framework for agricultural lettings and enable tenant farmers to take greater advantage of the opportunities presented by diversification and agri-environment activities.

Specifically, the amendments would allow tenant farmers to include income from diversified activities, carried out with the consent of the landlord, in the eligibility criteria for succession to a tenancy. They would allow the simplification of procedures relating to succession to a tenancy on retirement. They would provide for greater flexibility for landlords and tenants to reach agreement on rent reviews and end-of-tenancy compensation. They would also make it easier for landlords and tenants to agree to restructure a holding without jeopardising the status of the tenancy. Each of these points is important not only for the future of the tenanted sector but for the capacity of individuals to move on from a tenancy. My hon. Friend is right to say that that is sometimes a challenge and a problem.

The consultation period on the regulatory reform order ends this month and I hope that the amended legislation will come into force at the end of 2005. In addition to working on changes to legislation, the Government have worked with the Tenancy Reform Industry Group to produce a code of good practice for agri-environment schemes and diversification projects within agricultural tenancies. The code will assist landlords and tenants in reaching agreement on diversification and agri-environment projects. We have agreed to back up the code by providing funding for an adjudication scheme to consider cases where landlords and tenants have been unable to reach agreement.

The fresh start initiative that Lord Whitty launched at the Smithfield show earlier this month will benefit all farmers. Many of its measures will be particularly relevant to tenant farmers, and draw on the structural recommendations proposed by the tenancy reform industry group. In particular, fresh start addresses the problems of farmers considering retirement. Representatives of tenant farmers have lobbied strongly for an early retirement scheme under the England rural development programme, which my hon. Friend mentioned. The Government are not convinced that this would be good value for money, and money would have to be diverted from other grant schemes that are providing valuable public benefits, such as the agri-environment schemes.

We are aware that there is a particular problem for tenant farmers in finding suitable accommodation for their retirement. Tenant farmers want to be able to retire in rural areas—in other words, to be able to live where they have lived and worked all their lives. I think that that has been dealt with in general by ensuring that more affordable homes are built in rural areas.

In referring to that and referring specifically to his constituents' experience, my hon. Friend referred to the work of ARC Addington, which has offered interesting and constructive ideas on shared equity. A few months ago, its director made a presentation to the rural affairs forum for England, which I chaired and which was also attended by my right hon. Friend the Minister for Housing and Planning, and I understand that there are proposals with the Office of the Deputy Prime Minister on that type of model.

Shared equity is one of the ways of ensuring that affordable housing is not only provided but remains and can be recycled for future generations, whether that be 30 years on—the next generation—or, as sometimes happens with affordable housing, on a 10-year cycle, so the benefits of that model could be considerable. My understanding is that some elements of the proposal could be accommodated within existing arrangements but others would require changes.

Affordable housing in rural areas is the issue that leads to the problems; if there was sufficient affordable houses it would not be as difficult for people to find accommodation. I met the director of the Housing Corporation recently, and received very strong assurances that it will do what it has done over the past few years, which is to exceed the targets set out in the rural White Paper for the provision of social housing in rural areas. I know that colleagues at the Office of the Deputy Prime Minister have proposed a number of measures, particularly in relation to planning, that will assist in the provision of specific opportunities at the local level. We are often talking about the very smallest of communities—those under 3,000—and we are also talking about arrangements where the exceptions policy has been very constructive in recent years; that policy will continue.

Mr. Edwards: My right hon. Friend mentions the Housing Corporation. He will know, as a Welsh Member of Parliament and a former First Minister, that there is no equivalent body in Wales—Tai Cymru ended when the Assembly was established—and I am not aware of any equivalent initiative, certainly not in the rural area of Wales that I represent.

Alun Michael: My hon. Friend is well aware that I am not replying on devolved issues. Such matters are the Assembly's responsibility, as is the issue that he raises in

[Alun Michael]

relation to his constituents—Mr. and Mrs. Sprackling—missing the sheep premium application date in 2000. He kindly gave me notice of that question. They applied to the National Assembly to have the year 2000 disregarded, but they have been told that the application cannot be reconsidered. As I say, that is a matter for the National Assembly, rather than for DEFRA, but I understand that the case did not meet the criteria of either exceptional circumstances or force majeuré—two principles that I am now very used to when dealing with applications and appeals in England. The European rules under which we work in providing support to farmers include some strict requirements that must be met.

I believe that it is also the case that issues such as the introduction of a retirement scheme would come within the ambit of the National Assembly for Wales as devolved matters, as they would be the Welsh equivalents of those elements that are contained in the England rural development programme, but I will confirm that to my hon. Friend in writing because I was not able to check that point during the debate.

As my hon. Friend rightly said, the representatives of tenant farmers have lobbied strongly for an early retirement scheme under the England rural development programme. We are not convinced that such a scheme would be good value for money—presumably, an equivalent judgment is being made in Wales—but we are aware of the problem that tenant farmers face in finding accommodation. We are committed to ensuring that more affordable homes are provided.

It is true to say that the sweeping changes of CAP reform will affect agriculture entirely, as well as the wider rural community, but a time of change is also a time of opportunity, and we want to make sure that tenant farmers are able to take advantage of the opportunities opened up by CAP reform.

My right hon. Friend the Secretary of State for Environment, Food and Rural Affairs made it clear in her speech to the annual general meeting of the National Farmers Union earlier in the year that we understand tenant farmers' worries that they might find themselves disadvantaged as a result of the implementation of the single payment. Therefore, in all our decisions on CAP reform, we have been careful to examine the effects on both tenant farmers and landlords. We have made it clear that CAP reform should not be allowed to distort the balance of advantage in favour of either landlords or tenants.

Many tenants are concerned about what will happen to the allocations of single payment entitlement at the end of tenancy. The Tenancy Reform Industry Group has been helpful in providing a guidance note both for landlords and tenants that gives advice on the issue. That has been well received. As the implementation of CAP reform progresses, the Government will monitor closely the impact on landlord and tenant relationships. We will keep in close touch with the representatives of tenant farmers, who do an excellent job in lobbying on behalf of their members.

More specifically, DEFRA has invited tenders for specific research that will examine the impact of CAP reform on the diversification activities of tenant farmers, as well as looking at the wider impact of CAP reform on the landlord-tenant relationship. That research will be carried out in two parts during 2005 and 2006, and those involved will report to the Government at the end of 2006.

To conclude, protecting the interests of tenant farmers has been a key issue in the Government's agriculture agenda. We value the diversity that tenant farmers bring to farming. We have acted through the industry group to try to correct some of the anomalies that disadvantage tenant farmers, and our aim is ensure that the sector maintains and enhances its place in the agricultural community.

Question put and agreed to.

Adjourned accordingly at one minute to Seven o'clock

House of Commons

Thursday 16 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

US Dollar (Depreciation)

1. **Mr. Kelvin Hopkins** (Luton, North) (Lab): Whether he has made an assessment of the implications of the depreciation of the US dollar for the British economy; and if he will make a statement. [205210]

The Chancellor of the Exchequer (Mr. Gordon Brown): In the last six months, the dollar has fallen by 6 per cent. against the pound. At the same time, the euro rose by 5 per cent. against the pound. Our objective throughout is stability and the maintenance of economic growth. During our presidency of the G7 and G8 next year, our objective will be that each continent make its contribution to the sustained growth of the world economy.

Mr. Hopkins: Is it not now clear that the Americans are using the dollar exchange rate as an explicit instrument of macro-economic policy? Given that Britain, too, has a substantial and increasing trade deficit, largely with the rest of the European Union, is it not only a matter of time before our Government must adopt an active exchange-rate policy as well?

Mr. Brown: I thought that my hon. Friend was opposed to a fixed exchange rate, especially given his views on the euro. Exchange rates will, over time, reflect the fundamentals of the economy. Given the volatility that there has been, I think it most important for each continent to consider over the next few months what contribution it can make to sustained growth in the world economy. I shall be meeting the American Administration over the next few days and will urge them to set a clear path showing that the current account and budget deficits can be dealt with. Equally, the European economy must contribute to growth in the world economy as it has not done in recent years. The same applies to the Japanese economy, which must continue its programme of financial sector reform. Given the present condition of the world economy, in which world trade is increasing, we need to see each continent contributing to both stability and growth.

Richard Ottaway (Croydon, South) (Con): I am encouraged by that last reply. Is not the real implication of the devalued dollar—given that the foreign debts of many countries around the world are in dollars—the devaluation of those debts, which will have a profound impact on the world economy? Will the Chancellor address that when he talks to his colleagues in the United States?

Mr. Brown: I will certainly mention it when I talk to Mr. Snow, the Treasury Secretary, and Dr. Greenspan, chairman of the Federal Reserve. As policy makers, however, we must decide on the best way forward for the world economy. If we are to maintain the levels of growth achieved this year and see the world economy on a sustained path of growth over the next few years, it is clear to me that the European economy must grow faster. It is also clear to me that the current account and fiscal deficits in the United States must be seen to be addressed, and that in Asia, especially Japan, financial sector reform must be there to show that Japan is on a path towards growth as well.

I do not think that in February we shall return to the sort of discussions we had at Louvre and Plaza in the 1970s. We shall be discussing how greater flexibility and stability in the world economy can make for greater growth.

David Taylor (North-West Leicestershire) (Lab/Co-op): In the mid-1980s, closing the twin fiscal and current account gaps in the United States, which at that stage were running at about 3 per cent. of gross domestic product, was associated with a 30 per cent. fall in the dollar when measured on a trade-weighted basis. Does my right hon. Friend agree that with those two deficits now running at about 5 per cent., the chief economist at the Bank of England was right to flag up further sizeable falls in the dollar recently? What will my right hon. Friend do about that prospect when he talks to the American Administration?

Mr. Brown: There is another factor to be taken into account. The European economy has been growing at half the rate of the American economy for about 10 years. If we are to have balance in the world economy, we shall need more growth out of Europe. Whether in terms of interest rates or of structural reform, the whole European area economy will have to grow faster. We are not in the position in which we found ourselves in the mid and late 1980s. We have low inflation both in Britain and in the world economy and we will not make the mistakes made by the last Conservative Government.

Mr. Oliver Letwin (West Dorset) (Con): The Chancellor is obviously right to favour floating exchange rates—I think that there is agreement on that throughout the House—but one point was not made clear in his reply to the hon. Member for Luton, North (Mr. Hopkins). Does he think that the depreciation of the dollar has been a major factor in the record trade deficits that the United Kingdom now has?

Mr. Brown: Of course the depreciation of the dollar is a factor affecting not just the British economy but economies around the world, but policy makers must

deal with the real world as we find it. What we must think about over the next few months is how we can sustain the stability of the world economy and at the same time have the fastest growth possible, so that instead of the downturn of the past few years we enjoy a period of sustained growth. I am suggesting that each continent must recognise its responsibilities. Rather than looking at some academic analysis of what might have happened, we must look at what can happen. Each continent must say, "Here are the contributions that we can make to the continuing growth of the world economy." I should have thought there was common ground between us on that.

Mr. Letwin: I still did not hear the right hon. Gentleman explain the reason for the UK's record trade deficit. What about foreign direct investment in this country? Does he think that the depreciation of the dollar is mainly responsible for foreign direct investment dropping to a quarter of its level five years ago?

Mr. Brown: The right hon. Gentleman wishes again to talk down the British economy, but he should recognise that we are the premier country in Europe benefiting from foreign direct investment, particularly from Asia. The pre-Budget report shows not only that exports have grown substantially this year, but that they will continue to grow next year at a fast rate, and we are in a position to benefit from the rise in world trade. Regardless of the right hon. Gentleman's speculation about the impact of the dollar, trade from Britain to the rest of the world is rising, exports are rising and they ought to continue to rise. I want Britain to benefit from increased world trade. Again, I would have expected that to be common ground between us.

Mr. Letwin: The Chancellor does not need to worry about speculation. In 1999, foreign direct investment into this country was £54 billion; last year, it was £12 billion, which is about a quarter of the former figure. He surely has to recognise that the depreciation of the dollar or any other external factor is not the main reason for our record trade deficit, or for the fact that foreign direct investment has dropped to a quarter of its earlier level. The main reason is the excessive regulation that he has been imposing and the tax that he has been levying to pay for his wasteful spending.

Mr. Brown: I do not think that the shadow Chancellor lives in the real world. There has been a world downturn, every country in the advanced industrialised world has suffered a loss of foreign direct investment, and the huge pressures of globalisation are hitting every economy as more and more manufacturing work is done in the far east. These are factors common to every industrial economy. The question then is: how well is Britain doing? The answer is that Britain is growing, Britain is creating jobs, Britain has low inflation and Britain has low interest rates. We do not want to go back to the situation described by the shadow deregulation Minister:

> "Fifteen per cent. interest rates, sky-high mortgage arrears, negative equity, bankruptcies, entrepreneurs giving up the ghost on private-run companies . . . I don't think there was a family in the country that didn't experience at least one of those anguishes. A lot of my neighbours lost their houses".

That was Christmases past under the Conservative Government.

Child Care Costs

2. **Mr. Andrew Rosindell** (Romford) (Con): What estimate he has made of the cost of his new proposals for supporting family child care costs. [205211]

The Chief Secretary to the Treasury (Mr. Paul Boateng): The proposals set out in the pre-Budget report for supporting family child care costs will cost an additional £400 million in 2006–07. The total additional cost from 2007–08 will be £600 million.

Mr. Rosindell: I thank the Minister for his response, but may I move from costs to benefits and ask him what advantage people earning up to £50,000 a year will receive from his new £50 employer voucher? This appears to be a case of one arm of the Treasury not talking to the other. Is it not true that people will lose out on tax credits and receive little or no benefit, or even be worse off?

Mr. Boateng: The benefits are real and practical across the income range, not least because of the £125 million transformation fund, which is designed to support capacity in the child care market. On the hon. Gentleman's constituency in particular, under Labour the Clockhouse lane early years centre stands to become a children's centre; under the Tories, were they ever to achieve office, it would be lost. That is the choice—between child care with Labour, or no child care with the Tories.

Mr. Peter Pike (Burnley) (Lab): Is it not wrong to look at this issue as simply one of cost? As a result of this positive policy, are there not benefits not only to families, but to the nation? Is it not negative to look at this issue in the manner adopted in the question?

Mr. Boateng: Having recently visited Burnley, I know that my hon. Friend takes a real interest in this issue, and he is absolutely right. This is not just about benefiting families and enabling them to choose how they balance work-life responsibilities; it is also about a flexible labour market and the benefits to the economy that come when all those who have the potential to contribute to it are involved in it. Child care should support that; under the Tories, it detracted from it.

Miss Julie Kirkbride (Bromsgrove) (Con): What plans does the Minister have to make his Government's child care plans more flexible for working mothers? While many mothers are happy to take their children to school early or leave them there late or with a child minder in another house, many other mothers will, because of their working pattern, want them looked after in their own homes. What is the Minister going to do to make the Government's plans more flexible?

Mr. Boateng: The plans are flexible and have been recognised as such by all the charities working in this sector. What has really introduced flexibility to the market—the facts speak for themselves—is that 525,000 child care places have been created as a result of

this Government's policy since we came to office. The real flexibility is provided by having a child care policy. The Tories never had one and the result was an inflexible and rigid labour market and a lack of choice for hard-pressed, hard-working parents.

Children's Services

3. **Linda Perham** (Ilford, North) (Lab): What assessment he has made of the economic impact of the Government's planned investment in children's services and nursery education. [205212]

The Chancellor of the Exchequer (Mr. Gordon Brown): As a result of the pre-Budget report, investment in child care and nursery education, including Sure Start, will rise from £1.2 billion in 1997 to £4.5 billion in 2008, as we invest in the potential of every child to the long-term benefit of the whole economy.

Linda Perham: I thank my right hon. Friend for that answer and I look forward to having a Sure Start scheme in my constituency. I recently attended the launch, under the neighbourhood nursery initiative, of a new learning centre in Hainault in my constituency. Such a provision, which opens between 8 am and 6 pm, is particularly helpful to lone parents. Can the Chancellor explain how the investment that the Government are planning in under-fives services will impact on the participation of lone parents in the labour market and on Government targets for reducing child poverty?

Mr. Brown: The number of lone parents who are employed has risen from 45 to 55 per cent. or so over the last few years. We believe that there is considerable scope for that to continue to rise if adequate child care places as well as training are made available. That is why we made an offer in the pre-Budget report to 250,000 lone parents. If they take up the offer of jobs, they will receive an additional £40 a week allowance for a year—a £2,000 a year bonus for taking on a job.

The combination of the measures in the pre-Budget report, the additional help on maternity pay, the increased number of hours in nursery education, the growth of children centres—they should average about five per constituency by the time our programme is finished in 2010—as well as the wraparound school care that my hon. Friend talks about, under which schools are open from 8 am to 6 pm, all mean that the choices available to parents are immeasurably enhanced from where they were in 1997. At the same time, our children's benefits are attacking child poverty. I shall give my hon. Friend one more figure. In 1997, the child care tax credit went to 45,000 people; it now goes to almost 300,000. That shows how many more mothers have got more effective choices as a result of our policies.

Dr. Vincent Cable (Twickenham) (LD): I warmly welcome the increased investments in children's services and nursery education—so much so, that on these Benches we believe that it would be a far better use of taxpayers' money to spend £250 million on early-years provision, rather than on the Government's baby bond to provide cash for 18-year-olds to pay their student tuition fees. After yesterday, does the Chancellor accept that it is not just the Liberal Democrats who have doubts about the child trust fund? The City does, too, as the leading retail provider has now withdrawn all support for the fund. Is it not now inevitable that the Government will have to exercise their expensive default option?

Mr. Brown: It is a very weak-minded Liberal party that is put off the child trust fund just because one of many providers says that it will not be involved. Retail stores, assurance societies, insurance societies and friendly societies are all involved in the child trust fund. I just hope for the sake of children and the future of our country that the Liberal party reconsiders its ridiculous policy. According to the hon. Member for Yeovil (Mr. Laws), who I see in his place next to the Liberal shadow Chancellor,

"some may be tempted to blow it at 18 on a good holiday or a good party. The Baby Bonds policy should be scrapped".

This is a measure to encourage savings by all—it gives every child some assets and it ensures that we have a wealth-owning democracy as well as rising incomes for families. I just wish that the Liberal party would, at some point, support a sensible policy. The fact is that, because of the success of our economic policies, we can both expand child care and have a child trust fund, whereas the Opposition would cut public spending by £35 billion.

Angela Eagle (Wallasey) (Lab): May I congratulate my right hon. Friend on his concentration on child care as a way of providing opportunity for people? I welcome the opening of a Sure Start centre in the Seacombe ward in my constituency, which, even as we speak, is providing extremely effective help to 480 families. I look forward to another pioneering children's centre opening in Leasowe. Those two centres are transforming the lives and opportunities of many of my constituents. I, for one, welcome that.

Mr. Brown: I have visited many of the Sure Start centres around the country. What is really encouraging is not only the benefit provided for children, but the fact that parents who might feel isolated otherwise can meet at these centres. That benefits the children and the whole family life of the community. Increasingly, Sure Start centres are at the heart of every community. If we can have 3,500 of them by 2010—at an average of five per constituency—there will be a very great benefit to family life. However, it would be disastrous if we took the advice of the Liberal party to scrap the child trust fund, or of the Conservative party to scrap the Sure Start children's centres. What future do the Conservatives offer children in this country? None.

Mr. Paul Goodman (Wycombe) (Con): With reference to what the right hon. Gentleman has just said about children's centres, child care providers have to negotiate their way through 28 separate funding streams and application processes. Will he have a word with the Chancellor of the Duchy of Lancaster, who is responsible for co-ordinating Government policy, to ensure that that complex structure is simplified and that some of the barriers to child care supply can be torn down?

Mr. Brown: This is indeed very interesting—the hon. Gentleman wants Sure Start centres in his constituency. I shall take up his suggestion and make it easier for him to have them, but he had better start talking to the shadow Chancellor, who wants to abolish Sure Start children's centres.

Poor Countries (Debt)

4. **Ms Christine Russell** (City of Chester) (Lab): If he will make a statement on progress towards multilateral debt cancellation for poor countries. [205213]

The Chancellor of the Exchequer (Mr. Gordon Brown): Our objective is to match bilateral debt relief by up to 100 per cent., with relief on the debt owed by poor countries to the World Bank and African Development Bank of up to 100 per cent. also to be funded through new commitment from all donors.

Ms Russell: May I thank my right hon. Friend for that encouraging reply? He will be aware that, in common with many other Labour Members, I have hundreds of constituents who communicate with me regularly on matters such as debt relief, and they tell me that they very much welcome and acknowledge the commitment to debt relief that our Government have shown. They have asked me to pass on to my right hon. Friend their earnest wish that Britain, when it assumes the presidency of the G8 and the EU next year, will encourage our colleagues to follow his lead and commit to debt relief.

Mr. Brown: I am grateful to my hon. Friend who, like many hon. Members, is working with the Churches and faith groups to push for debt relief for the poorest countries in the world. In the 1999–2000 period, we persuaded countries to write off 100 per cent. of bilateral debt relief, but we still have to complete the process. That involves writing off the debt owed to the World Bank, the IMF and the African Development Bank. Until now, I had hoped for all-party support in this. Unfortunately, I find that the Conservative party's proposals to cut £35 billion from public expenditure would mean a massive cut in overseas development aid. Again, what sort of Christmas present is that for the third world? The Opposition would cut the Sure Start children's centres, and now we know that they would also cut the overseas development aid.

Tony Baldry (Banbury) (Con): The Chancellor has made it clear that he will pay the UK's share of the remaining concessionary lending debt to the World Bank and the African Development Bank of those countries reaching the heavily indebted poor countries completion point. How much money does he think that that will involve? What indication has he had so far that other donors will be willing to follow the UK's lead? Will this matter be a priority for our G8 presidency?

Mr. Brown: I pay tribute to the hon. Gentleman's work as chairman of the all-party committee. That will be a priority for our presidency. I will talk to the American Administration about it this weekend, and I will meet the IMF and the World Bank to look at practical proposals to allow us to move forward. In the case of debts owed to the IMF, that would be done by use of IMF gold, which would be a bold decision but the right one. I believe that there is increasing support for that from the international community and from the managing director of the IMF. On debts owed to the World Bank, when we tried to act previously we raised a trust fund of something in the order of $3 billion. We have offered to pay off our share—10 per cent.—of the debts owed to the World Bank. I would like other countries to follow. I believe that the different members of the G7 recognise that that has to be done. I am glad that the hon. Gentleman supports our policy, but I ask him please to advise those on the Conservative Front Bench that if they continue to cut overseas development aid in their Budget proposals, they will not be able to finance the debt relief that we are providing. The Conservative party should think again.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): Does my right hon. Friend agree that the remarkable bilateral and multilateral progress that he has made in respect of debt puts him in a very strong position to encourage developing countries to introduce a strategy where they have mineral resources, such as in the great lakes or even in Angola, so that they can indeed reach the millennium goals and achieve the objectives that he has nobly set?

Mr. Brown: My right hon. Friend has played a prominent part in pushing to ensure that resources are there for the economic development of countries in Africa that have been denied opportunities for too long. That demands a good solution to the trade talks. It also demands that resources be available for education, health and economic development. In the example of Ethiopia, which was the starting country for the Live Aid action 20 years ago, one reason why it has not been able to move forward, and why it has, for example, only 2,000 doctors for 70 million people—a pathetic situation for a country with so many people—is that much of its debt is still owed to the World Bank and the IMF. It is therefore necessary for us to complete the process of debt relief to enable some countries to make the decisions that are right for them. I hope to be able to report progress in the first few months of next year.

Rev. Martin Smyth (Belfast, South) (UUP): We welcome what the Chancellor has been saying. He is offering to pay off 10 per cent. Will that be over a period of years, or is it intended to give a lead to others? Can he give any guidance on who might be the loiterers in coming forward?

Mr. Brown: I am grateful to the hon. Gentleman. We are beginning to persuade people, so I do not think naming and shaming is the right way to move forward in the first few months of our presidency. I believe that we can persuade the countries that need to contribute. The hon. Gentleman asked how the debt relief would be paid. Our 10 per cent. contribution is that we will pay all the interest payments due from the poorest countries to the World Bank for as long as they fall due. We are taking on the burden of the debt, and I hope that other countries can follow that course. The money is set

against the overseas aid budget, so all parties would have to make a commitment that they would finance that budget to be able to do it.

Mr. John MacDougall (Central Fife) (Lab): I congratulate my right hon. Friend on his contribution to tackling third world debt. Would he care to comment on the work of the Commission for Africa, which faces significant challenges, particularly in terms of the HIV/AIDS epidemic that is sweeping the country and of the number of orphans left in distressful and unfortunate situations? I believe that the commission is doing an excellent job. Would the Chancellor care to comment on its work?

Mr. Brown: My hon. Friend has taken a big interest in these matters, and he is absolutely right to refer to the 11 million children in Africa who are orphans of mothers and fathers who have died from AIDS. That figure will rise dramatically in the next few years unless something is done. In some countries of Africa, a quarter of the adult population suffer from HIV/AIDS. That is why the measures that we are looking at, including giving £500 million a year from the Department for International Development to finance action on AIDS, are desperately necessary.

We have a meeting in Johannesburg at the beginning of January with the Commission for Africa and we will try to get agreement on a package of measures that could finance action on HIV/AIDS, malaria, tuberculosis and all the killer diseases in Africa. I hope that when we publish the Commission for Africa report we will have all-party agreement that we need to spend the money necessary so that illiteracy can be tackled—110 million children are not going to school today—and so that the 6 million avoidable deaths from killer diseases can be dealt with through prevention and cure.

Growth and Stability Pact

5. **Mr. James Plaskitt** (Warwick and Leamington) (Lab): What objectives he intends to pursue during the UK's EU presidency in respect of the growth and stability pact. [205214]

The Chancellor of the Exchequer (Mr. Gordon Brown): The Government will continue to pursue our objective of a stability and growth pact that takes into account the economic cycle, debt sustainability and the role of public investment. I intend to publish later today the UK's 2004 convergence programme. The Government are also publishing today their autumn report on euro preparations.

Mr. Plaskitt: Continental Europe seems to be stuck with rates of unemployment far higher than ours. Is it possible to argue that the growth and stability pact has delivered stability, but of the sort one tends to notice in a corpse? Under my right hon. Friend's stewardship, by contrast, the United Kingdom has announced outstanding records on both growth and job creation. What advice on the future of the pact will he give his European colleagues over the next few months?

Mr. Brown: It is true that the euro area has higher inflation and higher unemployment with lower growth than we do. The issue arising is whether the stability and growth pact gives a degree of co-ordination that is necessary with the monetary authority of the European Central Bank to enable Europe to continue to grow at a rate that would bring down unemployment. We have three specific proposals. First, just like our fiscal rules, Europe should take into account the economic cycle. Secondly, those countries with low levels of debt should be allowed to borrow. That would be positive for growth. Thirdly, they should recognise the important role of public investment, as we do in setting our fiscal rules, to enable countries with low debt to be able to borrow to make the necessary public investment to build up their infrastructure and to secure economic growth for the future. I believe that the main economies of Europe are moving towards the views that we have expressed for seven years on the stability and growth pact. I hope that during the Luxemburg presidency many of the rules that underlie the implementation of the stability and growth pact will be rewritten.

Mr. Richard Spring (West Suffolk) (Con): Given that UK net borrowing has breached the 3 per cent. level, does the Chancellor agree that a key objective of the UK presidency would be to avoid the excessive gloating, tellingly referred to by the Chancellor's comrade-in-arms Lord—oh, I am sorry—Mr. Peter Mandelson?

Mr. Brown: It is not usual to refer to Members in another place. I must correct the hon. Gentleman—the deficit this year is 2.9 per cent., not 3 per cent. That compares with other countries, including America and Japan, where the deficit is over 4 per cent., in both cases around 5 per cent. In Japan's case it is nearer 6 per cent. now. So our record is a good one and he should congratulate us on our management of public finances. Unfortunately, the only contribution that the Conservatives could make to public finances would be to cut £35 billion of public spending. Even if they sacked every civil servant in the country, they could raise only £15 billion, so they would have to find a further £20 billion from massive cuts in our public services. It is about time that they explained how many nurses, teachers and carers would lose their jobs.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): What are the likely consequences of the European Union continuing effectively without any fiscal rules if the stability and growth pact is not reformed?

Mr. Brown: It is clear that the pact will be reformed and that all countries now recognise that the existing implementation rules cannot be sustained. Because France and Germany are not going to be disciplined as a result of the breach of the rules, it is clear that the rules will have to be changed; otherwise, the pact cannot survive. I believe that in the next few months we shall see proposals that will make the pact more understanding of the needs of the economic cycle and of public investment and more sympathetic to countries with low debt.

National Insurance

6. **Mr. Michael Fallon** (Sevenoaks) (Con): How much is expected to be paid in national insurance contributions in 2004–05; and how much was paid in 1996–97. [205215]

The Paymaster General (Dawn Primarolo): Since 1997, average earnings have grown by over 25 per cent. and there are now an extra 1.8 million people in work. Receipts of national insurance contributions reflect this economic success and increased national prosperity. The Government Actuary estimates that in 2004–05, £80,962 million will be paid in national insurance contributions. The amount paid in 1996–97 was £47,627 million.

Mr. Fallon: Is not the reason why Ministers refuse to rule out an increase in national insurance contributions, as they have ruled out increases in VAT on food and children's clothing, that if one votes Labour at the next election, national insurance is the tax most likely to be increased in the next Parliament, just as the Government increased it in this Parliament?

Dawn Primarolo: No. As the hon. Gentleman knows, all the Government's spending plans are affordable. The party that makes promises before an election and breaks them directly afterwards is the Conservative party, as it did in 1992, when it promised not to raise VAT and then did.

Kevin Brennan (Cardiff, West) (Lab): Is it not the case that the discretionary part of the increase in national insurance of 1 per cent. was supported strongly by the British people as necessary in order to put right the mess that had been made in the NHS over many years by the Conservatives, and that the automatic increase is a result of the success of the Government's management of the economy? Rather than the boom and bust approach of the Conservatives, we now have sustained investment and growth.

Dawn Primarolo: My hon. Friend is correct. Some £7.8 billion was raised to pay directly to the NHS to fund the investment necessary after it was starved of resources for a sustained period by the Conservatives—and that was widely supported by all our communities. The question is whether the Opposition would remove that investment and cancel the 1 per cent. increase.

Mr. George Osborne (Tatton) (Con): Does the Paymaster General remember that before the last election the Prime Minister said that people "shouldn't suppose" that national insurance would go up if Labour were elected. Of course, it went up in the next Budget. Given her refusal to rule out increases in national insurances in response to my hon. Friend the Member for Sevenoaks (Mr. Fallon), should not people suppose that after the election national insurance will go up if Labour wins?

Dawn Primarolo: What we need to know from the hon. Gentleman, given that he is so obsessed with the 1 per cent. national insurance increase—[HON. MEMBERS: "Answer the question."] I have made the Government's position absolutely clear on the commitment to the 1 per cent. increase, which was supported by our communities to pay for investment in the NHS. Would the Conservatives remove it or are they committed to it?

Mr. Hugo Swire (East Devon) (Con) *rose*—

Mr. Speaker: Order. That is all that the Paymaster General has to say.

Gold Sales

7. **Sir Teddy Taylor** (Rochford and Southend, East) (Con): If he will make a statement on the implications of his instruction to the Bank of England to sell gold. [205216]

The Chancellor of the Exchequer (Mr. Gordon Brown): The aim was successfully to achieve a reduction of risk in the net reserves portfolio. The reduction achieved, as measured by value of risk, was 30 per cent.

Sir Teddy Taylor: Would not it help the Government's credibility if they would accept it when mistakes are made? Does the Chancellor accept that the 395 tonnes of gold that he instructed the Bank to sell secured $3,496 million, but the current value of that gold is $4,961 million, which means a loss of $1,465 million or £800 million, which is equivalent to more than £15 for every person in Britain? Does not he accept that it was also an error to instruct the Bank to put 40 per cent. of the proceeds into the dollar just before it had an appalling fall? Does he accept that a mistake was made? While we accept that many things have gone right, would not it be helpful if the Government would accept it when something has gone wrong?

Mr. Brown: Almost all the major economies, including France and Switzerland, which are gold holders, have been selling gold recently, with the exception of the US and Germany. The mistake that we made as a country was not rebalancing our reserves earlier, in the 1980s and 1990s. When we came to power, we made a decision to do what it had been advised we should do for a long time. We made the right decision to have the right balance of reserves, including holding dollars, euros and yen. The hon. Gentleman will not like it, but the value of our euro holdings has gone up, as a result of the euro going up by 14 per cent.

Mr. Owen Paterson (North Shropshire) (Con): That argument is absolutely ridiculous. This is the most arrogant, blundering and incompetent Chancellor. He has thrown away nearly £1.5 billion of taxpayers' money, or £58 per household. As a little present to this country, would he just once like to apologise?

Mr. Brown: There is not much Christmas spirit around, is there? As we are talking about apologies in the running of the economy, could we have an apology for the 15 per cent. interest rates, the 10 per cent. inflation, the 3 million unemployed and the massive cuts in public spending?

International Cricket Council (Tax)

8. **Hugh Robertson** (Faversham and Mid-Kent) (Con): What representations he has received on the future tax treatment of the International Cricket Council headquarters. [205217]

The Paymaster General (Dawn Primarolo): The Government received a representation from the hon. Gentleman dated 13 December 2004. A representation from the UK Sport council on taxation issues relating to international sports federations has also been received, and we shall consider representations on relevant tax issues as part of the Budget process.

Hugh Robertson: I thank the Minister for that answer. She will be aware that the UK has lost a number of international sports headquarters recently—rugby, athletics, table tennis and badminton have all gone abroad—because of the UK tax regime. That has clearly resulted in revenue loss to the Exchequer, jobs lost to the UK economy and damage to the UK's international sporting standard, which is not good news in front of the London 2012 bid. Can the right hon. Lady tell the House today exactly what action she is planning to take as a result of the submission from UK Sport to guarantee the future location of the International Cricket Council in London?

Dawn Primarolo: It would clearly be inappropriate for me to comment on an individual taxpayer, due to taxpayer confidentiality—*[Laughter.]* It is a simple fact: I am unable to do that. The sports council raised three issues on taxation, one of which was about corporation tax. The fact of the matter is that most international sports federations pay little or no corporation tax—an absolutely negligible amount. They are based here for a wide range of other reasons. An exemption from corporation tax would allow those federations to develop a wide range of commercial activities, free of tax considerations, and that would run counter to the policy not only of this Government but also of the previous Government, which strictly observes that commercial activities should maintain a level playing field to avoid potential unfair tax competition and state-aid issues. The other issues raised by the sports council were on VAT and the national insurance contributions of their employees and it has received a response from the Government on both.

Mr. Andy Reed (Loughborough) (Lab/Co-op): I understand the complexities of the situation, which also pertain to a large number of other national governing bodies, especially with regard to corporation tax. I hear what my right hon. Friend says, but is she aware, for example, that rugby football union paid £3 million in corporation tax last year on a loss? Will she look again at the VAT question right across the board, so that we can have a whole-sport approach? A number of governing bodies, including athletics, say that some of the impacts have complications regionally. Could we have a national approach to work with sport, to build on the fantastic success of community and amateur sports clubs and the rate relief that we have given to sports clubs up and down the country? There is some concern at national governing level, and we need to work together to create—I am afraid to use this phrase—a level playing field.

Dawn Primarolo: Because of my hon. Friend's involvement in the subject, I know that he is very aware that the Government have been committed to improving sport right across the country, including investing in schools, communities and elite sports in a way that has never been done before. He will recall that the 2004 spending review announced that the Government would pledge another £431 million for sport in the period 2005–08, which represents a rise of 31 per cent. in the amount that we are investing. It is simply not possible to bend tax rules for some. It is quite straightforward: corporation tax is levied except in circumstances where there is an exemption—for instance, a charity—and all the sports councils pay barely any corporation tax. The amount is negligible, so there cannot be the massive effect that is being claimed with regard to their future locations.

Education

9. **Mr. John Battle** (Leeds, West) (Lab): What representations he has received on his spending plans for education. [205218]

The Chief Secretary to the Treasury (Mr. Paul Boateng): The Government regularly receive representations on spending plans for education. We are taking forward a programme of high investment in education and skills. From £36 billion in 1996–97, the education and skills budget for the UK stands at £63 billion in 2004–05, and is set to rise to £76 billion by 2007–08.

Mr. Battle: My right hon. Friend will recall that some of us spent some 10 years on the Opposition Benches resisting real cuts in education budgets every year under the Conservative Government, so I welcome the real, increased investment particularly in primary schools in Armley, Bramley, Kirkston and Wortley in my neighbourhood. I am thinking of the brand new Five Lane Ends school, and I am looking forward to the Holly Bush school opening next year. I also thank him for the innovative Sure Start funding projects in Bramley and Burley, but will he build on that start and assure me that future education spending plans will include increasing investment in secondary education to secure the future well-being of our communities in west Leeds?

Mr. Boateng: I recall those days only too well, having shared an office with my right hon. Friend for most of them—and they were bad days. *[Laughter.]* They were bad days for education, and the reality is shown by the results of the programmes that the Government have instituted, not least in Leeds, where the excellence in cities initiative has provided intensive support for schools that face particular difficulties. The city academy programme, to which he has referred, and the building schools for the future programme have also been introduced. All those programmes have benefited Leeds and led to improved results in secondary education in Leeds. The commitment is to continue to

fund those programmes, and the choice at the next general election will be very clear: to return to those bad old days of falling standards, or to maintain progress under Labour—rising standards and increased investment in schools.

Mr. David Laws (Yeovil) (LD): On the day of the pre-Budget report this year, the Chancellor announced that he was raiding departmental budgets to find money to keep down council tax rises next year. The Government have yet to tell us which departmental budgets have been raided. Will the Chief Secretary take this opportunity to clarify that and to tell us whether the Department for Education and Skills and the Department of Health lost money?

Mr. Boateng: Every Department has benefited from increased spending, and what the hon. Gentleman, who speaks for the Liberal Democrats on public spending matters, has to answer is how he could afford continuing programmes to improve standards in education and continuing provision for child care because the reality is that, on every front, the Liberals promise one thing in the House and deliver something quite different when they have control of councils in the country.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Does my right hon. Friend agree that millions of families in this country would not agree that the investment in education over the past eight years has been a waste of public expenditure—especially those who have benefited from free nursery school education, which, as all the research shows, represents very good investment? Much of the investment has been well received and useful, but there is not necessarily a relationship between more money and better results, with one exception: higher education. Our expenditure on higher education has been less generous than in other areas. Is my right hon. Friend aware that, if we are to have an internationally competitive economy, we must invest more in higher education, and soon?

Mr. Boateng: I pay tribute to the role that my hon. Friend has played, as the Chairman of the Select Committee on Education and Skills, in ensuring an increase in investment in every area of education. He will recognise the importance of investment in further education, which has gone up under this Government, and the importance, too, of higher education, which he has emphasised. He will recognise, I am sure, that my right hon. Friend the Chancellor, in his 10-year science and innovation strategy, paved the way to a bright future for our universities, with a 6 per cent. increase in funding. That is what makes our economy strong and productive, and it will ensure the continuation of the growth that is unparalleled in the G7 at this time.

Olympic Bid (2012)

11. **Laura Moffatt** (Crawley) (Lab): What assessment he has made of the likely impact on the south-east economy should the 2012 London Olympic bid be successful. [205220]

The Financial Secretary to the Treasury (Mr. Stephen Timms): Winning the 2012 Olympics would bring significant benefits to the UK as a whole, providing new opportunities for businesses, attracting significant inward investment and significantly boosting tourism. The Department for Culture, Media and Sport is convening a conference next month to look at the economic opportunities for the country as a whole, and we are keen to maximise the potential benefits.

Laura Moffatt: May I say that I am grateful for my hon. Friend's response because in towns such as Crawley, we firmly believe that a successful bid will be of huge benefit to not only London, but the whole of the south-east? We would have new Olympic-standard facilities, and spreading the fantastic wealth that could flow from the Olympic bid would make an enormous contribution to my town.

Mr. Timms: I agree with my hon. Friend about the opportunities for Crawley, the whole region and the country as a whole. The Olympics and Paralympics will inspire people of all ages and abilities to participate in sport and give us the chance to renew our sporting infrastructure. There is especially strong enthusiasm in east London and the borough of Newham, which I represent, because many of the facilities for the games will be located there. However, it is important to draw attention to wider opportunities, such as those that will arise from national Olympic committees outside the UK wanting to set up training facilities around the area in the two years before the games. There are great opportunities that we want to realise.

Child Care (London)

12. **Ms Karen Buck** (Regent's Park and Kensington, North) (Lab): What recent assessment he has made of the child care needs of families in London. [205221]

The Financial Secretary to the Treasury (Mr. Stephen Timms): We published a 10-year strategy on child care alongside this year's pre-Budget report, as my right hon. Friend the Chancellor has said, and it recognised variations in child care needs and provision, including those in London. We announced changes to the child care element of working tax credit, which will benefit London families with high child care costs, and a pilot with the Greater London Authority to examine improving the affordability of child care in London.

Ms Buck: My hon. Friend is absolutely right to say that access to, and the affordability of, child care in London is a specific problem that has been a barrier to parents who seek to go to work. I warmly welcome not only the investment in Sure Start, children's centres and the neighbourhood nurseries initiative, but the increased generosity of the tax credits for child care announced by my right hon. Friend the Chancellor in the pre-Budget report, which will disproportionately benefit London families. However, will my hon. Friend investigate the behaviour of London local authorities, such as the Royal Borough of Kensington and Chelsea and Liberal boroughs such as Southwark and Islington, which take Government money for investment in child care, yet cut their own contributions for child care,

which Kensington and Chelsea did when it removed £350,000 from its child care contribution? Will he ensure that local authorities work in partnership—

Mr. Speaker: Order.

Mr. Timms: I pay tribute to my hon. Friend's work as a consistent champion of improving child care in London. I am grateful for her recognition of the progress that we made in the pre-Budget report towards the aim that every child should have the best start and that parents should have more choice when balancing work and family life. She is right about the increase in the cost limit from £200 to £300 a week for two or more children. I also agree that it is essential for all those involved to play their part in bringing about the improvements that we need in London and elsewhere, so Conservative and Liberal Democrat London councils have a lot to answer for. She is right that we need to examine what is happening.

Mr. Mark Field (Cities of London and Westminster) (Con): I welcome several of the Minister's initiatives, and I shall put to one side the party political banter that has gone on with my next door neighbour, the hon. Member for Regent's Park and Kensington, North (Ms Buck). However, as a London Member, the Minister will be fully aware that the cost of living in London is fast rising, as was reported only yesterday in the *Evening Standard*. The effective rate of inflation in London is some 7 per cent. Does he appreciate that there is a need for tax breaks and imaginative tax treatment for child care for parents in London, because the earnings of many of them may be considerably higher than average, yet they none the less find themselves in grave difficulty meeting those child care costs? I will be interested to hear what the Minister says about ensuring that child care benefits go beyond only the poorest and most vulnerable in our society.

Mr. Timms: I think that the hon. Gentleman will particularly welcome the announcements in the report published at the time of the PBR. I have mentioned the increase in the limits for help with child care costs in the child care element of tax credit from £200 to £300 a week, which is particularly beneficial in London, where costs are indeed higher. The hon. Gentleman will also welcome the increase in the proportion of costs for which a claim can be made from 70 per cent. to 80 per cent. The document includes the example of a family household earning £34,000 a year, who will enjoy a benefit of £700 a year. All those benefits will be particularly helpful in London because, as he rightly said, costs there are higher, and that is reflected in our proposals.

Personal Saving

13. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If he will make a statement on the contribution of personal saving to the economy. [205222]

The Economic Secretary to the Treasury (John Healey): Saving is important to provide people with opportunity and independence throughout their life, the flexibility to deal with unforeseen circumstances and, of course, financial security in retirement. The Government therefore back a wide range of tax-favoured savings and investment, including the individual savings account and other forms of personal saving, amounting to about £2 billion a year of tax support. We also provide tax relief for pension saving worth more than £11 billion a year.

Mr. Clifton-Brown: I thank the Minister for his reply, but one of the Government's biggest economic failures is the reduction of the savings ratio by more than a third. It is hardly surprising that we now have the highest rate of tax for 26 years. For example, £27 billion has been taken out of pensions, and one of the Government's worst tax failures has been to ruin personal equity plans and tax-exempt special savings accounts. Their replacement, individual savings accounts, are now being cut as well. That is a mean measure for small savers, so what will the Government do to restore the savings ratio?

John Healey: More people who are saving through ISAs than did so through PEPs and TESSAs. When the economy is stable, people tend to feel more confident and are less inclined to need the cushion of savings. The hon. Gentleman invited me to make comparisons with the previous Government, but it is not an achievement to scare people into saving, as they did. People were worried by the stop-go economy. They were scared of losing their job, as 3 million people were unemployed, and they struggled to cope with inflation at 10 per cent.

Lawrie Quinn (Scarborough and Whitby) (Lab): I welcome my hon. Friend's answer, but can he tell the House what the Treasury is doing to make sure that the most disadvantaged communities receive support from the British banking industry? How is it encouraging the establishment of credit unions and savings clubs to allow those communities to take appropriate measures for saving for the future?

John Healey: My hon. Friend takes a close interest in this in his constituency, and he is quite right about the importance of such savings arrangements. While we need and want to encourage a stronger savings culture across the country, we have a particular concern for the poorest communities and families. He will be aware of our savings gateway pilot, in which the Government match the savings that the poorest are prepared to put aside. My right hon. Friend the Chancellor announced in the pre-Budget report that we would back that scheme with another £15 million, and roll it out further to test its impact.

European Regional Aid

14. **Andrew George** (St. Ives) (LD): What discussions he has had with his counterparts in other EU member states in respect of the future of European regional aid. [205224]

The Economic Secretary to the Treasury (John Healey): The Chancellor discussed the future of structural and cohesion funds with his counterparts in other European Union member states at both ECOFIN and bilateral meetings.

Andrew George: The Minister will be aware that the most significant strength of EU regional aid is that it gives clear geographical focus to distinct economic regions such as Cornwall and Scilly, which have an average gross domestic product lower than many regions in EU accession states. It also provides guaranteed funding for a decent seven-year package. What reassurance can he give me that in the future round, beyond 2007, the Government will ensure that places such as Cornwall maintain that geographical focus and have a guaranteed seven-year package of funding?

John Healey: Like the hon. Gentleman, I represent a constituency in an objective 1 area, so I recognise the role that that form of funding, alongside massively increased investment from the Government, plays in the economic regeneration of such regions. As part of our plans and negotiations on the reform of structural funds, the UK Government have made a unique commitment that we will increase domestic spending so that the UK nations and regions do not lose out as a result of those reforms in Europe.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Does my hon. Friend agree that European regional aid has been an important source of regeneration funding in the UK? In my constituency, it has recently helped to build two new enterprise centres at Silverdale colliery. People who simply rant against the EU are wilfully blind to the benefits that it can bring to traditional areas such as north Staffordshire.

John Healey: My hon. Friend is right that such spending has a role and that Europe should contribute. We consider that reforms should be put in place from 2007 onwards. EU spending should be focused where it is needed most in poorer member states, which have a weaker financial and institutional capacity to deliver regional policy. He is right about the important role of regional funding, and his constituents will be alarmed by the £35 billion cuts planned by the Conservative party. The shadow deregulation Minister, the right hon. Member for Wokingham (Mr. Redwood), has said that we should discontinue regional and other industrial support, which runs at £1.9 billion.

Future Infantry Structure

12.31 pm

The Secretary of State for Defence (Mr. Geoffrey Hoon): With permission, Mr. Speaker, I would like to make a statement about the future structure of the Army.

In July, I announced a re-balancing of the Army designed to make it better able to meet the challenges and threats of the 21st century. The changes that I announced then reflect the need both to complement our existing heavy and light-weight capabilities with new medium-weight forces, and to ensure that the Army is equipped, trained and organised to meet the demands of multiple, concurrent and above all expeditionary operations across the full spectrum of military tasks. Reductions in heavy armour, heavy artillery and the infantry will be accompanied by an increase in the number of key specialists, without whom the Army cannot deploy on operations. Our objective is therefore to develop a more deployable, agile and flexible force.

Since July, the Army has been engaged, under the leadership of the Chief of the General Staff, General Sir Mike Jackson, in detailed work on how the changes should be implemented. I will now set out to the House the results of the Army's deliberations. The future Army structure is underpinned by two complementary changes. First, a move towards a more balanced force organised around two armoured brigades, three mechanised brigades, a light and an air assault brigade, in addition, of course, to the Royal Marines Commando Brigade.

We are moving ahead quickly with the changes required to put that in place, and 19 Mechanised Brigade, based in Catterick, will start its conversion to a light brigade in January. The brigade will be ready for deployment on operations if required in the first half of 2006, when it will serve as the contingent NATO response force. Based in Germany, 4th Armoured Brigade will convert to a mechanised brigade in 2006, and the other brigades will adopt their new structures in a similar time frame. The key foundations on which the future Army structure is to be built will be in place by 2008.

However, it is important to emphasise that we cannot use front-line soldiers if they cannot be deployed and sustained on operations because we lack sufficient supporting forces. In parallel, therefore, we are moving ahead with the second element of the re-organisation—making the Army more robust and resilient and able to sustain the enduring expeditionary operations that have become commonplace in recent years. The overriding requirement is to make significant enhancements to the key specialist capabilities—communications, engineers, logisticians, intelligence experts and other key capabilities. At the same time, we want to make fighting units, including the infantry, more robust by ensuring they have adequate numbers.

This is an ambitious programme of change that will take several years to complete. It is more far reaching in its impact on the Army than "Options for Change" in 1991. Virtually every Army unit establishment has been examined, and 10,000 posts will be redistributed. We still have further work to do in establishing all the new arrangements. However, enhancements that we have already decided on include the creation of a new commando engineer regiment, a new port and maritime unit, an additional strategic communications unit and a new logistics support regiment for each deployable brigade. We are also creating a number of new sub-units for surveillance and target acquisition, bomb disposal and vehicle maintenance capabilities.

Those are new capabilities; they are not cuts. They are being backed up by an impressive re-equipment programme, introducing new communications equipment such as Bowman and Falcon, enhanced intelligence collection assets such as the Watchkeeper unmanned aerial vehicle and Soothsayer electronic warfare capability, modern vehicles such as the Panther armoured reconnaissance vehicle, and looking further ahead, the ambitious FRES armoured fighting vehicle programme, which will modernise the armoured vehicle fleet and form the basis of the medium-weight capability.

These enhancements will directly improve the ability of the Army to deploy, support and sustain itself on the range of operations that we envisage. That can only be achieved as the result of the planned reduction by four in the number of infantry battalions, which will release around 2,400 posts for redeployment across the force structure.

I now turn to the changes to the infantry. I know that this is an emotive subject. I entirely understand its importance to morale, esprit de corps and operational effectiveness of regimental traditions. However, we need to consider these changes to the infantry in the wider context of rebalancing the Army and the opportunity that affords to re-allocate manpower to those areas that current and future operations require us to develop. Very few of our regiments and corps exist today in the same form in which they existed in the past. There has been a recurrent process of change and regeneration over the past 150 years. In the last decade, for example, under the previous Government, "Options for Change" represented the first attempt to reshape our armed forces to reflect the post-cold war era. Each change, designed to make the Army more relevant to the prevailing strategic context, was passionately opposed at the time, but on each occasion new organisations were created, fostering military renown while developing their own traditions and reputations to engender loyalty and camaraderie. That remains our guiding principle.

We are able to reduce the size of the infantry because of the reduction in the requirement for permanently committed forces to support the Police Service of Northern Ireland that flows from the encouraging progress towards a lasting settlement in the Province; and the decision by the Army Board that the infantry arms plot—the mechanism by which units routinely move location and change role every few years—no longer represents the best way to deliver operational capability. In future, battalions will be fixed by role and largely by location. That requires that we find a new means of providing variety of experience and posting for individuals to sustain the operational flexibility for which our infantry units are rightly famed. In future, this will be provided through individual posting. The only means of doing that within the framework of the regimental structure is by having regiments of more than one battalion.

[Mr. Geoffrey Hoon]

Let me emphasise that this is not a revolutionary concept. The Army Board took a decision as long ago as 1962 to establish large regiments. Nearly half the infantry is already organised in this way and operates extremely effectively. Multi-battalion regiments will allow individuals to move between battalions while at the same time maintaining the sense of regimental identity that is so critical to the Army's ethos and fighting effectiveness.

Those who argue against ending the arms plot need to explain why. Ending it will ensure that we get far more military capability out of the resources that we have. Of the 40 battalions in the current order of battle, as many as 11 are likely during any 12-month period to move location or to re-role. At any one time, as many as seven may be unavailable for operations. That is simply not efficient. The logic is undeniable: at the end of this process, many more, if not all, of the future 36 infantry battalions will actually be available for operations.

Phasing out the arms plot will mean that the infantry is able to offer much greater stability for soldiers and their families. It will allow career development for soldiers and officers to be much more carefully planned, while keeping the variety, opportunity and challenge of new roles and locations open to all soldiers within large regiments; and it will give greater brigade cohesion by maintaining units within formations.

There has been a wide-ranging and detailed consultation exercise, with the infantry being invited to express their views on how the restructuring should be implemented. I am also grateful to the many hon. Members who have played their part in representing the interests of their local regiments.

The Army has concluded that the only prudent basis on which to make decisions is one that has regard to the long-term sustainability and effectiveness of the battalions concerned, based on an analysis of historic manning statistics, regional demographics and future manning predictions. But it has, rightly, tempered that with a recognition of the need to take account of regional and geographic representation. That is why, for example, we are looking to Scotland for only one reduction, and why the Royal Irish Regiment has been exempted from consideration.

The Army also considered the Gurkha battalions but concluded that, given the requirement to sustain the Brunei garrison and their excellent manning record, they should not face any reduction. It also took account of the ceremonial duties required of the five battalions of the Foot Guards, and concluded that those justified the status quo in relation to both the number and organisation of these battalions. In considering the Foot Guards, the Army took the view that any change to titles or structure would ultimately affect their ability to sustain the ceremonial roles that are so important to the fabric of our national life. Their existing structure already provides the geographical stability that we are looking to achieve elsewhere.

Against that background, I have decided, as recommended by the Army, that the first three battalions should be reduced by taking one battalion from the Scottish Division. The Royal Scots and the King's Own Scottish Borderers will merge. That and the other four battalions—including the Black Watch—will become part of a new large regiment, to be called the Royal Regiment of Scotland. The identities of the antecedent regiments will be preserved in a variety of ways, not least by including them prominently in the battalion titles of the new regiment. So, for example, 1st Battalion the Royal Highland Fusiliers will become the Royal Highland Fusiliers (2nd Battalion the Royal Regiment of Scotland).

One battalion will be taken from the area west of the Pennines. The King's Own Royal Border Regiment, the King's Regiment and the Queen's Lancashire Regiment will amalgamate to form two new battalions within the new King's, Lancashire and Border Regiment.

One battalion will be taken from the Prince of Wales's Division, in the south of England. That will be achieved by merging the antecedent components of the Royal Gloucester, Berkshire and Wiltshire Regiment with, in the case of the Glosters, the Devonshire and Dorsetshire Regiment, which will then merge with the Light Infantry, and, in the case of the Duke of Edinburgh's Royal Regiment, with the Princess of Wales's Royal Regiment.

In considering how the fourth reduction should be made, I have taken into account the need for additional specialist enabling support, which will underpin our future expeditionary capability.

Our special forces are critical to our prosecution of the war against terror. We were able to announce some improvements to our special forces in July. We are also considering the broader arrangements whereby the armed forces provide support to special forces operations. One option that has emerged in that continuing work is the creation of a tri-service "ranger" unit, which would be dedicated to special forces support. I have decided that it would be appropriate to develop such a unit over the next few years, and it would take its place alongside the other enhancements to specialist support elements of the Army. The fourth infantry battalion reduction will therefore be found by removing the 1st Battalion the Parachute Regiment from the infantry structure and using its highly trained manpower as the core of a new, tri-service ranger unit.

The changes that I have announced today mean that the infantry will now, with the exception—for the reasons that I have outlined—of the Foot Guards and the Royal Irish Regiment, be organised into large regiments. The seven existing multi-battalion regiments will continue.

In addition to the changes that I have already announced, the Royal Welch Fusiliers and the Royal Regiment of Wales will combine as the Royal Welsh. They will be known respectively as 1st Battalion the Royal Welsh (the Royal Welch Fusiliers) and 2nd Battalion the Royal Welsh (the Royal Regiment of Wales).

The Staffordshire Regiment, the Cheshire Regiment and the Worcester and Sherwood Foresters will combine as the Mercian Regiment and be known as 1st Battalion the Mercian Regiment (Cheshires), 2nd Battalion the Mercian Regiment (Worcesters and Foresters) and 3rd Battalion the Mercian Regiment (Staffords).

The Duke of Wellington's Regiment, the Prince of Wales's Own Regiment and the Green Howards will come together to form the Yorkshire Regiment and be known as 1st battalion the Yorkshire Regiment (Prince of Wales's Own), 2nd Battalion the Yorkshire Regiment (Green Howards) and 3rd Battalion the Yorkshire Regiment (Duke of Wellington's).

The move to larger, multi-battalion regiments is the only sustainable way in which to structure the infantry for the long term. In implementing the new system, the Army will ensure that the regimental traditions, heritage, cultures and local connections will live on in the new arrangements. Golden threads of identity will be preserved in any new uniform, for example, by the retention of accoutrements—[*Interruption.*] There are hon. Members who would like to hear this. Those accoutrements include the Black Watch hackle. The new battalions will continue to recruit in the areas of their original constituent elements. Regional recruiting will remain the bedrock of the British infantry.

There will be no diminution in the role of the Territorial Army and the reserves. The TA will, in future, be more closely integrated with the regular Army for both training and operations. Each of the 14 TA infantry battalions will be part of a regular parent regiment, one per regular regiment with the exception of the Royal Regiment of Scotland, which will have two, and the Guards Division, which will have one affiliated TA battalion.

The TA is also to be rebalanced to support large-scale operations and home defence, as well as remaining capable of reinforcing regular units deploying on enduring operations. It will remain broadly the same size as today but with a structure that is more capable and relevant to future operations. Complementing the changes to the regulars, those changes will provide more TA manpower for specialist areas including intelligence, engineers, Military Provost Service and attack helicopter support teams. TA establishments will be organised to accommodate personnel who may not be able to deploy in support of large-scale operations. They will also be sufficiently robust to take account of personnel undergoing individual training. The final arrangements will be the subject of further announcements in due course.

As part of our work on the future Army structure we have also examined the requirement for Army musicians. On the basis of recommendations made by the Army, it has been decided that there should be a reduction from two to one in the number of bands per division of line infantry, and the number of Royal Armoured Corps bands should be reduced from four to two. We will also reduce the band of the Light Division by 14 posts, to bring it into line with the rest of the line infantry.

We will try to ensure that individuals affected by these changes are provided with the chance to retrain and re-role to take on new tasks. But the changes in the infantry and bandsmen that have been announced today will require a limited redundancy programme. The scheme will be carefully targeted on the small number of infantry personnel and Army musicians who, for whatever reason, are unsuited to be retrained and employed elsewhere in the Army. It will be designed to ensure that we maintain a balanced rank and age structure, and are able to continue recruiting. Not to do so could impact on military effectiveness by creating promotion blockages. We anticipate that about 400 personnel will be affected. Details of terms and conditions will be set out in the new year.

However—let me be clear about this—a redundancy programme does not mean that career opportunities in the Army will be reduced. The Army will continue at around its current size. At around 102,000 strong, it will continue to require more than 11,000 new recruits every year, and offer a wide range of high-quality employment and training opportunities.

I have never failed to be impressed by the Army's professionalism, courage, and determination to succeed. It is a body of men and women of whom the nation is justifiably very proud, and I know that the whole House will want to join me in paying tribute to them. I am convinced—and so is the Army—that the transformation that we have set in hand is the right course for the future. The new structure will deliver an Army fit for the challenge of the 21st century. It will preserve the vital traditions and ethos, and it will improve the lives of soldiers and their families. I commend it to the House.

Mr. Michael Ancram (Devizes) (Con): The shadow Secretary of State, my hon. Friend the Member for Mid-Sussex (Mr. Soames), very much regrets being unable to respond to the statement today, but he is recovering from an operation.

I thank the Secretary of State formally for giving me advance sight of that dismal statement. This is a dark day for our armed forces. It is an even darker day for the proud regiments that the Government seek to scrap. They have given outstanding service to our country, and we owe them much. In tribute to them, I am making a list of their names and achievements available in the Library.

This is also a day of shame for this discredited and ineffective Defence Secretary—discredited, because he seeks to hide his direct responsibility for today's decisions behind the coat tails of the generals; and ineffective, because he has abdicated his historic ability to defend our armed forces against the ravages of the Treasury.

Behind the spin, the reality is stark: 19 great regiments gone, infantry battalions cut from 40 to 36, the Army trained establishment cut from its current target of 108,500 to a target of 102,000 by 2008. Today's announcements are dangerous for our country. In the words of the former Chief of the Defence Staff, Lord Guthrie, in *The Sunday Telegraph* last Sunday, the Army

"has become dangerously small for what it is being asked to do".

Today's statement will make it even smaller.

The Secretary of State says that this is all about reorganisation. None of us is against necessary reorganisation, but this statement was driven not by a need to reorganise but by the Chancellor's demand for financial cuts. I welcome the decision to create a new tri-service ranger unit dedicated to special forces support, but can the Secretary of State confirm that as a result of the changes that he has announced to the Parachute Regiment's structure, there will not now need to be a reduction of a fourth battalion from the infantry of the line?

[Mr. Michael Ancram]

The Opposition agree that there is a need for our armed forces to be more usable. We accept that the arms plot is disruptive to families and to the operational needs of the Army. What we do not accept is the Secretary of State's attempt to use that to justify cuts in infantry manpower, or his attempt to paint those cuts as Army driven when, as we know, they are politically driven, and designed to help fill the Chancellor's gaping black hole.

Today, we face considerable threats from terrorism at home and abroad. We have a grossly overstretched Army undertaking major military deployments overseas. Since the strategic defence review, our armed forces have effectively been conducting continual, concurrent operations, deploying further afield to more places, more frequently, and with a greater variety of missions than was ever assumed. We still have our obligations in Northern Ireland, the Balkans and Cyprus, and the Government's White Paper anticipates that, around the world, those obligations will increase.

Even as we speak, our soldiers are fighting in Iraq, where we expect to remain until 2008 at least. I am sure that the whole House welcomes the Black Watch back with pride. We are under pressure to increase our commitment to Afghanistan. To meet some of these burdens, since 1999, approximately 30 per cent. of the Territorial Army has been mobilised to support the regular Army operations overseas.

Today's decision therefore flies in the face of reality. There is a serious military case for more infantry, not less. As Chief of the General Staff General Sir Mike Jackson told *The Sun* on 16 November:

"I would much prefer increasing the size of the Army but that's simply not on offer. I can either accept what's on offer—a reduced size of the Army—or go."

We would not have made these cuts—and, after the election, we will not carry them through. We would not see these regiments go or these battalions reduced. We believe profoundly that these reductions are wrong.

Let me make our position clear: we will increase front-line spending by £2.7 billion, because that is what our national security requires.

Therefore, let me ask the Secretary of State some questions. What has happened since 1998 to convince him not only to reverse the SDR plans but to introduce further cuts? Have not the threats increased since then? Are not our armed forces today experiencing a greater and more frequent range of operational demands than they did in the 1990s? Has the average interval of 24 months between tours for the infantry been achieved? On Tuesday, we learned that another 900 armed forces reservists were to be drafted to serve in Iraq. Is not one of the main reasons for that that there are not enough regular troops to deploy? After today's statement, there will be even fewer.

The truth is that this statement is not about the welfare of our armed forces. It is not about the security of our country. We were promised new thinking. What we have today are tired old ideas heated up. In the end, it is all about saving money, and I predict that this will not be the end of it. These swingeing cuts to the Army must be seen alongside equally dangerous reductions in the number of surface warships and compulsory redundancies in the RAF.

Our armed forces deserve better than to be betrayed in this appalling manner by their Government. This statement is bad for the country. It is quite simply wrong.

Mr. Hoon: First, may I extend the very good wishes of the Government and Labour Members to the hon. Member for Mid-Sussex (Mr. Soames)? We wish him a speedy recovery. I extend that on behalf of his many friends in the Ministry of Defence, among whom I count myself. There was some concern, however, at the strength of any new hip with which he would be provided. The research department of the Ministry of Defence is perfectly willing to provide some new materials to ensure that the replacement is fit for its purpose.

I am sorry that the right hon. and learned Member for Devizes (Mr. Ancram) has approached this debate as he has chosen to do. Clearly, he had a choice: he could have seriously considered these issues, carefully considered the military advice that has been available to him and to Conservative Front-Bench Members, and approached the matter in a proper way. Instead, he has chosen to make party political points, which he is entitled to do, and has produced an entirely incoherent response to a set of carefully thought-out proposals based on the best military advice—*[Interruption.]*

Mr. Speaker: Order. Many hon. Members want to be called to ask a supplementary question, and this is a serious matter for many communities and their regiments. I do not want the Secretary of State to be barracked. He has been asked to answer questions, and he will do so. The House should remember that I can stop a statement at any time. I therefore remind those Members who are heckling of my position: I will not allow the Secretary of State to be barracked in any way.

Mr. Hoon: The incoherence of the right hon. and learned Gentleman's position is demonstrated by the fact that he claims to support the need to reorganise the Army, and appears to recognise, in saying so, that we need more support forces for front-line forces, but he insists at the same time, for party political reasons, that it is necessary, somehow or other, to maintain the same number in the infantry. Anyone who examines these issues—I appreciate that he does not do so on a regular basis—knows full well that if we are to deploy large numbers of infantry battalions in the way that we do at present, they must be properly supported. One simply cannot put down infantry battalions in Afghanistan unless they have an appropriate chain of communications to support them there.

Therefore, this is not about cuts, and the right hon. and learned Gentleman and Opposition Members need to understand that. It is about ensuring that the 3,000 posts saved by the improved situation in Northern Ireland are used to support front-line forces. Unless he grasps that, unfortunately, he will do his party and the House a considerable disservice.

Even more importantly, the right hon. and learned Gentleman talked about a grossly overstretched Army. He should look carefully at the figures. Which part of the Army is overstretched? I emphasise that it is not the infantry—if he listened to General Jackson on the radio this morning, he will have heard him make the same

point. The tour interval for the infantry, on average, approaches 22 months. Inevitably, that disguises the fact that parts of the infantry are facing shorter tour intervals. The real question to which he must face up, and which the Opposition must start considering seriously, is that of tour intervals for the support elements. Those people are facing shorter tour intervals than the infantry battalions, and it would therefore be grossly irresponsible for any Government, or putative Government, to pretend that, to address overstretch, they will protect those parts that are less stretched than others. It is a simple, straightforward and undeniable point. If we are to ensure that we have deployable armed forces, they must be supported on those deployments.

The right hon. and learned Gentleman made a great deal of the issue of numbers. We will preserve around the same number of people in our modern Army as at present—around 102,000. He needs to examine carefully, and the Conservative Front-Bench team need to think through a little more carefully than they have done so far, how many people were in the Army in 1997. There were far fewer than there are today. For his criticisms of Army numbers to have any validity, he should have addressed that issue when he was in government. He failed utterly to protect the Army when he was a Cabinet Minister, as there were a whole series of amalgamations and changes. It is simple hypocrisy to come to the House and pretend otherwise.

Mr. Paul Keetch (Hereford) (LD): I, too, thank the Secretary of State for early notice of his statement, and send my best wishes and those of my right hon. and hon. Friends to the hon. Member for Mid-Sussex (Mr. Soames).

Today's announcement has been much trailed and much speculated about, and we would expect some winners and losers. As the Secretary of State rightly said, there have always been changes to the armed forces, not least under the previous Conservative Government. We welcome some of today's announcements. We welcome the move to make the Army more mobile and rapidly deployable, but we have strong concerns about the cuts in infantry numbers, which could leave Britain with its smallest Army since the first Afghan war of 1839.

We accept that the threat to UK security from terrorists and failed states is real. We must adapt our armed forces better to deal with those new threats. The old threats remain, however, and the old demands remain: peacekeeping, humanitarian intervention, and support to the civil powers during floods and foot and mouth. We accept that the logistics are overstretched, but how will that be countered by scrapping infantry regiments?

Can the Secretary of State assure the House of Commons that no member of the armed forces will face compulsory redundancy as a result of the changes that he is announcing today? We welcome the addition to our special forces, for which we called two years ago in our paper, but where will the rangers unit be based? We are pleased that there will be no changes to the Territorial Army and the Gurkhas: that is absolutely right.

The Black Watch is being retained in name only. Why could we not keep all the regimental names? We welcome the end of the arms plot, but it could and should have been done without the loss of numbers of battalions. Does that really send the right recruitment and retention message? Does it really encourage members of the public to join and stay in the armed forces?

All the changes presume the continuation of peace in Northern Ireland, and no more overseas deployments. We sincerely hope that that is the case, but while it is possible to axe soldiers in one sentence in the House of Commons, it will take years to bring them back. Is the Secretary of State really confident that he will never have to do that?

I have always recognised that there is a balance between the network-centric, high-tech forces that the Secretary of State wants to be able to work with the United States, and the more traditional capabilities—the boots on the ground—that we need today in Iraq, the Balkans and Afghanistan. We believe, however, that the balance is moving much too far away from the backbone of our armed forces—the men and women who work and fight with extraordinary courage and skill. There is a price to be paid for high-tech equipment. Today, four battalions of the Army have paid that price, and we believe it is a price not worth paying.

Mr. Hoon: The Army today is much larger than it was in 1997, and, even if we allow for these changes, it will still be larger than it was in 1997.

I have made it clear that, in the light of the improved situation in Northern Ireland, we can reduce the number of battalions by four. Those posts—around 2,400—along with a further 600 not in infantry battalions will be reused across the Army, partly to strengthen existing infantry battalions where there are shortfalls but mainly to ensure that we have key enablers. Anyone who looks carefully at the way in which the modern British Army is deployed in the world must recognise that key enablers are vital. This is where the Conservatives have missed the point: we can have any number of infantry battalions, but if they cannot be supported in operations in hostile environments such as Afghanistan, there is no purpose in having them. They are there in name only, and cannot be used.

The hon. Gentleman mentioned arrangements for the end of the arms plot. I assure him that our intention is precisely to aid retention. The biggest threat to retention, particularly among trained, experienced members of the modern Army, arises when they have to move home every two years. It is absurd that that practice should continue in the 21st century. Our proposals are entirely retention-positive: they will help us to retain in particular the best skills and the most able people, those who have had the most training in the modern Army. They are about ensuring that we have the right people with the right skills for the future.

Mr. Bruce George (Walsall, South) (Lab): I hope my right hon. Friend will accept that I am as relieved now as I was in 1991, when my local regiment survived "Options for Change" while many others were amalgamated into oblivion. I hope that he looks forward as enthusiastically as I do to his appearance before the Defence Committee, along with the Chief of the General Staff, shortly after our return from the recess. Will he explain—now or then—why the

[Mr. Bruce George]

regiments that appear to have survived, and retain a name, a museum and a cap badge, can look forward to the preservation of their historical traditions and high competence? Does he accept that there is no incompatibility between a regiment's survival in reality and its operation in a more coherent regional framework?

I look forward to early January.

Mr. Hoon: I too look forward to that opportunity. I am sure it will be possible for me to describe the new arrangements in even more detail than I have today.

I should emphasise that in producing large regiments, a consistent ambition of the Army over many years, we have been guided both by military advice—the strong, firm, clear recommendations of the Army—and by a detailed consultation exercise, which has generated different responses in different parts of the country. Different areas have adopted different approaches. Indeed, the approach in Scotland is different from the approach in my right hon. Friend's part of the country—a part of the country that I share. Our actions, however, have been guided and steered by the Army itself.

Mr. Bernard Jenkin (North Essex) (Con): Everyone must accept that issues relating to the arms plot need to be constantly revisited, but nothing can disguise the Secretary of State's prevarication over his plans to cut the target size of the Army. Why did the Government come to the House after their election in 1997 with the strategic defence review, proposing to increase the size of the Army to 108,500? It now emerges that they never achieved that and never intended to achieve it, because the money was never made available.

As long as the Government continue to fit the armed forces into a Treasury envelope of the Treasury's choosing rather than matching the resources necessary to meet the demands made of the armed forces, they are taking risks with the security of the country and, indeed, with the lives of our armed forces.

Mr. Hoon: The truth is precisely the opposite of what the hon. Gentleman suggests. Let us assume that we had increased the size of the Army to 108,000. Had that been possible, it would have been based largely on extra infantry battalions. We would have faced exactly the same problem as the one that I have addressed today—the problem of how to support extra infantry battalions when they are actually deployed.

As I am sure the hon. Gentleman realises, even since the strategic defence review we have seen a dramatic change in the strategic landscape. We used to organise our armed forces to face a single threat from the Soviet Union with a single line of logistics to support a large number of deployed infantry battalions. We now face multiple threats around the world, including those with which our armed forces must currently deal in Afghanistan. It simply does not make sense to organise the Army along that single line of communications. We need multiple, deployable battalions. I agree that infantry battalions are vital, but they must be supported, and they must be supported from within our existing resources.

The number of people in the Army will still be greater than it was when the hon. Gentleman arrived in the House in 1997—greater than it was under the last Conservative Government.

Dr. Gavin Strang (Edinburgh, East and Musselburgh) (Lab): Does my right hon. Friend agree that in a few years people will look back and wonder why infantry arms plotting survived for so long? The changes that he has announced will result in more deployability, and a more rapid response to overseas developments. Does he also agree that when our troops are in action overseas, it is vital for our soldiers not to have their tours extended beyond the standard six months, and, when they do come home, to have adequate time for training and recuperation?

Mr. Hoon: I entirely agree with my hon. Friend. He makes a point that, by implication, might embarrass Conservative Members: precisely the same proposals were made by the Army in 1962, in the 1980s and again in the early 1990s. The truth is that Conservative Governments did not have the courage or conviction to see them through. They were incapable of reorganising the Army along the lines that it advocated itself. That demonstrates just how feeble their approach is today. They are trying to pretend that they have never supported our approach, whereas in fact they simply could not see it through.

Mr. Robert Key (Salisbury) (Con): In the heartland of the British Army around Salisbury plain, of all places, the Secretary of State has just buried 300 years of regimental history. If he is re-elected to his constituency after the next general election, which may be unlikely, and if I too am re-elected—which is more likely, following today's statement—will he come to Salisbury at noon on the day after the election to see me sing the marching song of the Wiltshire regiment to celebrate the re-election of a Conservative Member?

Mr. Hoon: I doubt whether I will be celebrating any such thing, but I am certainly perfectly willing to join the hon. Gentleman and to discuss these changes, which have been approved and agreed by the Army itself.

Chris McCafferty (Calder Valley) (Lab): On behalf of my constituents in Calder Valley and those in Halifax—especially those currently serving in the Duke of Wellington Regiment in Iraq—may I warmly welcome my right hon. Friend's decision to form a Yorkshire regiment from the three current regiments? Although the Dukes are currently in Basra, they are very aware of the battle raging at home over their future and that of other regiments, which has made matters extremely difficult for them as they serve in an area of conflict. My right hon. Friend is absolutely correct to say that it is important that the Army be structured and equipped in such a way that it is flexible and can deploy rapidly, but I am very pleased that he has found a way of enabling that to happen without throwing out the baby with the bath water, allowing the Duke of Wellington Regiment's links and traditions to remain.

Mr. Hoon: I am grateful to my hon. Friend. What is important is that we preserve, as I have made clear today, the strong regional identities that are so important to the modern British Army. A Yorkshire regiment will continue that very strong tradition.

Mr. Stephen O'Brien (Eddisbury) (Con): The Secretary of State's statement will have been greeted with utter dismay by the soldiers of the Cheshire Regiment and the entire population of Cheshire, who take deep pride in their county's close attachment to the regiment. Does he realise that there is much doubt about whether it is possible to generate the same loyalty and connection through simply a cap badge? In the past, recruitment to the Cheshire Regiment has always been successful because the soldiers knew that they belonged to their county, and they had a loyalty based on identification and support. I hope that the Secretary of State will now admit that today's statement was a gross error of judgment and understanding.

Mr. Hoon: Instead of dealing in rhetoric, the hon. Gentleman should deal in the facts, which are that the Cheshires will still recruit from an identifiable area, they will still have an identifiable name and they will be part of a multi-battalion regiment. That practice is wholly consistent with the rest of the Army, and it has already been adopted by about half the infantry battalions. Indeed, the Army has persistently and consistently recommended for a very long time that it be organised in accordance with that practice. I can assure the House that the views that the Army has taken into account are those of serving soldiers, rather than those of retired soldiers or people such as the hon. Gentleman, who was perhaps speaking for the benefit of his local newspaper.

Mr. Peter Pike (Burnley) (Lab): As my right hon. Friend will recognise, we all have strong attachments to our local regiments. Over the years, many regiments have gone, such as the East Lancashire Regiment, which had a particular connection with Burnley and that part of county. Indeed, when I was doing my national service in the Royal Marines in the 1950s, we expected the Royal Marines to go. Is it not a fact that my right hon. Friend has taken note as far as possible of local traditions and names, while at the same time ensuring that our Army is able to meet present and future requirements? I wish the new King's, Lancashire and Border regiment well in the years ahead.

Mr. Hoon: I am grateful to my hon. Friend. This detailed process was conducted in the first place by the Army, which took account of its regional organisations and listened carefully to their recommendations. That was particularly true so far as Lancashire was concerned. I can assure my hon. Friend that the Army's views on this issue have been uppermost in my mind in reaching the decisions that I have taken.

Annabelle Ewing (Perth) (SNP): The Defence Secretary has announced today the end of the entire Scottish regimental system. As the MP for Perth, where the Black Watch has its regimental headquarters, I am amazed at his gall. The Black Watch has just returned home from the front line in Iraq, where it was sent because it was indispensable to the US army. Why, then, is the Black Watch not indispensable to this Government? Surely this is a massive betrayal of our brave soldiers, whose bravery can be contrasted with the Defence Secretary, who is nothing but a back-stabbing coward.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Lady must withdraw that remark immediately and apologise.

Annabelle Ewing: I have the utmost respect for you, Mr. Deputy Speaker, but I have no respect whatsoever for the Defence Secretary, and I am afraid that I cannot withdraw.

Mr. Deputy Speaker: Order. The hon. Lady is not helping herself. I suggest that she now withdraw that remark unreservedly.

Annabelle Ewing: As I said, Mr. Deputy Speaker, I have the utmost respect for you and your office, but I have no respect whatsoever for the Defence Secretary and I cannot withdraw.

Mr. Deputy Speaker: Order. The hon. Lady would be advised to take my advice without qualification and not compound her error. Will she now obey my instructions? Otherwise, serious consequences will follow.

Annabelle Ewing: For the reasons that I have twice given already, Mr. Deputy Speaker, I am afraid that I cannot withdraw.

The hon. Member, having used a grossly disorderly expression, was ordered by MR DEPUTY SPEAKER *to withdraw the same, but she declined to comply with the direction; whereupon* MR DEPUTY SPEAKER, *pursuant to Standing Order No.43 (Disorderly conduct), ordered her to withdraw immediately from the House during the remainder of this day's sitting, and she withdrew accordingly.*

Mr. Ernie Ross (Dundee, West) (Lab): I welcome my right hon. Friend's statement, unlike those Members who have just left the Chamber. A colleague of mine, the Lord Provost of Dundee, was in Warminster yesterday talking to the soldiers and officers of the Black Watch, and not one of them had any complaints. In fact, they wanted to make it clear that the opinions of people such as those who have just left the Chamber do not represent the views of the serving soldiers in the Black Watch. The fact that my right hon. Friend has managed to retain the best elements of the regimental system, while allowing the soldiers of the Black Watch to balance professionalism with their family responsibilities, bodes well for the future of the Royal Regiment of Scotland. I am sure that the 3rd Battalion Black Watch, as part of the Royal Regiment of Scotland, will continue to play a major role in all future activities.

Mr. Hoon: I am very grateful to my hon. Friend. I had the privilege not only of meeting members of the Black Watch in Basra last week, but of meeting the Lord Provost of Dundee beforehand. I was grateful to him for his travelling to London to make his views known, and they are clear. He wants to preserve the best elements

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and the identity of the traditional regiments in Scotland, and he accepted the need for the re-organisation that we propose. We are reorganising to face the challenges of the 21st century, while having regard to the importance of regimental identities. That is the best way to proceed.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. Let me assure the House that I do not want the Chair to take up more time than is necessary, given the limited time available, but I do now appeal for very short, concise questions. It will be impossible to call every hon. Member in the time available, but I will do my best—if each hon. Member will do their best for their fellows.

Mr. Peter Viggers (Gosport) (Con): Is the Secretary of State aware that the Territorial Army has two roles? The first is to in-fill the regular Army, which makes it attractive to younger people with no responsibilities but less so to older people with family and business responsibilities. The second role is far more important: to provide a framework for expansion of the Army in times of emergency and the unforeseen. Does the Secretary of State recognise that fact, because he said nothing about it in his statement?

Mr. Hoon: I am grateful to the hon. Gentleman for the thoughtful way in which he puts his question. This is one of the challenges that the country has had to face since the appalling events of 11 September in particular. Before then, the emphasis was on changing the TA so that it could be used in support of regular forces, as he said. However, it is clear that today we must consider how we respond to domestic crises and provide military support for the civilian agencies, which would have to deal with such crises initially. Indeed, we have already addressed this issue by forming rapidly deployable regional TA groupings. We have made a significant start in that regard, but there is further work still to do.

Mr. Parmjit Dhanda (Gloucester) (Lab): Can my right hon. Friend confirm whether the Glosters' name will be protected within the new regiment, and does he have a message for the thousands of people in Gloucestershire who have signed petitions calling for the retention of the back badge, which has been with the regiment since the battle of Alexandria in 1801?

Mr. Hoon: I was grateful to my hon. Friend for bringing to London a delegation from Gloucestershire, with whom we discussed the various issues affecting the Glosters. The precise details concerning the name still have to be resolved, but I can assure him that we are considering how the back badge, which forms part of the Glosters' great history and tradition, might be preserved.

Hugh Robertson (Faversham and Mid-Kent) (Con): In 1991, I was an Adjutant of a regiment that was reorganised just after it returned from the Gulf war. I clearly remember that it marked the start of a period of considerable uncertainty and worry for those affected—for example, about promotion prospects, postings and the impact on families. Will the Secretary of State ensure that the manning and record offices, which implement the changes, have the necessary extra resources to make sure that the decisions are reached speedily, minimising the worry, disruption and upset for all those concerned.

Mr. Hoon: I am grateful to the hon. Gentleman, who makes an entirely sensible and practical point. I assure him that that will be attended to.

David Hamilton (Midlothian) (Lab): Will the Secretary of State confirm that the £40 million of investment for the Glencorse barracks will go ahead and that the 500 personnel will be stationed there in the future? What use will be made of the barracks?

Mr. Hoon: I have no reason to change the present arrangements, as announced.

Mr. Tim Collins (Westmorland and Lonsdale) (Con): What does the Secretary of State say to the tens of thousands of people across Cumbria who signed petitions in support of the King's Own Royal Border Regiment? They will be very saddened indeed at his decision today. Will he explain an anomaly in his statement? Why did he say, in respect of the reductions for the first three battalions, that he "decided" as recommended by the Army, but, in respect of the special forces unit, merely that an option "emerged" rather than being decided? Was that also recommended by the Army?

Mr. Hoon: It was recommended by the Army and I apologise if I did not make that clear in my statement. The Lancashire regiments took the view that the best way of reorganising arrangements was to have two merged battalions within a title that recognises the continuing history and tradition of the Border Regiment.

Mr. Gordon Prentice (Pendle) (Lab): The Royal Irish Regiment was excluded from the review, yet it recruits more Fijians—5.5 per cent.—than any other regiment in the British Army. What is the Secretary of State going to do to encourage recruitment in Ireland, and are there too many Fijians in the British Army in any case?

Mr. Hoon: There are certainly not too many foreign and Commonwealth citizens in our armed forces. They play a valuable role and I believe that it would be a sad day if they were turned away. It is wrong to set one part of our Army against another and I have already explained the reasons for not dealing with the Royal Irish at this stage, not least because of the very considerable changes that are under way in Northern Ireland.

Bob Russell (Colchester) (LD): Will the Secretary of State confirm that the population of the 10 counties from which the Royal Anglian Regiment is recruited is greater than the population of Scotland, of Yorkshire and of Lancashire? Will he explain why those 10 counties continue to be under-represented in the footprint of recruitment to the British Army?

Mr. Hoon: There is necessarily a balance. I explained at the outset that the Army had taken account of the recruiting history, manning and experience of different regiments in different parts of the country. There is no doubt that Scotland recruits a disproportionate number of members of the Army, given the overall size of the UK armed forces. That is a great credit to Scotland, but saying that is not in any way to disrespect the efforts that are made in other parts of the country.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): Will the Secretary of State confirm that the eleventh-hour proposals to cut one of the battalions of the Royal Regiment of Fusiliers have indeed been kicked into touch? Secondly, will he join me in congratulating Brigadier Roy Wilde, the colonel of the regiment, and the Rochdale Fusiliers Association—particularly its secretary, John Rogers—on the sterling work that they did to convince the Army Board to stick to its own criteria?

Mr. Hoon: I pay tribute to my hon. Friend for her vigorous representations on behalf of the units in her constituency and the immediate neighbourhood. She made her case extremely effectively and I am delighted that it was accepted.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Secretary of State accept that although there might be a degree of relief in the Staffordshire Regiment, there will still be concern in the county about how precisely its identity is to be preserved? There is also continuing incredulity that, when General Sir Mike Jackson made it plain that he would like to have had a larger Army on offer, it never was on offer. Why not?

Mr. Hoon: The Chief of the General Staff made his position very clear on the radio this morning. All Departments operate within finite resources. That is the way in which all Government Departments—those of all previous Governments, not just this Government—have had to function. The hon. Gentleman, as a fair-minded man, will recognise the importance of ensuring that we have the right balance of forces in order to support modern operations. It is vital to preserve—the hon. Gentleman will play his part in doing so—the history, tradition and reputation of the great Staffordshire Regiment.

Mark Tami (Alyn and Deeside) (Lab): I welcome the new ranger unit in support of our special forces, but will the Secretary of State give us more information on the size and structure of that force and clarify when it will come into being?

Mr. Hoon: I have said that there are already arrangements in place for supporting our special forces. It is not right for me to go into precise detail about that. I also made it clear in my statement that we will develop the capability over a period of time. It is an important way of enhancing the ability of our special forces, particularly at a time when they are used more than ever before.

Mr. Michael Jack (Fylde) (Con): Will the Secretary of State confirm that the word "recruitment" does not appear in his statement? In that context, what objective evidence can he offer that recruitment to the regiment that now replaces the Queen's Lancashire Regiment will not be harmed by the loss of the QLR's proud name and reputation?

Mr. Hoon: If the right hon. Gentleman checks, he will see that the word "recruitment" appears several times, because it is so vital.

Mr. Jack *indicated dissent.*

Mr. Hoon: The right hon. Gentleman shakes his head, but it is there and I made specific reference to recruitment because of the Ministry of Defence's experience of dealing with the consequences of "Options for Change". Those processes resulted in a freeze on recruitment over a long time. That was a terrible mistake because it meant that, 10 years after the freeze, we lacked the NCOs and others who should have had 10 years' experience at a critical time for our armed forces. The whole point is to rebalance and maintain the requirement for recruitment. That is why I set it out so clearly in my statement.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): I congratulate my right hon. Friend on the changes made to the shape of the Army, which match the new challenges facing defence forces in the 21st century and improve the scope for people who serve in the Army to have a stable home life.

Mr. Hoon: Again, I am grateful to my hon. Friend. It is important in ending the arms plot that we look at the reasons for doing so. It is partly about having more battalions available for operational duties, but a crucial other aspect is to assist retention by providing our armed forces and their families with a greater degree of predictability and stability in future.

Patrick Mercer (Newark) (Con): May I correct a misapprehension of several Back Benchers on both sides of the House? The English and Welsh regiments will lose their names, lose their cap badges and, where appropriate, lose their hackles and other regimental appointments: the Scottish regiments will not. With the exception of the King's Own Scottish Borders and the Royal Scots, they are maintaining their names in brackets before the future regimental name. I know that it is all sentiment to the Secretary of State, but to those who have served in these regiments, it is not sentiment, but crucially important. I believe that the right hon. Gentleman is dealing unfairly with the English and Welsh regiments.

Mr. Hoon: I do not accept that. The recommendations came from the regional groupings and I know that the hon. Gentleman is wholly familiar with the way in which these matters are decided. I have also made it clear that, as far as possible, the traditional accoutrements can be preserved right across the country, not simply in Scotland. As the hon. Gentleman will be aware, the

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crucial thing about the structure of our armed forces is regimental identity. That is what will remain so important for the future of these regiments.

Mr. Martin Salter (Reading, West) (Lab): Will the Secretary of State explain more clearly how the identity of the Royal Gloucestershire, Berkshire and Wiltshire Regiment as a whole will be protected in the new merged structure that he has outlined, because it was not that clear from his statement? Will he also confirm that the RGBW is itself the product of a county merger authorised in 1994 under the previous Government?

Mr. Hoon: My hon. Friend is entirely correct on his last point. I set out a rather complicated arrangement for the future of the constituent elements of the RGBW. Essentially, the Glosters will go in one direction and the former regiment that was merged into the RGBW will go in a different direction. I am certainly willing to write to my hon. Friend with more detail about how those arrangements will be achieved.

Mr. Roy Beggs (East Antrim) (UUP): I sympathise with those loyal service men and women and their families who are most affected by today's announcement of a reorganisation and modernisation of our armed forces. I welcome the fact that the Royal Irish Regiment has been exempted, but will the Secretary of State say for how long that will apply? Will he assure the House that that regiment will not become a political football, subject to the negotiations on Northern Ireland's future?

Mr. Hoon: I will not allow that to happen. That is precisely why I felt it appropriate not to make a decision in relation to the Royal Irish Regiment. As the hon. Gentleman will know—and the representations that I have received from other Northern Ireland Members make it clear that they also recognise this—there are inevitable consequences of normalisation in Northern Ireland, and the military implications are inevitable. I am sure that he will welcome that, on behalf of the people whom he represents.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): A paper submitted on a joint basis by hon. Members representing constituencies in Cheshire held that the county identity should be protected within the battalion if there were to be a larger grouping in the Prince of Wales Division. I welcome that aspect of my right hon. Friend's important statement, but he now has an opportunity to address some of the appalling housing issues faced by Army personnel. They are quite different from those that affect the other services. Will he make it his business to ensure that my constituents serving in the Cheshire Battalion of the Mercia Regiment are properly and adequately housed, to the standard that people should expect today?

Mr. Hoon: I am grateful to my hon. Friend for that question, and for the representations that he has made along with other hon. Members from Cheshire. There is no doubt that, in the course of this process, I have considerably enhanced my knowledge of military history. I agree that it is important to preserve that history, and our military traditions and reputation. However, one of the consequences of ending the arms plot and the resulting greater stability for our Army personnel and their families is that we will have to look still harder at the question of accommodation. We inherited a disastrous situation in 1997 as a result of the previous Government's outrageous decision to sell off military housing to Annington Homes. That was a short-term quick fix. The right hon. and learned Member for Devizes (Mr. Ancram) was in the Cabinet at the time, and he knows that that decision was dictated by the Treasury and the then Chancellor of the Exchequer. It was a disgraceful decision and it has taken us a great deal of time to recover from it.

Sir Nicholas Winterton (Macclesfield) (Con): As a representative from the proud county of Cheshire, I deeply regret the Secretary of State's announcement about the Cheshire Regiment. Will the regiment be allowed to keep its cap badge? Does he understand that some Conservative Members who, unlike him, have served in the Army believe that he has misrepresented the statistics relating to the Army establishment? In 1997, the number of TA and full-time Army regulars was greater than it is today.

Mr. Hoon: I am terribly sorry, but I am not going to allow the hon. Gentleman to get away with that. Were he talking about Alistair Campbell's activities in the same terms, he would describe it as spinning. There is a clear figure for the size of the regular Army, and I quoted regular Army statistics to the House. I did so absolutely accurately. I am afraid that I do not recall the hon. Gentleman making the same complaints in 1997 about the disgraceful size of the Army under the previous Government.

Sir Nicholas Winterton: I did, I did.

Mr. Hoon: If the hon. Gentleman did make such vigorous complaints at that time, I certainly apologise to him now. As I made clear in response to the question from the hon. Member for Newark (Patrick Mercer), what is important about our armed forces' regimental structure is that there is a regimental identity. That is the answer to the question: the regiments to which the hon. Gentleman refers will have a regimental identity.

Mr. Frank Roy (Motherwell and Wishaw) (Lab): I assure my right hon. Friend that I have no intention of carrying out a pathetic stunt such as the one perpetrated by members of the Scottish Nationalist party in relation to his plans for Scottish regiments. Those hon. Members seem to want to disband the whole British Army. In respect of the merger of the Royal Scots and the King's Own Scottish Borderers, there is a worry in Lanarkshire and Dumfriesshire that the names might be lost. Will he confirm that both names will be retained?

Mr. Hoon: I am grateful to my hon. Friend for raising that important point. I confirm that the merged battalion name will include both titles, the Royal Scots and the King's Own Scottish Borderers. I want to take this opportunity of responding to the observations made by the Scottish Nationalists. Members of that

party do not believe in membership of NATO, nor in European defence. They have opposed every deployment of British troops in recent years. I wonder what the point of having an army in the UK would be if that party ever got into any kind of power anywhere.

Mr. James Gray (North Wiltshire) (Con): The people of Wiltshire will regret very much the obliteration of 300 years of history with the Wiltshire Regiment, which served with such distinction in the second world war. Will the right hon. Gentleman not rise above his Islington mediocrity and acknowledge the excellence of institutions like the Wiltshire Regiment? He talks about regimental identity. Wiltshire is the home of the British Army: surely that is worth acknowledging?

Mr. Hoon: Unlike the hon. Gentleman, I have sought to approach this matter in a balanced way, using the best military advice. It is important that we look at these proposals in the way that the Army recommends. We have used the best military advice available to us. I am sure that the hon. Gentleman believes that he is better at providing military advice than the Chief of the General Staff, but this is what the Army has proposed.

Mr. David Crausby (Bolton, North-East) (Lab): I completely accept that we must achieve a sensible combination when it comes to keeping up with American technology and retaining the number of troops that we can afford. However, we are unlikely to tackle the threat that faces us without the Americans. Does my right hon. Friend accept that the priority should be boots on the ground, rather than more and more technology?

Mr. Hoon: That point is often made, but it is very important that we resist it. There is no trade-off between boots on the ground and technology. Modern technology will assist in war fighting as much as in peace keeping. A lot of modern technology that I described in my statement today is about providing information, communications and a technological approach to both war fighting and peace keeping. We must make sure that deployed forces have up-to-date and accurate information, which they can share. That is crucial to peace keeping. Given today's situation in places such as Iraq, it could be argued that it is more important to peace keeping even than to war fighting.

Mr. John Burnett (Torridge and West Devon) (LD): For centuries, the Royal Marines have been an integral part of the Royal Navy. That arrangement has served the country outstandingly well. Will the Secretary of State confirm that the Government have no plans to change that structure? Will he confirm too that badged swimmer canoeists will remain full members of the naval service, even though their operational tasks will continue to be dictated by another organisation?

Mr. Hoon: I shall not pursue the hon. Gentleman's final observation too far, for reasons of which he is aware. However, I assure him that there are no plans to change the structure of our armed forces as far as the Royal Marines are concerned.

Mr. Iain Luke (Dundee, East) (Lab): No one can condone the actions of Scottish Nationalist Members today, but does my right hon. Friend accept that sadness and anger will be felt throughout Scotland as a result of his decision? What consideration was given to the proposals from the civic heads of Dundee, Perth, Angus and Fyfe and the Black Watch Association for an alternative structure for the Scottish Brigade? Will he meet them again to explain what safeguards he will put in place to ensure that the identity of the Black Watch is safeguarded and fostered in the Royal Regiment of Scotland?

Mr. Hoon: As I have said already, I had a very good meeting with the gentlemen representing part of the Black Watch recruiting area. They were at pains to make it clear that they recognise the necessity of reorganisation and to emphasise the importance of identity. As I said earlier, that is what has guided our proposals. We must reorganise our armed forces to reflect the challenges that we face in the 21st century, and combine that with real sensitivity about identity. I believe that we have achieved that in Scotland and in the rest of the country.

Mrs. Angela Browning (Tiverton and Honiton) (Con): May I express my personal sadness, which is felt by many in the west country, that the Secretary of State attempted to airbrush the Devonshire and Dorset Regiment out of history? If retention and recruitment are to remain so important in Army life, why is the policy now that people who want to leave the armed forces are actively encouraged to go as quickly as possible?

Mr. Hoon: I have not airbrushed any regiments out of history. What I have sought to do is to find a way in which their structure can reflect the kinds of challenge that we face in the 21st century at the same time as recognising their identity. I accept that the hon. Lady has vigorously put forward the case of the Devonshire and Dorset Regiment. It will be important, as has happened in previous amalgamations, that its history is carried through into succeeding regimental organisations.

Mr. David Borrow (South Ribble) (Lab): From discussions with my local regiment in Lancashire, the Queen's Lancashire Regiment, I am given to understand that agreement was reached between the three regiments to the west of the Pennines that if a merger were to take place the appropriate name would be the Royal Lancashire Regiment. Can the Secretary of State confirm that that name was recommended to him by the Army Board? If the name was different from that recommended by the regiments, why was it? If he overturned the recommendation of the Army Board, will he explain why he did that?

Mr. Hoon: My hon. Friend is right that in each part of the country a number of options have been discussed and various proposals put forward. I confirm that I have heard the suggestion that the regiment could be called the Royal Lancashire Regiment, but I assure him that the recommendation I have set out to the House is the recommendation that I received from the Army Board.

Mr. John Greenway (Ryedale) (Con): There will be considerable relief in Yorkshire and the north-east at the retention of the name of the Green Howards. Will the Secretary of State consider carefully, however, what my hon. Friend the Member for Newark (Patrick Mercer) said about how his statement appears to suggest that English regiments are being treated differently from those in Scotland? We need to retain our cap badges. On the ending of the arms plot, will the new Yorkshire regiment be based in Yorkshire?

Mr. Hoon: Let me take the hon. Gentleman's last point first. He has studied carefully the stabilisation of the Army with the gradual ending of the arms plot, and he knows full well that it cannot happen overnight. Remnants of the arms plot must continue, but it will slow down until it reaches a logical conclusion. At that point, consistent with the answers that I have given to other hon. Members, we will consider the stability of the future regiments. It certainly seems appropriate, where we can, to base the new regiments in those areas from which they draw their members. Equally, however, there are some concerns about that idea in the serving Army. Too close a location to home can sometimes produce wholly different problems, which we are seeking to avoid. If the hon. Gentleman will bear with me, the matters he raised are consequential on these announcements.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend had some helpful things to say about the Glosters and their back badge. He will know that that badge was earned by soldiers fighting back to back, not quite knowing where the attack was coming from. With that in mind, does he accept that there is confusion in the west country about exactly what his proposals mean? Will he meet local MPs to explain the repercussions and to tell us there will not be death by reorganisation? Can he give some idea of the timetable of the changes? We know what we have been through in the past, and change is upsetting, taking a lot of effort to get it right.

Mr. Hoon: I have already met at least one hon. Member from Gloucestershire and am certainly willing to meet more. I accept that the proposal relating to the RGBW is complex. I certainly undertake, as I already have undertaken, to look carefully at proposals for the retention of the back badge. I recognise how important that is to the identity of the Glosters.

Mr. Mark Francois (Rayleigh) (Con): The Secretary of State knows full well that the Army comprises both the regulars and the territorials. He also knows full well that, given the large-scale cuts in the TA under the Labour Government's strategic defence review, the overall size of the Army is now considerably smaller than it was in 1997. The cap badges of the regular units are going to go, and we have this afternoon witnessed a slaughter of the innocents by a Secretary of State for Defence who does not even understand his own statement.

Mr. Hoon: The hon. Gentleman should have given some evidence for his last assertion, but I am perfectly willing to debate it with him. I am sure that the House will have many opportunities to do so. The hon. Gentleman normally speaks very effectively about Army matters, and I am sure that he is not suggesting that the size of the regular Army should include the TA simply for the purpose of making a convenient party political comparison.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. We must move on. The recommendation from the Modernisation Committee was that statements should take an hour. We have had an hour and a quarter. I have tried to move strategically around the country, but I apologise if any sensitivity has been overlooked. That has not been intentional.

Business of the House

1.44 pm

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 20 DECEMBER—Second Reading of the Identity Cards Bill.

TUESDAY 21 DECEMBER—Motion on the Christmas recess Adjournment.

The business for the week after the Christmas recess Adjournment will be:

MONDAY 10 JANUARY—Second Reading of the Clean Neighbourhoods and Environment Bill.

TUESDAY 11 JANUARY—Second Reading of the Road Safety Bill.

WEDNESDAY 12 JANUARY—Second Reading of the Child Benefit Bill.

THURSDAY 13 JANUARY—Second Reading of the Consumer Credit Bill.

FRIDAY 14 JANUARY—The House will not be sitting.

The provisional business for the week commencing 17 January will include:

MONDAY 17 JANUARY—Second Reading of the Constitutional Reform Bill *[Lords]*.

On behalf of the whole House, I wish all right hon. and hon. Members and all staff and officials of the House, who have worked tirelessly throughout the year, a merry Christmas and a happy new year.

Mr. Oliver Heald (North-East Hertfordshire) (Con): I join in the sentiments that the Leader of the House has just expressed, and I wish you, Mr. Deputy Speaker, the Leader, Members on both sides and all who work here a very happy Christmas.

Has the Leader of the House read early-day motion 404?

[That this House expresses its deep concern that during the debate on consideration of the Mental Capacity Bill on 14th December, a document relating to and important to the debate was not made available by Ministers to honourable Members in all parts of the House, but only to Labour honourable Members, namely a letter from the Lord Chancellor to the Archbishop of Cardiff; considers that it is a matter of constitutional importance that all relevant documents referred to by Ministers in the House should be made available to all honourable Members; notes the remarks of the Lord Chancellor on the Today programme of 15th December that the correspondence took place at around lunchtime and was sent straight down to the Commons and distributed around the Commons; further notes that despite these remarks the letter from the Lord Chancellor was not available in the Vote Office at 3.45 p.m.; applauds the ruling of Mr Deputy Speaker that this should not happen again; and calls on the Leader of the House to make a statement giving such an assurance on behalf of the Government.]

The Leader of the House must understand how annoyed hon. Members were by the shambles that led to only Labour Members seeing the important letter from the Lord Chancellor. The rest of us, and even some on the Labour Benches, were left trying to make out its contents from the rather difficult remarks of the Under-Secretary of State for Constitutional Affairs.

As was made clear from the Chair, we should all receive the same information for a debate. Will the Leader of the House make sure that that happens in future? Will he also ensure that if amendments come from the other place, adequate time will be allowed for a full debate on a particularly sensitive Bill?

Has any progress yet been made in arranging the debate for which I have been asking on foreign affairs so that we can discuss the situation in Africa and the middle east? The Leader of the House will know from this morning's Law Lords' judgment that it has been declared that under the provisions of the Anti-terrorism, Crime and Security Act 2001 the detention of prisoners at Belmarsh is illegal. Given that the Government have always insisted that that imprisonment was perfectly all right legally, can we have a statement in which the advice given to Ministers and the statements of Ministers are explained? Clearly, the situation is worrying.

The Gambling Bill is approaching its final day in Committee. The Government have today decided to revise the basis of the Bill completely. Can the Leader of the House assure us that we will have at least two days on report to consider the Bill now proposed?

In the summer, I criticised the Leader of the House for changing guidance to allow Ministers to avoid answering written questions by replying that there was no time to answer before prorogation. Ministers have used that, but can he say why, according to the Library, so many of his colleagues have gone a stage further and cannot even be bothered to answer the questions at all? A whopping 306 written questions went totally unanswered in the last Session. Why?

When will the Leader of the House change Standing Orders to allow the European Scrutiny Committee to sit in public? The Committee asked for that a year ago, and it would provide an early-warning system for excessive European regulation. Why is the Leader of the House dragging his heels on that?

Mr. Hain: It is not a question of dragging my heels. As the hon. Gentleman very well knows, since he sits on it, the Modernisation Committee is looking at the question of proper scrutiny of European business by the House, particularly on the Floor of the House.

On the Mental Capacity Bill and the scenes that occurred on Tuesday, I agree with the hon. Gentleman and give the assurance that in future the same information should be shared with the whole House, especially both Front Benches. The Speaker has written to the Lord Chancellor about the events of Tuesday. As Leader of the House, I take seriously any mistakes made by Departments in their day-to-day dealings with the House. All officials are required to respect the courtesies of the House. Mistakes were made, and lessons have been learned within the Department for Constitutional Affairs. My private office has been in contact with the Department to remind it of the correct procedures for depositing papers in the House and the courtesies that should be shown to all Members. I also spoke myself to the Lord Chancellor this morning.

The hon. Gentleman requested a foreign affairs debate on Africa and the middle east. I understand the case for it. It is a strong one. We are looking into it, but a whole number of Second Reading debates on important

[Mr. Hain]

legislation—I am sure he would recognise that—are to take place. If he were content with a debate in Westminster Hall, we could look at that in a different context.

As the hon. Gentleman will realise, the Law Lords' judgment on the Belmarsh matter was handed down only earlier this morning. The Home Secretary has deposited with the House a written statement and perhaps it would be for the convenience of the House if I read a key part of it. The Home Secretary says:

"The Law Lords have upheld the appeal by those detained under the Anti-terrorism, Crime and Security Act and we need to study the judgment carefully, not least because the Court of Appeal had unanimously endorsed our view that these provisions were compatible with our obligations under the European Convention on Human Rights. It is ultimately for Parliament to decide whether and how we should amend the law. The part 4 provisions will remain in force until Parliament agrees the future of the law. Accordingly I will not be revoking the certificates or releasing the detainees, whom I have reason to believe are a significant threat to our security, a judgment upheld by the Special Immigration Appeals Commission, chaired by a High Court judge."

That is the key extract from the Home Secretary's statement, which is available in the Vote Office.

Two new sittings of the Standing Committee on the Gambling Bill are due to be scheduled on 11 January. That has to do with a Government amendment to cap the size of existing and medium-sized casinos—an issue which has arisen during consideration of the Bill.

If Departments are not answering questions, they should. If it is brought to my attention that Departments are not answering questions, and the hon. Gentleman quoted a figure of 306—

Mr. Heald: Seven hundred and six.

Mr. Hain: Seven hundred and six is even less satisfactory. In the summer I introduced a new procedure whereby written replies would be not just deposited in the Library where they might gather dust and nobody in particular might know about them, but placed on the record in *Hansard*. I am sure that the whole House welcomes that extra scope for accountability.

Mr. Paul Tyler (North Cornwall) (LD): I welcome what the Leader of the House has just said about the way in which the Mental Capacity Bill was handled. All Members will welcome the actions taken on our behalf. I endorse also his good wishes to you, Mr. Speaker, other Members and staff.

Can the Leader of the House give an absolute assurance that Sir Alan Budd's report will be published before the House rises next week? Some very important issues are involved. If, as we now understand, the Home Secretary was not at fault, somebody else in the Home Office was, and clearly the new Home Secretary needs to take action.

On the Belmarsh detainees, it is extraordinary that the Leader of the House comes here and reads out part of a letter. [HON. MEMBERS: "A statement."] Part of a statement, then. Either the Home Secretary is prepared to make a statement to the House about why his predecessor's policies have now been declared unlawful by the highest court of the land, or it does not wash. For the Leader of the House to read part of a statement is unsatisfactory. Can he give us an absolute undertaking that before the House rises for the recess the new Home Secretary will declare exactly what the Home Office will do? Surely here is an opportunity for a new Home Secretary to make a fresh start on something that causes huge concern on every side of the House. We look to him to do that.

May I draw the attention of the Leader of the House to the fact that my hon. Friend the Member for Winchester (Mr. Oaten) has put forward practical proposals to make sure that those who are detained could be charged and brought to trial without endangering our security services? Members on both sides of the House would wish that to happen.

When can we expect a statement and debate on the report of the Electoral Commission into the funding of political parties and the democratic process? The Leader of the House will agree that it is scarcely satisfactory for maverick millionaires to be able to buy parties and their policies. It is not doing any good to the battered reputation of Parliament, of which he is the prime defender. Surely he must recognise that we need to debate the matter urgently. As I understand it, nobody is now in principle against state funding. After all, since 1997 the Conservatives have benefited to the tune of some £30 million of taxpayers' money, so they can scarcely have any principled objections. Is it not time that we looked at this carefully and made sure that funding was more transparent, fairer and attuned to encouraging local participation in our democratic process?

Mr. Hain: I am very sympathetic to the hon. Gentleman's point about public funding for parties, which already takes place on a huge scale, although if taxpayers find out—he has conveniently told them—that the Conservatives have had £30 million, they will recognise it as bad value for money. Taxpayers have not got a good deal there. It is interesting that today's report from the Electoral Commission says that since being in opposition the Conservative party has found it increasingly difficult to attract individual and company donations and in 2003 reported that close to a third of its income came in the form of public spending. The year before, more than half of the Conservatives donation income was from public funds. We can move forward on a consensual basis on this and the Electoral Commission provides an interesting way of doing so.

I am grateful to the hon. Gentleman for his remarks on my clear statement on the handling of the Mental Capacity Bill on Tuesday—something that I do not want to see repeated.

It is for Alan Budd to decide when to report. He will report when he is ready to do so. If I may, I shall put into perspective the comments on Belmarsh. The Home Secretary has come to the House with a written statement at the earliest opportunity—

Mr. Eric Forth (Bromley and Chislehurst) (Con): He has not.

Mr. Hain: I am sorry, but he has come with a written statement, a copy of which I have here and the key paragraph of which I quoted. I would have thought that that explained the matter clearly. The right hon. Gentleman will have a chance to study that statement and see the Government's position.

Mr. Forth: No.

Mr. Hain: This is the written statement, right before the House here. That is the answer to the point. The right hon. Gentleman is now supporting the Liberal Democrats as a coalition partner in making this point.

Kate Hoey (Vauxhall) (Lab): Has the Leader of the House seen early-day motion 394 concerning the threat to the postal services in the House?

[That this House congratulates the postal staff in the Palace of Westminster for their continued excellent service and loyal dedication; is alarmed that the House authorities are intending to privatise the post services and have already contracted out screening of mail entering Parliament to an American company; and calls on the Serjeant at Arms to reconsider immediately.]

Can he tell us which Members were involved in any decision taken to put out to tender the screening process, which has now gone to an American company, and who made the decision to put our postal services out to tender? Will he join me in saying what a great job the Royal Mail staff in the House have done for a long time? Will he ask the Serjeant at Arms to withdraw the instruction to tender? At least will he explain to the House under whose instruction that happened?

Mr. Hain: I am certainly glad to join with my hon. Friend in praising the work of the Royal Mail staff here over many decades, if not centuries. As a fan of the Royal Mail I am disappointed that it did not get the contract for mail screening. I have looked into the matter, however, and I am content that all the correct procedures were followed. As a result of the tendering exercise, which was a legal requirement, the tendering panel decided, unanimously I understand, that the contract should be awarded to a company that could provide the required level of service. The Board of Management took the view, I understand, that the facility offered by the Royal Mail in this instance would not have provided the correct levels of screening that had been identified in the tender document. However, there is still the opportunity for the Royal Mail to bid for the internal mail delivery contract, which is now out to tender. The Board of Management had to put it out to tender because it would otherwise have been open to legal challenge. As Parliament needs to protect public funds, the House could not justify significant price increases which, I am afraid, the Royal Mail suggested for maintaining the same level of service. I hope that it puts in a strong tender.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I revert to the question of the Lords' ruling on the detainees in HMP Belmarsh? The Leader of the House will know that I and many others have been pressing on that matter for many months now and asserting that their detention was unlawful. Next week, may we have a full debate or a full statement from the Home Secretary? He has apparently asserted in a written statement that he will not comply with the judgment of the House of Lords and that he will continue to detain those people, notwithstanding the fact that that is unlawful. That is surely a disgrace and the House needs to have the opportunity to determine why the Home Secretary is prepared to defy the House of Lords.

Mr. Hain: There is no question of the Home Secretary defying the House of Lords. I shall quote another part of the written statement for the right hon. and learned Gentleman's benefit. The Home Secretary says:

"I will be asking Parliament to renew this legislation in the new year but in the meantime"—

this is the key point—

"we will be studying the judgment carefully to see whether it is possible to modify our legislation to address the concerns raised by the House of Lords."

The right hon. and learned Gentleman will also have noted the point on which I quoted the Home Secretary earlier, which was that the Court of Appeal unanimously endorsed the Government's view that the provisions were compatible with our obligations under the ECHR.

Mrs. Alice Mahon (Halifax) (Lab): Has the Leader of the House had time to look at early-day motion 377 about the return of the refugees to Falluja?

[That this House condemns the decision taken by the interim Government of Iyad Allawi to take DNA samples, fingerprints and retina scans of the residents of Fallujah when they are allowed to return to their homes on Christmas Eve; regrets the decisions to insist that residents have to wear badges, and to treat refusal as an offence; and believes that these requirements have sinister historical overtones.]

That will take place on Christmas eve, when the eyes of the west will be looking elsewhere. The people will have to go through checkpoints, be fingerprinted and DNA tested and, in many cases, will be going back to rubble. Even more sinisterly, they will have to wear a badge, which will be compulsory. That has certain sinister overtones historically. When can we have a debate on what happened in Falluja, where the people are, what aid has been given to them and what the centre of Falluja looks like now, after the Americans bombed it?

Mr. Hain: I am sure that the Secretary of State will want to look very carefully at the points my hon. Friend makes.

Dr. Andrew Murrison (Westbury) (Con): The Extradition Act 2003 allows UK citizens to be removed to the US without prima facie evidence or reciprocity, to the very great disadvantage of Mr. Giles Darby, my constituent, and others. Will the Leader of the House make time for a debate on that particularly perverse aspect of the special relationship?

Mr. Hain: I cannot promise the hon. Gentleman an early debate, but he has the opportunity to apply for an Adjournment debate in the normal way.

Jeremy Corbyn (Islington, North) (Lab): May I take the Leader of the House back to the issue of Belmarsh and the decision made by the Law Lords this morning? I cannot understand why the Home Secretary cannot come here and make a statement. If he is able to make a written statement, he can make an oral statement. These are very serious issues. The Law Lords have said that it is not correct to hold people indefinitely in a prison in this country on the signature of a politician. Unless a case has been taken out against those individuals in the criminal courts—there are no signs of that happening—the logic of the ruling is that they should be released. The Home Secretary should come to the House and explain his policy on these matters. We have been found wanting by the highest court in the land and it is up to us to respond and—I hope—accept that judgment.

Mr. Hain: As I have explained, my right hon. Friend the Home Secretary has given a very full written statement. Home Office questions will take place on Monday, so in a couple of days my hon. Friend will be able to put those points to the Home Secretary. He has acted promptly in bringing a statement to the House at the earliest opportunity. Of course, in the end the House has the final say and will be the sovereign authority on the legislation.

Sir George Young (North-West Hampshire) (Con): Will the Leader of the House now answer the question put to him earlier about the report from the Electoral Commission? It makes recommendations that would reduce the dependence of all parties on large donations and would encourage smaller ones, a proposition that the Government resisted earlier. Can he find Government time for an early debate on that report?

Mr. Hain: I am very sympathetic to the idea of a debate on that and I should be interested to see whether the shadow Leader of the House pressed for one as well. It might be possible, on an all-party basis, to move towards extending—not introducing for the first time, but extending—public funding for parties in designated areas. The Electoral Commission suggests, for example, increasing the policy development fund, which is some £2 million at present. Such a move could connect parties more closely with civic society and their local communities. In that respect, it is interesting that the Electoral Commission has recommended tax relief on donations of up to £200. We can consider the proposals in due course, but such matters are best addressed on an all-party basis, because all parties have already benefited to the tune of millions of pounds of public funding over the years.

Mr. Bill Tynan (Hamilton, South) (Lab): My right hon. Friend will be aware that the Niger delta produces 20 per cent. of oil supplies at present. However, the population of the area has a major problem with armed gangs running riot. I join the calls for an international affairs debate on the Floor of the House in Government time to look carefully at the whole international scene and the deterioration of the situation in the Niger delta.

Mr. Hain: I visited the Niger delta when I was Africa Minister and I know that the points my hon. Friend raises are valid. I cannot promise him an early debate, but I am sure that my right hon. Friend the Foreign Secretary will want to bear in mind the points that my hon. Friend makes.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The Leader of the House will be aware that before he entered the Chamber, the Secretary of State for Defence made a statement on the reorganisation of British infantry. Numerous hon. Members were unable to question the Secretary of State on that statement, despite the best efforts of Mr. Speaker and Mr. Deputy Speaker to call hon. Members from across the country, and the fate of the Welsh regiments was not addressed. The Leader of the House will know, as he is also Secretary of State for Wales, of the concern in Wales about the issue. Indeed, we have the barracks in Brecon, and training of all UK infantry takes place at Sennybridge in my constituency. Will he try to find Government time for the issue to be debated once again on the Floor of the House?

Mr. Hain: I visited both Sennybridge and Brecon to see the Army establishments there. The hon. Gentleman will be encouraged to know that Commander Ian Cholerton will shortly hold a press conference in Cardiff to welcome the news as far as the regiments in Wales are concerned.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): Shortly before I came into the Chamber this afternoon, I received information from my constituency that Parkside International, which owns a factory in the small town of Darton in my constituency, will tomorrow announce the closure of that factory through the receiver, with the loss of 437 jobs. The union on site tells me that suggestions of management malpractice have been made. It is not the first time that Parkside International has closed factories in that way. My constituents, especially those in the small town of Darton, will suffer intolerably because there will be no enhanced redundancy and they will not be able to get their redundancy pay for six to eight weeks. Some people will have a very bleak Christmas. Will my right hon. Friend ask the Department of Trade and Industry to watch for the receiver's report, scrutinise it to see if any management malpractice took place and, if so, take the appropriate action? At the same time, will he—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. That is a long enough question.

Mr. Hain: I will certainly ask my office to contact the DTI right away and ensure that it is aware of the serious situation in my hon. Friend's constituency, especially with the plight of the work force.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Given the insultingly short time that the Government will allow Committees to scrutinise the Serious Organised Crime and Police Bill and the Commissioners for Revenue and Customs Bill—and, I suspect, the Identity Cards Bill—does the Leader of the House expect the House of Lords to expect a correspondingly longer period of time to give proper scrutiny to those Bills? Sadly, the amount of time that the Government

allow this House to scrutinise Bills is so short that we must look to the House of Lords to perform the function of parliamentary scrutiny for us.

Mr. Hain: I have difficulty with the idea of the right hon. Gentleman as the champion of the House of Lords, but perhaps he wants a move down the Corridor. I enjoy his bellicose questions from the Back Benches, just as I used to do when he asked them from the Front Bench.

Paul Flynn (Newport, West) (Lab): May we debate early-day motion 13?

[*That this House agrees with Simon Hart, Chief Executive of the Countryside Alliance, that his organisation would be ridiculed in parliament on the publication of a letter sent by the Masters of Fox Hounds Association to 800 hunt masters warning of the nationwide 'shortage of foxes' and urging landowners to breed more foxes to 'solve the problem'; and welcomes this further evidence that foxhunting is unconnected with pest control but is devoted entirely to sadistic pleasure derived from the protracted torment and death of foxes.*]

It draws attention to a letter sent by the Masters of Foxhounds Association to 800 hunt masters, complaining about the shortage of foxes and demanding action against farmers and landowners who refuse to breed foxes. Does not that prove absolutely that there is no connection between fox hunting and pest control and that the whole purpose of fox hunting is the pleasure gained by the hunters from chasing, tormenting and killing a small, defenceless animal that has been bred for that purpose?

Mr. Hain: As always, I admire the eloquence and wit of my hon. Friend on that and other matters.

Mr. Andrew Mackay (Bracknell) (Con): Returning to the Law Lords' significant judgment today on the Belmarsh prisoners, does not the Leader of the House understand that a written statement from the new Home Secretary is wholly inadequate, because we cannot question him? To suggest that Home Office Question Time on Monday is any substitute, when, due to the shuffle, there may be no relevant opportunities, is also inadequate. Will he pass on to the new Home Secretary that that arrogance is unacceptable and that he has started at his Department in an unsatisfactory way?

Mr. Hain: I am really disappointed that the right hon. Gentleman, who is a serious parliamentarian, seeks to make a point in that aggressive fashion. The judgment was handed down earlier this morning, about mid-morning. The Home Secretary made a written statement right away. When he has studied the document in detail, I am sure that there will be an opportunity to inform the House. Indeed, he has promised that future legislation will be required in the new year. In any case, the Home Secretary will answer questions on Monday where he can be quizzed on the matter, when he will have had a chance to look more carefully at it over the weekend.

Mrs. Anne Campbell (Cambridge) (Lab): Given that, under the Child Trust Funds Act 2004, parents with qualifying babies will start to receive their vouchers in January, does my right hon. Friend agree that it would be interesting to have a debate about whether those funds legally belong to the children concerned or whether a future Government, who were hostile to trust funds, could take them away?

Mr. Hain: My hon. Friend raises an interesting question. The Opposition parties are committed to withdrawing or abolishing the child trust funds, so in that case will they be involved in bond snatching? Will they go to the many tens of thousands of children across the country who will have had the opportunity to receive between £250 and £500 and snatch that money away from them? When those children are seven years old, will the Opposition parties deny them the further £250—or £500 in the case of low-income families—that the Government have promised? The Liberal Democrats and the Conservatives have to answer that question.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. In what is only a very short space of time for business questions, I urge everyone to recognise that questions have to be connected, however loosely, to next week's business.

Mr. John Bercow (Buckingham) (Con): May we have an urgent debate in Government time on the need for reform of the United Nations? Given that article 4 of the UN charter refers to the need for a common standard of achievement of human rights by all peoples and that article 6 makes it clear that a state which persistently violates the principles of the UN charter may be expelled from the organisation, does the right hon. Gentleman agree that it is incongruous in 2004 that Burma, Sudan, North Korea, Zimbabwe and Uzbekistan, to name but five bestial oppressors, remain fully paid-up members of the UN club? Is it not time that the UN stopped appeasing rogue states and started confronting them instead?

Mr. Hain: The hon. Gentleman has a good point as to whether or not those countries should be expelled from the UN. Even in South Africa's darkest days I do not recall it being expelled from the UN in precisely the way that he said. The high level group recently reported on the future of the UN. I know that he will have studied that report, which provides for a way forward on those important issues.

Ann McKechin (Glasgow, Maryhill) (Lab): My right hon. Friend may have noticed from today's papers that yesterday the students of Glasgow university elected Mr. Mordechai Vanunu their new university rector. I am sure that he will commend their choice of someone who has made such a personal sacrifice, over so many years, in the cause of peace. Will the Government assist the students at Glasgow university in calling on the Israeli Government to allow Mr. Vanunu to travel to the United Kingdom to meet the students in Glasgow, where I am assured that he will receive a very warm welcome?

Mr. Hain: I am sure that he will. I congratulate the students of Glasgow university on their wise choice.

Bob Spink (Castle Point) (Con): I cannot allow the season to pass without personally wishing the Leader of the House a very happy Christmas. May we have a ministerial statement in the House that Little Haven hospice in my constituency will receive an increase in its statutory funding, from the miserly 1.8 per cent. it currently receives to 5 per cent. from next year? That will give the people who sadly depend on the hospice services a happier Christmas, and will provide a good Christmas to the wonderful staff who work in all our hospices.

Mr. Hain: I am delighted that the spirit of chivalry applies in at least one place on the Conservative Benches. The hon. Gentleman is a spirited advocate of the cause of hospices, especially for children, and I am sure that his point will have been noted.

Geraldine Smith (Morecambe and Lunesdale) (Lab): The Leader of the House is already aware of the widespread alarm about proposals to privatise the postal services of the House. Will all Members be given the opportunity to vote on those proposals and may we have a statement on the issue in the House?

Mr. Hain: Those matters are outside my responsibilities; they are for the Board of Management, which has to comply with the correct tendering procedures. I am sure that the Board will have noted the strong points made by my hon. Friend and by my hon. Friend the Member for Vauxhall (Kate Hoey). We have had a long association with the Royal Mail, but there must be competitive bids for the tenders and contracts must be agreed according to proper procedures.

Mr. Roy Beggs (East Antrim) (UUP): Yesterday, two business men in Northern Ireland, one from Keady in County Armagh and the other from Dungannon in County Tyrone, suspected of smuggling alcohol worth millions of pounds, had £300,000 worth of their assets frozen by the Assets Recovery Agency. Will the Leader of the House arrange for a debate in the House so that we can consider whether our law enforcement agencies in Northern Ireland are sufficiently funded to go after the racketeering and smuggling godfathers in Northern Ireland? The media are at pains to stress the fact that neither of those business men had links with paramilitary organisations, but it is naïve to think that they could carry on their operations without support from such organisations.

Mr. Hain: This is an important matter and I am sure that the Secretary of State will want to study carefully the points that the hon. Gentleman made.

Dr. Brian Iddon (Bolton, South-East) (Lab): Because the debate on Tuesday of new clause 1 of the Mental Capacity Bill ended in utter confusion and because the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Tottenham (Mr. Lammy), hinted that the Government would submit a further amendment to the House, would not it be right and proper for a statement to be made—even a written statement—next week, before Christmas, so that we can consider the matter before debate begins in the other place?

Mr. Hain: I understand my hon. Friend's concern. The Secretary of State will have noted his point carefully and will, I am sure, take it into close account.

Mr. Andrew Tyrie (Chichester) (Con): The Leader of the House seems to be a bit short on facts today. He was unaware that South Africa was expelled from the UN. He seems unaware that the Conservatives supported the Child Trust Funds Bill. He said that he was sympathetic to tax relief on small donations to political parties, unaware—it seems—that his Government rejected it. The Electoral Commission has just reported on the funding of political parties, although the report has not yet appeared in the Vote Office. There is widespread public concern that honours can be trafficked in exchange for funds given to political parties, especially now that more than half the life peerage is appointed by the Prime Minister. May we have an urgent debate on the Electoral Commission's report on state funding?

Mr. Hain: I said that the Electoral Commission report's proposals were interesting, from tax relief right across the board. I did not say that it was Government policy to back them, nor indeed whether it was Government policy to extend the size of the policy development grant. I said that the proposals were interesting. If there were cross-party consensus on them, we could no doubt look at them further.

Points of Order

2.20 pm

Mrs. Theresa May (Maidenhead) (Con): On a point of order, Mr. Deputy Speaker. Earlier today, in answers to questions, the Chancellor of the Exchequer falsely claimed that it was the policy of Her Majesty's Opposition to scrap Sure Start. It is not Conservative party policy to scrap Sure Start; it is Conservative party policy to keep Sure Start, as is well known by Ministers. May I seek your guidance on how I may ensure in future that neither the Chancellor of the Exchequer nor other Ministers mislead the House or use the House to make false claims about the policies of Her Majesty's Opposition?

Mr. Deputy Speaker (Sir Alan Haselhurst): The hon. Lady will know, of course, that that is not something strictly for the Chair to rule on, but she has, in fact, partly fulfilled her intention by putting it on the record. I have no doubt that she will be ingenious enough to think of other ways to pursue the debate.

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Deputy Speaker. May I just make it clear that 706 questions remain unanswered from the last Session, not 306? I may have inadvertently got the figure wrong when I put it to the Leader of the House.

Mr. Deputy Speaker: I am sure that the House will be fascinated to hear that correction.

BILLS PRESENTED

Consumer Credit

Ms Secretary Hewitt, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Johnson, Mr. Secretary Darling, Mr. Secretary Murphy, Mr. Peter Hain, Mr. Gerry Sutcliffe and Mr. Christopher Leslie, presented a Bill to amend the Consumer Credit Act 1974; to extend the ombudsman scheme under the Financial Services and Markets Act 2000 to cover licensees under the Consumer Credit Act 1974; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Monday 20 December, and to be printed. Explanatory notes to be printed [Bill 16].

Drugs

The Prime Minister, supported by Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Darling, Mr. Secretary Reid, Mr. Secretary Murphy, Mr. Secretary Clarke, Mr. Peter Hain and Caroline Flint, presented a Bill to make provision, in connection with controlled drugs and for the making of orders to supplement anti-social behaviour orders in cases where behaviour is affected by drug misuse or other prescribed factors: And the same was read the First time; and ordered to be read a Second time on Monday 20 December, and to be printed. Explanatory notes to be printed [Bill 17].

SECTION 5 OF THE EUROPEAN COMMUNITIES (AMENDMENT) ACT 1993

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation) and Order [30 November].

That this House takes note with approval of the Government's assessment as set out in the Pre-Budget Report 2004 for the purposes of section 5 of the European Communities (Amendment) Act 1993.—*[Mr. Heppell.]*

The House divided: Ayes 233, Noes 123.

Division No. 18] **[2.21 pm**

AYES

Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Beith, rh A. J.
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Corbyn, Jeremy
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Darling, rh Alistair
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hanson, David
Harman, rh Ms Harriet
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Hendrick, Mark
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*

Jamieson, David
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Keetch, Paul
Kennedy, rh Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkwood, Sir Archy
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morgan, Julie
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Prosser, Gwyn
Pugh, Dr. John
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Reed, Andy *(Loughborough)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Salter, Martin
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Wareing, Robert N.
Watson, Tom
Weir, Michael
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Mr. John Heppell and Joan Ryan

NOES

Ainsworth, Peter *(E Surrey)*
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Collins, Tim
Cormack, Sir Patrick
Cotter, Brian
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gidley, Sandra
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hancock, Mike
Harvey, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Jack, rh Michael
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lamb, Norman
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, Michael
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Wiggin, Bill
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Andrew Selous and Mr. Geoffrey Clifton-Brown

Question accordingly agreed to.

Orders of the Day

School Transport Bill

Not amended in the Standing Committee in the last Session of Parliament, considered.

Clause 1

SCHOOL TRAVEL SCHEMES

2.35 pm

Dr. John Pugh (Southport) (LD): I beg to move amendment No. 6, in page 1, line 15, at end insert

'either by itself or in conjunction with another local authority.'.

Mr. Deputy Speaker (Sir Alan Haselhurst): With this it will be convenient to discuss the following amendments:

No. 7, in page 1, line 15, at end insert

', provided that consultations have taken place with relevant admissions bodies including representatives of denominational schools where such schools are affected by the proposed scheme.'.

No. 12, in page 2, line 12, at end insert—

'2A (1) Scheme authorities shall, prior to the submission of a proposed school travel scheme to the appropriate national authority, undertake a consultation process in accordance with regulations made by—

(a) in England, the Secretary of State, and

(b) in Wales, the Assembly for Wales.

(2) Regulations under subparagraphs (1)(a) or (b) may, in particular, include a list of statutory consultees to be asked for comments on the proposed scheme and provide for the nature of the consultation process.

(3) Power to make regulations under subparagraph (1) is exercisable by statutory instrument.

(4) Regulations under subparagraph (1)(a) shall be subject to annulment in pursuance of a resolution of either House of Parliament.'.

Dr. Pugh: It is a pleasure, and something of a relief, to see the Minister for School Standards in the Chamber. We have lost three education Ministers this year and we still have two weeks to go. I hope that he will last until the end of Third Reading. He has become the Mr. Chips of the Department for Education and Skills.

Although I shall probably not press amendments Nos. 6 and 7 to a Division, I shall explain a little about them. Amendment No. 6 suggests that local travel schemes could involve a partnership of more than one local authority and thus function over a sensible geographical area regardless of local authority boundaries. There are good arguments for such an arrangement. There is already much cross-border movement among local authorities and with increasing numbers of special schools, academies and the like, there will definitely be more. That is especially true in London, where people flit between one local authority school and another, and sometimes send their children to school in different local authorities. Local authorities increasingly pool special school provision as a cost-saving measure rather than using private school provision in far away places, and that tendency will increase. Additionally, local authority boundaries often do not follow natural transport routes. We recognise that parent-teacher associations are also local authorities and are deeply implicated in most school transport schemes.

The Minister cited one argument against the suggestion in Committee when he said that he was worried that because the schemes will be pilots, they might be vulnerable if a local authority were to withdraw unilaterally from a scheme involving two or three authorities. If we take seriously the belief that the Bill is only about piloting, the argument might have some force, and I accept that the Government must take that line at the moment, putting out a fixed view and keeping up appearances by pretending that we are talking about only pilots. However, I think that they will belatedly accept my suggestion another day as the pilots effectively become the norm.

Amendment No. 7 reinforces the common chorus supporting consultation that unites all parties at the moment. It especially puts a stress on bodies that might be adversely affected—it specifically refers to "denominational schools". The amendment is designed to give such bodies a voice and an opportunity to protect their interests. Given our consideration of the Bill so far, they are not fully satisfied that their interests will be protected.

I anticipate that the Minister's general response to the amendment will be, "It is all in the prospectus anyway. Have no fear; their worries are groundless." In fact, more or less everything is in the prospectus—almost all worldly woes are solved in it—but there is little in the Bill. The prospectus refers to human rights legislation, which will have an anti-discriminatory effect, and to the needs and requirements of denominational schools. However, it is full of the words "may" and "might" and items for consideration—it is full largely of motherhood and apple pie. Everyone would accept that it is the Minister's creation and mutable, and thus that it could be varied—it has already been through several metamorphoses. It is not the same as a legal guarantee.

Mr. David Kidney (Stafford) (Lab): Will the hon. Gentleman admit that he is being far too curmudgeonly about the movement that the Government have made since the Committee stage? For example, the new prospectus on consultation uses the word "must", not "may", and a Government amendment that we will consider later will tie the prospectus into the Bill. Should not the hon. Gentleman say that such amendments are pleasing?

Dr. Pugh: I certainly will say that such amendments are pleasing, but I also say that there is a good case for the Minister's putting such provisions in the Bill. We must wonder why they are marginalised in a prospectus.

In any case, having a prospectus is a model for getting difficult legislation through the House. Although I am not making an accusation about the hon. Member for Stafford (Mr. Kidney), it is a way of getting legislation past more gullible Back Benchers. Although I believe that the Minister has been genuine in insisting that there should be consultation, I would be happier if such a provision were included in the Bill.

Mr. John Gummer (Suffolk, Coastal) (Con): I wish to underline two important points. First, I have served as an MP for a long time, and I am always concerned when Ministers say that there is no need to include something in the Bill because it is in a prospectus and they will do their best to make sure that it is observed. I respect the Minister for School Standards, and accept that he does his best, but he is not infallible and does not have an unlimited ministerial lifespan. We want a simple change to the Bill, and if what the hon. Member for Southport (Dr. Pugh), whom I also respect, says is true, there is no reason whatever not to include the change in the Bill itself.

Secondly, the Minister ought to accept that denominational schools and authorities, particularly Catholic ones, have long-standing grievances about the way in which they were consulted in certain areas. I am sure that that is not the Minister's fault. Some local authorities have done their best, but others have been less effective, so the Government should accept that the House wants the matter to be dealt with properly, which is why I support the amendments.

Finally, there is no area of our lives in which consultation is more important than education. I hesitate to criticise Ministers without just cause, so I hope that comments about who has responsibility for our children were misplaced. I believe that children are their parents' responsibility, and parents may opt for certain kinds of education. Those of us who want state education to provide the widest choice do not want people to be forced to make private provision because choice is not available, so we are particularly keen that the consultation should take place. In my constituency, which is not unusual among rural constituencies, it is difficult to provide parents with any choice whatever. The Bill is therefore important for us, and the consultation is the only point at which parents can tell local authorities about the difficulties that they face. I therefore very much hope that the Minister will accept the amendments.

Roger Casale (Wimbledon) (Lab): We must bear in mind the considerable movement that the Government have already made on consultation and linking it to the Bill. I am sorry that some Liberal Democrat Members do not feel that that is much of a concession, as I believe that it is a major step forward. My constituents, led by Mary Powell of the special educational needs network in Merton, also welcome it. Indeed, I do not think that we accept the comments by the hon. Member for Southport (Dr. Pugh) at all. Before our debate, I was contacted by the Special Educational Consortium, which is convened under the auspices of the Council for Disabled Children to protect and promote the interests of children and young people with special educational needs and disabilities. Like my constituents and myself, it very much welcomed the revised prospectus, which requires local education authorities to consult before making formal applications.

We welcome the fact that parents of disabled children and children with special educational needs are mentioned specifically in the list of people who must be consulted. It is clear that disabled children and children with special educational needs are significantly more reliant than others on LEA school transport, and it is important that parents have the opportunity to express their particular needs and interests before any change to school transport arrangements is made. The consortium accepts that it may be appropriate to develop the parameters of the consultation in the prospectus, but it believes that the basic duty to consult should be included in the Bill itself. I should be grateful if the Minister would comment on that. While the consortium recognises that the scheme authorities may wish to retain flexibility over the way in which they carry out the consultation, the duty to consult should not be flexible; it should be a requirement. I should be grateful if the Minister would deal with that when he responds.

2.45 pm

The consortium believes that the scheme authorities should report on the provision of school travel schemes for disabled children and children with SEN. A monitoring exercise will be particularly valuable during the pilots, and will be easier to conduct when we have a limited number of schemes. It may be appropriate to include details on the reporting of such monitoring in the prospectus. However, the consortium's main wish is that the basic principle of consultation should be enshrined as strongly as possible in the Bill. I am grateful for the steps that the Minister has already taken to achieve that aim, which is extremely important and whose realisation will be welcomed by my constituents.

Mr. Paul Keetch (Hereford) (LD): The amendments deal with consultation. Is the Minister aware that Conservative-controlled Herefordshire local education authority has decided at short notice to stop making places on school buses available to children travelling 18 or 20 miles to a Church school from Ross-on-Wye? It announced that just two weeks ago with little consultation among the parents or schools concerned. As a result, parents have only a couple of weeks either to find a new school, which would be disruptive for their children in the run-up to GCSEs, or to find alternative means of transport, which could result in round-trip journeys of up to 30 miles, which is bad for the environment and the already congested streets of my constituency. Does the Minister agree that if there are changes to school transport, there should be adequate consultation with the parents and, indeed, the schools concerned?

Mr. Mark Hoban (Fareham) (Con): May I begin by congratulating the new Minister for School Standards on his promotion? I am sure that there will be an opportunity in future education debates to comment on root-and-branch reform, given the prevalence of Twiggs in the Department.

Amendment No. 12 deals with consultation, which is important in the preparation of school travel schemes. We had a long debate about the issue in Committee, and I am grateful that much of the debate was reflected in the revised prospectus, which the Department circulated among Committee members. There was an increase in the number of groups to be consulted, and a timetable for consultation was provided, with a minimum period of 28 days during the school term, for which I am particularly grateful. There was also a requirement that LEAs should consult where there are material modifications to a scheme. Those changes reflect the consensual nature of our debate in Committee.

Despite that tidying-up exercise, we need to go a stage further. I support the remarks of the hon. Member for Southport (Dr. Pugh), because Ministers can change, as we have discovered today. Guidance is likely to evolve over time and the prospectus is not set in stone. It does not have the same status as, for example, a statutory instrument. Amendment No. 12 therefore provides the Secretary of State in England or the Assembly in Wales with an opportunity to draw up regulations to give statutory force to guidance on consultation. I worded the amendment to give it a wide application, but I expect such regulations to cover the issues that the Minister addresses in paragraphs 14, 15 and 16 of the prospectus. It gives groups that are most concerned about changes to school transport arrangements, including the denominational groups mentioned by my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) and special educational needs groups, a statutory right to be consulted. The hon. Member for Wimbledon (Roger Casale) has saved me a job, as he reprised very well the advice of the Special Educational Consortium, which welcomes the changes in the prospectus. It would prefer such changes to be included in the Bill for the sake of consistency and stability. It does not want the prospectus to be changed over time, as that would alter its essential nature.

Roger Casale: Does the hon. Gentleman accept that, although many of us would welcome guidance notes that are as strong and as solid as possible—it is good to see the development of guidance notes as a result of our debates—the problem that we face in my constituency, to which I drew attention on Second Reading and in Committee and which has been picked up by special educational consortiums across the country, concerns not only the contents of the guidance notes, but what to do when the guidance notes are not followed in a particular area? Effort needs to be expended on toughening up the relationship between the Bill and the guidance notes. Although the duty in relation to consultation must be set in stone, that is not necessary for every aspect of the guidance notes because, as he has said, they will develop over time. I wonder whether he recognises the distinction between what is in the guidance notes and what happens when the guidance notes are not adhered to.

Mr. Deputy Speaker: Order. The hon. Gentleman must recognise the distinction between a speech and an intervention—his intervention was almost longer than his speech.

Mr. Hoban: The hon. Member for Wimbledon has raised a valid issue. It is important to draw a distinction between the prospectus's detailed contents and what should be in regulations. The prospectus contains some matters that perhaps do not need to be in regulation.

On consultation, a lengthy but non-exhaustive list of statutory consultees such as groups involved with special educational needs, denominational schools and admissions forum schools is important. In the prospectus, the Minister has gone some way to improving that list, for which I am grateful, but we must set minimum standards on the consultation process. When we reach a later group of amendments, I shall refer back to the role that statutory consultees could play in changing school transport schemes, but I shall leave that to a later time, because I have taken on board the comment made by the hon. Member for Wimbledon.

It is important that we ensure that protection is in place for the most vulnerable groups in our society. Ensuring that adequate consultation is enshrined in statute rather than in a prospectus is a way to achieve that and to ensure that the voice of the most vulnerable in society is heard, whether we are discussing changes to sensitive travel arrangements that could lead to additional costs being imposed on parents, whether children have special educational needs or whether they attend denominational schools. We must get the consultation process right and, where possible, that should be reflected in the Bill.

On amendment No. 7, I share the concerns of the hon. Member for Southport. We must ensure that denominational schools are consulted properly and that diocesan educational organisations are also part of the consultation process. Again, that should be subsumed into the overall tenor of regulations.

On amendment No. 6, in Committee we raised the issue of how LEAs—particularly small LEAs—that are adjacent to each other work together where considerable movement occurs over their borders. I do not know whether the Minister is still responsible for education in London, but he knows about the cross-border movements that take place in London. For example, some 40 per cent. of children in Lambeth are educated outside the borough, and a mechanism is needed to make those schemes cover them.

We must cover the important issues on consultation. With your leave, Mr. Deputy Speaker, I seek to put amendment No. 12 to the vote at the appropriate point.

The Minister for School Standards (Mr. Stephen Twigg): First, I thank the hon. Member for Fareham (Mr. Hoban) for his kind remarks about my appointment—I will not be drawn into discussions about the number of twigs on the ministerial tree. I am delighted to welcome the new Under-Secretary of State for Education and Skills, my hon. Friend the Member for Houghton and Washington, East (Mr. Kemp).

On amendment No. 6, the issue was raised in Committee, where I explained that I do not think it desirable or practical for LEAs to propose joint schemes. We considered allowing LEAs to make joint applications to the Secretary State and the National Assembly for Wales when we first drafted the Bill. We reconsidered our initial decision following public consultation, when a number of LEAs suggested that they would like to make joint applications, although they foresaw that groups of more than two authorities might run joint schemes, particularly in some of our larger urban areas, for the reasons referred to by the hon. Member for Fareham.

We felt that there are a number of problems with that approach, some of which were mentioned by the hon. Member for Southport (Dr. Pugh) when he moved the amendment. In practice, good schemes could fail or suffer delays if one authority failed to carry out an adequate local consultation. Secondly, if one LEA wanted to make small changes to a joint scheme, every participating LEA would have to carry out a

[Mr. Stephen Twigg]

consultation, which could turn out to be costly and unnecessary. Thirdly, one LEA might decide to revoke a scheme, but another might want to continue with that scheme because it felt that the scheme was working well, which would pose practical difficulties.

The Bill is already sufficiently flexible to allow two or more LEAs to come to us with schemes that they have developed in consultation with each other, and London may well provide a good opportunity to do that, for the reasons set out by the hon. Member for Fareham. Such schemes might dovetail, although each LEA would need to submit its own separate scheme for approval. Indeed, we understand that some LEAs are already considering that approach, which we encourage.

I agree with hon. Members that collaboration makes a good deal of sense where cross-boundary issues must be addressed. However, I hope that they agree that the drawbacks of joint schemes outweigh their advantages. We will continue to encourage authorities to make their own applications in which they can explain how their scheme relates to others and ask for joint consideration, where appropriate. We are convinced that that approach offers the joined-up dimension sought by amendment No. 6.

Before I address amendments Nos. 7 and 12, I shall respond to the hon. Member for Hereford (Mr. Keetch). It is disappointing to hear about a failure to consult. When school transport changes are proposed, whether they are part of the Bill or whether they are broader changes, it is vital that consultation occurs. The particular example from Herefordshire demonstrates the importance of innovative approaches. At the moment, an innovative approach enables students who might not qualify for free transport to use buses that take children to denominational schools. With the hon. Gentleman's leadership at a local level, I encourage Herefordshire LEA to reconsider the matter and, perhaps more important, fully to consult parents and others in Herefordshire on the proposals.

Amendment No. 7 would require LEAs to consult admissions bodies and representatives of denominational schools and would prevent a scheme from being made until those consultations have taken place. Amendment No. 12 would give the Secretary of State and the National Assembly for Wales powers to make regulations specifying the consultation process that LEAs must undertake before making a scheme application. The regulations could also provide a list of statutory consultees.

I agree with the right hon. Member for Suffolk, Coastal (Mr. Gummer) that a full consultation process is vital to underpin any applications as part of the legislation. I also agree with the comments made on both sides of the House that a number of key consultees must be included in the consultation process in every authority. A number of consultees, including the Education and Skills Committee, have suggested a number of additional stakeholders who should be included in the section in the prospectus on local consultation. During recent scrutiny in the House, we made further additions in response to the most helpful suggestions made by members of the Committee. I hope that the list of consultees now in the prospectus is fully comprehensive, but I remain receptive to any further suggestions.

3 pm

The list includes school governors, including governors of special schools where pupils in the authority are placed; teacher association representatives at the local level; parents and prospective parents; the schools forum; the admissions forum; bodies representing any denominations with schools in the area; transport operators; further education; as my hon. Friend the Member for Wimbledon (Roger Casale) rightly stressed, groups representing parents with children with special educational needs and/or disabilities; organisations with an interest in pupil safety, such as BUSK—Belt Up School Kids—and Stuart's Campaign; and any other partners with a material interest in school travel schemes, such as passenger transport executives and Transport for London. Admissions bodies and representatives of denominational schools—the subject of amendment No. 7—are included in the list, and rightly so.

The National Assembly for Wales will be responsible for issuing the prospectus in Wales and will conduct a wide-ranging consultation with all interested parties, including admissions bodies and representatives of denominational schools. In Committee, I explained that the prospectus is binding on scheme authorities and that we will not approve pilots that have not had adequate consultation. We are responding to those and separate concerns of Committee members through amendment No. 26, which will place the prospectus on a statutory footing. I hope that that will be sufficient to allay the concern that Members have expressed today that pilots could be put in place without adequate consultation.

Mr. Gummer: I perfectly understand the Minister, but as he is so comprehensive in what he is able to do, I wonder whether he has been the victim of his civil servants: I remember them well. I suspect that he probably wanted to put in the proposed change, but his civil servants said to him: "Better not, Minister—better leave it like this." I had not thought that he was susceptible to that, and I hope that he will not be so today, but will think again. It is better to do it; then all worries are allayed.

Mr. Twigg: In Committee, my hon. Friend the Member for Stafford (Mr. Kidney) suggested that we place the prospectus on a statutory footing. I think that the initial advice from my officials was, "Better not", but my view was that we should do precisely that. I believe that through the amendment that we will discuss later we will achieve what the right hon. Gentleman and other hon. Members want to achieve—to ensure that adequate consultation is at the heart of what we are seeking to achieve through the Bill.

Mr. Hoban: The Minister said that the prospectus is "binding" and mentioned the amendment that we will discuss later. Will he explain what he means by that in

the context of consultation? The letter that he sent to members of the Committee on 14 December said that

"the amendment will not make any practical difference to the way that schemes are approved and operate".

It sounds as though the amendment is not giving us the reassurance that we seek, particularly on consultation.

Mr. Twigg: The reassurance that I sought to provide in Committee—the hon. Member for Southport (Dr. Pugh) mentioned this—is that many of the concerns that are being raised on consultation are addressed in the prospectus. It was said in Committee, particularly by my hon. Friend the Member for Stafford, that that reassurance would be strengthened were the prospectus itself placed on a statutory footing. We are doing so in order to ensure that the reassurance that we can provide through the prospectus is absolutely and without doubt there in the Bill.

Mr. Hoban: I am grateful to the Minister for that confirmation of the status of the prospectus. Will he confirm whether it will be a final document once the Bill is passed? Otherwise, how will we know that the reassurance that we have been given about it today will not be overridden by a prospectus that is published in a year or so, or in 10 years' time?

Mr. Twigg: We may return to this in more detail later. Once the Bill has completed its passage through both Houses, I want to have the best possible prospectus. That is why I certainly do not close the book on further changes to it as a consequence of today's debate or proceedings in the other place. There is then, under the terms of the amendments that we will discuss later, the possibility of its being revised in future to meet concerns as the pilots are developed. That is the sensible approach, because there may be aspects that we would not anticipate in the debates that we are having now but arise in future years. I am sure that we can return to some of those issues when we discuss those amendments.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): I understand what the Minister is saying, but will he tell the House that any changes to the prospectus will be done by the normal statutory instrument process or will be done by the Minister and sent out to others for consultation?

Mr. Twigg: The intention is that this will be a consultative process by the Department. We need to consider whether it is possible to ensure some form of parliamentary engagement, possibly through the relevant Select Committee. I will take that suggestion away for further consideration and we will address it in the other place.

Mr. Willis: This is a very important issue, because the status of the prospectus has that status only with this Minister at this particular time. Any Minister, including one of a Government of a different complexion, could write a prospectus that was completely contrary to the spirit of this one, and Parliament would have absolutely no say in that. There is enough power for the Secretary of State to make those agreements on his or her own say. That is a dangerous precedent, because if it is introduced for this Bill it could be used for any other piece of social legislation that Ministers wish to introduce in future. Will the Minister consider whether the prospectus should be backed up by a clear set of statutory instruments, which obviously cannot be brought in today, but could be committed to in another place?

Mr. Twigg: I am happy to take that suggestion away and look at it. I understand the hon. Gentleman's point, but I emphasise that the schemes will not be imposed on local communities by central Government—the prospectus provides a basis for schemes that are developed at the local level, which can happen only if there is support for them at that local level. I appreciate the hon. Gentleman's concerns, and I give him the undertaking that we will consider whether legislative processes are required in addition to the traditional form of consultation. I think that it is unlikely that the scenario that he describes would happen in practice, but I am happy to consider his suggestion.

Mr. Gummer: Does the Minister understand that my original concern is now made worse? He has kindly made the prospectus binding. That means that if, for example, the consultation arrangements were significantly changed or watered down, that too would be binding. The consultation element should be in the Bill to ensure that whatever happens to the prospectus, at least that which is crucial for local democracy is in place.

Mr. Twigg: I understand the right hon. Gentleman's concern. It is hard in practice to imagine a future Government of any of the three major parties that would seek to move from a prospectus that has very wide and comprehensive consultation in it to abandon consultation altogether. It would be very difficult politically for a Government of any stripe to attempt that. It is important that we get this prospectus right so that the guidance that is being provided through it becomes the guidance upon which consultation happens for the first pilot schemes. Largely thanks to the contributions of Members in this House and the other place through pre-legislative scrutiny, in Committee and in other ways, we now have a strong prospectus that I will feel confident in taking forward as a basis for the set of proposals in the Bill.

Mr. Kidney: I am grateful and flattered that my hon. Friend should take my advice over and above that of his civil servants on this issue. However, I was concerned in Committee that we should identify the prospectus on which people will base their schemes. My hon. Friend's amendment does not do that. Is not that the issue that remains to be resolved?

Mr. Twigg: Let us revert to that matter when we consider the relevant amendment. At this point, I ask Opposition Members to withdraw the amendment and we can then proceed with the debates on other subjects.

Dr. Pugh: I congratulate the Minister on his appointment—I did not know about it at the beginning of the debate. I am also delighted that the hon. Member for Halton (Derek Twigg) has been promoted. I do not know how he will link education to his current

[Dr. Pugh]

obsession, which is a second crossing on the Runcorn bridge. I expect White Papers with titles such as "Bridging the Schools Gap" or "Spanning the Years".

It is fair to say that the Minister has made some concessions. There has been some movement and it would be churlish not to acknowledge that. In our view, the concessions as they stand are not enough and the reasons for his position are not sufficiently plausible. I place some faith in the Minister's comments—he speaks with more than a degree of sincerity. If denominational schools have further concerns, I invite them to express them to Opposition parties so that they can be raised in another place.

However, as the Minister expanded on his argument, many Liberal Democrat Members became unhappy about a system whereby a prospectus could be issued that was in no way subject to review by Parliament. Although we will withdraw amendment No. 6, we shall support amendment No. 12.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Dr. Pugh: I beg to move amendment No. 8, in page 2, line 3, at end insert—

'or, at independent schools or academies where such provision can be made at no net cost to the authority,'.

No discussion took place on the subject in Committee and I therefore raise it now. The amendment would be a sensible addendum and it was inspired by a sight that often confronts people not far from my constituency in the constituency of the hon. Member for Crosby (Mrs. Curtis-Thomas), where there is a road with no fewer than three large independent schools, a prep school and two state schools, including an infant school and a large comprehensive school. There is massive congestion. Many cars are parked there when school starts and finishes, but additionally there are many buses as most independent schools have complex bussing arrangements. If that happens in one constituency, it probably happens in many constituencies.

The point of the amendment is to forget the education ideology and acknowledge that there is a transport case and probably a social case for co-operation. It can do pupils from different schools no harm to be involved in a common transport scheme. The case will grow stronger as the Government increasingly fragment the secondary sector, giving local authorities less control over their secondary schools and creating academies. To be fair to the Government, the prospectus specifies that arrangements with independent schools are to be encouraged. However, that was not debated in Committee. I would therefore like to make the point, without pressing it to a vote, that, if there is no net cost to a local authority, the presumption for such cooperation must be strong.

Mr. Stephen Twigg: The hon. Gentleman wants to probe the intention for independent schools and academies. The intention of the amendment appears to be to achieve two things: first, to bring independent schools and academies into the scope of school travel schemes and, secondly, to ensure that transport can be provided to those establishments at no net cost to the scheme authority—the LEA. I shall deal with the points in turn.

First, I want to assure hon. Members that independent schools and academies must already be included in school travel schemes. Paragraph 2(1)(a) of proposed new schedule 35B requires an authority to set out travel arrangements to and from schools. "Schools" is the term used. Section 4 of the Education Act 1996 defines schools as any institutions outside the further education and higher education sectors that provide primary and/or secondary education. The term therefore encompasses maintained and independent schools. Academies are classified for legal purposes as independent schools. Although they are independent, LEAs remain responsible for making travel arrangements for their pupils to ensure that they can get to school.

Many areas in England have a substantial proportion of pupils attending independent schools. The national average is 7 per cent, not including academies. If LEAs with a high level of independent education in their geographical area are to make a difference to the amount of traffic on the school run, constructive engagement with the independent sector is crucial, as the hon. Gentleman said.

3.15 pm

Paragraph 13 of the prospectus states that we expect LEAs to consider travel patterns of pupils in independent schools in their area and examine whether there is scope for making joint arrangements that benefit pupils in both sectors.

The amendment refers to cost and we believe that that would make a material change to the Bill. The amendment envisages that arrangements for pupils who attend independent schools, including academies, could be made only at no net cost to the scheme authority. I fear that such a provision could have some unfortunate—and, I am sure, unintended—consequences for academies and their pupils. As I have explained, LEAs remain responsible for providing transport for pupils who travel to and from academies and they must ensure that transport is provided when pupils live more than three miles away and the academy is their nearest school.

When an academy provides education for pupils who are drawn from a wide area, the cost per pupil can be high—£600 or more annually per pupil without special educational needs and considerably more for those who have special educational needs. Providing transport at no net cost to the scheme authority would probably require charges to be set at an unaffordable level. It would mean parents of pupils without SEN paying a substantial subsidy to cover the cost of transport for pupils with SEN. I am sure that parents and others would be unhappy with such an arrangement. I would anticipate that parents of pupils who attended academies would be so unhappy that the local consultation that scheme authorities undertake before the scheme started would show overwhelming opposition to such proposals. That, together with potential charges set at exceptionally high levels for pupils at academies, would mean that the scheme

proposals that the amendment contains are unlikely to be acceptable to the Secretary of State or to many parents.

Dr. Pugh: I accept many of the Minister's points. Is he saying that the involvement in travel schemes of independent schools—Eton, Harrow and so on—is mandatory? He used the word "crucial", but is it mandatory? Could independent schools seriously object if they were not involved, or does the Minister suggest that it is simply a good option?

Mr. Twigg: It is mandatory. Independent schools are to be part of the school travel schemes for the reasons that I outlined. Indeed, the hon. Gentleman stated them when he moved the amendment.

The amendment also proposes that there should be no subsidy for independent schools. Although that is our general policy, I can envisage circumstances in which it might be sensible to offer surplus capacity to pupils in independent schools at a cost that the market would bear. That could be below full cost recovery, depending on the accounting conventions adopted. Of course, local transport authorities already offer a large subsidy to pupils who attend independent schools through the concessionary fares, such as the new concessions that will soon be introduced in London, that are available to all young travellers.

The Bill is deregulatory and our general approach is to allow LEAs as much freedom as possible to implement schemes in a way that suits local circumstances. The amendment would reduce that freedom and introduce some unhelpful constraints. I therefore ask the hon. Gentleman to withdraw it.

Dr. Pugh: I thank the Minister for that clarification. We need to think through the implications of his comments. They are news to some hon. Members. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment proposed: No. 12, in page 2, line 12, at end insert—

2A (1) Scheme authorities shall, prior to the submission of a proposed school travelscheme to the appropriate national authority, undertake a consultation process in accordance with regulations made by—

(a) in England, the Secretary of State, and

(b) in Wales, the Assembly for Wales.

(2) Regulations under subparagraphs (1)(a) or (b) may, in particular, include a list of statutory consultees to be asked for comments on the proposed scheme and provide for the nature of the consultation process.

(3) Power to make regulations under subparagraph (1) is exercisable by statutory instrument.

(4) Regulations under subparagraph (1)(a) shall be subject to annulment in pursuance of a resolution of either House of Parliament.—*[Mr. Hoban.]*

Question put, That the amendment be made:—

The House divided: Ayes 131, Noes 229.

Division No. 19] **[3.19 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burnett, John
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Cormack, Sir Patrick
Cotter, Brian
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan (Rutland)
Duncan Smith, rh Iain
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
George, Andrew *(St. Ives)*
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Hume, John *(Foyle)*
Jack, rh Michael
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, SirArchy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lamb, Norman
Leigh, Edward
Letwin, rh Oliver
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Smith, Sir Robert *(WAb'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Wiggin, Bill
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wiltshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Selous and
Mr. Geoffrey Clifton-Brown

NOES

Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corbyn, Jeremy
Crausby, David
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cunningham, rh Dr. Jack *(Copeland)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gerrard, Neil
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Hendrick, Mark
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Iranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Kidney, David
Killoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morgan, Julie
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Oliner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Reed, Andy *(Loughborough)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Jacqui *(Redditch)*
Soley, Clive
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark (Alyn)
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Willis, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Noes:
Mr. John Heppell and Mr. Nick Ainger

Question accordingly negatived.

Mr. Willis: I beg to move amendment No. 9, in page 2, line 28, at end insert—

'(2A) A school travel scheme may not—

(a) reduce the current entitlement of the parent of any child who attends primary school and who lives more than two miles from that school,

(b) reduce the current entitlement of the parent of any child who attends secondary school and who lives more than three miles from that school, or

(c) remove an existing entitlement to free transport of the parent of any child in special education.'.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to discuss the following amendments:

No. 1, in page 2, leave out lines 32 to 39.

No. 10, in page 2, line 36, at end insert—

'(3) The policy to be set out under sub-paragraph (1) shall not discriminate financially against parents and children in rural areas.'.

No. 11, in page 2, line 36, at end insert—

'(4) The policy to be set out under sub-paragraph (1) shall not discriminate financially against the parents of any child who attends his nearest denominational or other school as defined under the admission policy in force within the local education authority.'.

No. 13, in page 2, line 36, at end insert—

'(3) The policy to be set out under subparagraph (1) shall include details of concessionary fares including, but not limited to, the following categories—

(a) a child who is part of a family with two or more siblings,

(b) a child who is not treated as a protected child under 7(1) below but whose family income is less than the average family income for the scheme authority's area, and

(c) a child whose current transport costs are covered by a discretionary fare scheme.

(4) Where a concessionary fare scheme is not in place to cover a child in any of the categories in subparagraph (3) above, a statement shall be included in the policy explaining why such arrangements have not been made.'.

No. 14, in page 3, line 3, after 'home', insert—

'or,

(ii) as a consequence of his special educational need or disability he is unable to use transport ordinarily available to children without that special educational need or disability who attend the same school and he attends either—

(a) the nearest suitable school; or

(b) another school, where it has been agreed with the scheme authority that he should be registered at that school as a consequence of his special educational needs,'.

Mr. Willis: Amendments Nos. 9 to 11 have been tabled by me, my hon. Friend the Member for Southport (Dr. Pugh) and my hon. Friend the Member for Newbury (Mr. Rendel). Before I proceed, may I formally congratulate the Minister for School Standards on his new position? I do not know whether, on 2 May 1997, I was more pleased to see his defeat of a former Secretary of State than my defeat of a former Secretary of State, but the world will always remember the smile of bemused excitement on his face that evening. It is nice to see him move up to his current position with the same smile. The way in which he has engaged in this debate is typical of the way in which he works.

I was not involved in the Committee stage of the Bill, and I will therefore speak briefly on the three amendments. First, all of them, in simple terms, seek to deal with the issue of charging. There was a good debate in Committee. If one reads the Standing Committee *Hansard*, one will see that the whole Committee engaged with the issues and tried to get a sensible outcome. The prospectus that is in the Bill today is an example of the Minister being incredibly helpful to the House rather than trying to undermine any of the agreements and commitments that were made in Committee.

Secondly, all our amendments seek to retain existing entitlements. When we are considering changing and influencing school transport throughout England and Wales, it may not be a bad idea to start with the existing system and ensure that existing entitlements remain. The third aim of amendment No. 9 is to include those entitlements in the Bill.

My hon. Friends and I support the Bill's objectives, but it is nonsensical for so many young people to be ferried to school on journeys of only one or two miles or even less, and nothing in the Bill seems to deal with that. The Bill is mostly concerned with plans to be implemented in future. I think that this is a much bigger issue, and one that is not just about education but about changing the patterns of our town and city transport systems.

Mr. Gummer: According to figures published recently, 20 years ago, when obesity was not one of our main problems, some 80 per cent. of children walked to school. Now only about 5 per cent. do, but the Government are concentrating on good food versus bad food rather than on this fundamental issue, which goes way beyond education.

Mr. Willis: That is my point. What we needed was not a School Transport Bill, but a much wider examination of the way in which our communities work and their impact on young people in particular.

In Committee, the Minister produced a staggering statistic: £2 billion is spent on school, health and social services transport. There must be a better way of using all that money, for the benefit not just of the school population but of the whole community. We are with the Minister on that, but we are less sure about passing some £200 million of expenditure from local authorities to parents, which will be the net effect of the Bill. Indeed, the sum may be greater: that is a conservative estimate—with a small "c", of course.

The prospectus claims that youngsters receiving free school meals will be protected. There is an argument to be had about special educational needs, and the hon. Member for Fareham (Mr. Hoban) will want to say something about that. In general, however, if local authorities are given the powers proposed in the Bill, they will almost certainly be able to transfer some or all of the existing costs to parents. I do not think the Minister would deny that that will be one consequence of the Bill, although I accept that it may prove to be a good thing.

Mr. Kidney: I am glad that the hon. Gentleman supports the Government's objectives, but is he perhaps in danger of willing the ends without willing the means? Or would the Liberal Democrats introduce a higher tax to pay for improved school transport?

Mr. Willis: So far we have tried to identify the parameters of imaginative solutions. I do not think that making relatively cheap party-political points is the right approach, and I will not become involved in it.

The prospectus is an interesting document. I do not want to rehearse the argument that we produced during our debate on the last group of amendments, but I think that the usefulness of a prospectus without a statutory instrument will be difficult to sustain. I expect that the other place will return to that issue.

Is the Minister serious about the commitments made in the prospectus's clauses on charging? Clause 29 states:

"Any charges must be affordable and pitched at a level that does not produce an increase in car journeys to school."

[Mr. Willis]

What does that mean? How on earth are we supposed to interpret that in a meaningful way that could not be challenged? Clause 30 states:

"There is a particularly strong case for providing protection from charges to the fourth or subsequent child of compulsory school age in a household, as these comprise less than 1 per cent. of the pupil population."

Our amendment No. 13 does exactly that. If the Minister has accepted the reality of that case, why can he not accept our amendment and thereby include such a provision in the Bill?

I turn to children with special educational needs and disabilities. I listened carefully to what the hon. Member for Wimbledon (Roger Casale)—he is no longer in his place—had to say about the SEN consortium, but the reality is that it does not glowingly endorse what the Minister is seeking to do through the prospectus. The consortium rightly says that the prospectus is a huge step forward compared with the situation when the Bill was first considered. I compliment the Minister in that regard, but there remains a real issue. What do we do about children with special educational needs who, technically, fall outside the scope of the regulations because they can walk, but who need an escort in order to walk and are not entitled to an escort in a taxi?

Although I support the policy of reducing the number of statements, such a reduction gives rise to a problem. I would love to reach the point where SEN becomes a normal part of school life, without having to single out kids through special statements. But without such statements, those children will not get the SEN and disability rights protection that this legislation provides. I hope that the Minister can deal with that issue.

Parents of children with special educational needs have real fears about bullying on the school bus run. Indeed, two parents came to see me in my constituency surgery last week to discuss this issue, with which the prospectus does not deal. There are no escorts on school buses, and unless we are going to provide them to protect such children, the problem will remain. Children with dyspraxia, autism, or sensory or physical impairments will find it difficult to deal with such situations.

Amendment No. 9 would retain the current arrangements as a benchmark for any new legislation. Amendment No. 10 deals with children who live in rural areas, an issue on which I hope the Minister can satisfy us. On reading the *Hansard* account of our proceedings in Committee and the Bill's accompanying guidance, there is no doubt that this is urban legislation. The needs of children in rural communities have got be considered carefully, and I hope that the Minister will accept amendment No. 10, which would ensure that parents and children in rural areas are not discriminated against.

I appreciate that amendment No. 11 deals with a difficult issue, which was considered in some detail in Committee. The Government claim that human rights legislation does not allow discrimination in respect of children who attend denominational schools, but it also says that parents should have the right to choose a school according to their religious beliefs. Indeed, through the School Standards and Framework Act 1998, the Government extended the right of other faith groups to have their own schools. It is therefore clear that this is an issue that must be deal with.

Two other aspects should be mentioned. In responding to my hon. Friend the Member for Southport (Dr. Pugh), the Minister mentioned travel arrangements for independent schools and academies. If it is Government policy to be able to choose an academy and the nearest academy is beyond the nearest school, does it not contravene and work against the arrangements made for school transport in the Bill? Secondly, if a parent chooses a specialist school situated well beyond the local school, will there be an entitlement to free travel arrangements to it?

3.45 pm

Amendment No. 11 invites the Minister to address that problem. It deals with the circumstances where a choice of faith school is beyond the local school in the light of the fact that Government policy sometimes encourages parents to choose schools for their children that are beyond the local school. There is a real conflict in Government policy here. On the one hand, the Government offer greater choice, but on the other hand, they propose legislation that encourages children to go to the local school. I hope that the House will support my amendments.

Mr. Alan Hurst (Braintree) (Lab): I find a certain attraction in the amendments proposed by the hon. Member for Harrogate and Knaresborough (Mr. Willis), but I am a little concerned about whether they would achieve what he intends, particularly with respect to amendment No. 9. Does it relate to parents who have children in those schools at the time that the travel scheme is being put forward, or does it relate to the parents of children in those circumstances for all time? In other words, is it an attempt to preserve the status quo or something akin to it? If so, I would have greater sympathy with it.

A real question for people who represent rural or partly rural areas is how precisely to define a rural area. I envisage considerable discussion and debate taking place about whether a particular child lives in an area defined as rural. Some rural areas, of course, have substantial towns within them, where the provisions may not necessarily apply.

I believe that amendment No. 11 should secure widespread support in respect of the aspiration. I mention my own county of Essex where, dare I say it, a Conservative-controlled county council is in the process of removing free school transport to denominational schools. That has caused a considerable uproar, as one might expect. There is no obligation under present law to maintain such free school transport. Indeed, at the height of the debate, the most recent Secretary of State for Education and Skills, if I may call him that, wrote me an effusive letter, saying that all would be revealed and resolved when the new Bill was introduced, but I am not entirely certain that it does.

I have enormous sympathy with the three Liberal Democrat amendments, but if they were incorporated in the Bill, I fear that the Bill would then be as nothing. The essence of the Bill is taking money from one area and moving it over to another. Unless I am completely misunderstanding it, there is not much new money in the scheme of things, yet that would be necessary if we were to expand the concept of school transport on a free or subsidised basis.

I was a little concerned, Madam Deputy Speaker, about the remarks of the right hon. Member for Suffolk, Coastal (Mr. Gummer). I may be too simple a soul if I read him to mean that the best way to have the fittest children would be entirely to remove school transport and let them walk to school. I am sure that that cannot possibly be Conservative party policy on these matters.

Mr. Gummer: Not only could that not possibly be Conservative party policy, but the hon. Gentleman's comments could not possibly be an accurate interpretation of what I said. What I said was—I am afraid I said 20 years ago, but it should be 40 years ago—that 40 years ago, 80 per cent. of children walked to school, by comparison with 5 per cent. today. Given the known problem of obesity, I simply asked whether there could be some connection. That is a perfectly reasonable thing to say and provides no basis for the preposterous interpretation that the hon. Gentleman put on it.

Mr. Hurst: I am glad that the statement has been repeated, but whether the meaning has changed is another matter. One could interpret it as meaning, "Let them walk." I do not say that: I allow the right hon. Gentleman's words to bear their own interpretation.

There is considerable merit in the main theme underlying these three amendments. I do not want us to retreat from the position that we have occupied since the post-war settlement in these matters. I understand the need to be more imaginative in extending access to school transport. My worry is that we might lose what we have had for a long time, that the gains to be made will be insufficient compensation, and that there will be losers as well as winners. In their innocent way, these amendments seek to address that problem.

Mr. Gummer: I rise to support that aspect of these amendments that deals with parents' ability to choose their children's education, and to address the important inconsistencies identified by the hon. Member for Harrogate and Knaresborough (Mr. Willis). The extension of specialist schools, and the Government's admirable aim of offering more choice and of reinstating in the education service some of the options that used to be available but which have been removed in recent years, open up some real problems for school transport.

It is right to say that that is part of a bigger problem. We have tended to believe that it is necessary to provide transport even in circumstances where alternatives might prove to be a better option. It is a good thing to walk short distances, and in general that should be encouraged. I am not keen on discouraging that, and people who disagree are not facing up to the reality of life today. Many schools could be more imaginative in promoting walking, such as by the use of walking bus schemes, for example. They could also try to help people to walk in circumstances that might be less safe. We should encourage that, and not make misleading comments about any suggestion that exercise might be a good thing.

When the Government talk about exercise, they find themselves in real difficulties. As a result, they do not talk about it any more. They talk only about food, but I am keen to ensure that both food and exercise are considered at the same time. I am pretty tough about such matters myself, and I declare an interest in the sense that I am very aware of the effects of food and drink in that respect. However, I also try to be energetic and to walk whenever possible, simply because it is a contribution that one can make. I do not believe that everybody should be transported everywhere, in any circumstances and over even short distances.

Dr. Pugh: The right hon. Gentleman talks a lot of common sense. Is he aware of research that shows that children who walk to school, even over a relatively short distance, arrive less stressed and more ready to work, and that they are better behaved throughout the day?

Madam Deputy Speaker: Order. I remind hon. Members that they should not extend the debate into what might be deemed Second Reading territory. They should speak only to the amendments.

Mr. Gummer: Thank you for your guidance, Madam Deputy Speaker. However, it is difficult to restrain oneself after the very peculiar intervention made by the hon. Member for Braintree (Mr. Hurst)—who, of course, does come from Essex.

We are concerned about longer distances, and the problems involved are serious. In Britain, we have arrived at a very satisfactory solution to a problem that has caused huge trouble in many other parts of the world. We have found a way to deal with parental choice in education, especially in connection with denominational schools. Many countries have not been able to achieve that solution, and it is not something to be thrown away lightly.

One looks at the secularist arguments in France and the problems there, from Jules Ferry right up to the present day. Those arguments have gone on and on, but we have managed to find a way through. That satisfactory solution, which has been further and carefully extended by the Government—I give them all honour for that—is one that I am keen we should build on.

I do not approve of the decision by local authorities to take away transport help for denominational schools. Doing that will make things extremely difficult for some parents for whom denominational schools are a vital part of how they want their children educated, which fits with the idea of choice. For many people, it is the most important choice when it comes to picking a school for their children. Those of us lucky enough to have been able to afford to make the choice for ourselves without having to look for people outside to support us are particularly obliged to make sure that choice is extended to others. It is quite wrong that this choice will be restricted to those rich enough to afford to make it and that others should be excluded. For me, this matter is crucial to a society in which there is equality of opportunity. I very much hope that the Government will think again about the possibility of taking this and one or two other amendments into the Bill.

This is not a peripheral matter. One of the things that I found difficult in dealing with Suffolk county council—a Labour-controlled council that sought to do precisely the same thing as its neighbours, so we need not think there is some party-political issue here—was the peculiar argument that this is something that costs the general ratepayer money in order to give a particular choice to

[Mr. Gummer]

individuals. Yet that is the nature of freedom. We pay for it generally because we think it is important to do so. I thought that that was a hugely unhistorical way of defending the decision, and it was also extremely inelegant. A society that cares about its members does not treat people as having to stand on their own feet in all circumstances but understands that there are those who cannot do so and treats those people with the dignity that choice gives. The amendment is intended to provide that dignity and to ensure that it is not removed, which I think is vital.

Mr. Willis: Does the right hon. Gentleman agree that choice should also be extended to children of other families who are able, under Government-sponsored schemes, to choose schools that are not faith-based but of another category, which is now part and parcel of mainstream policy?

Mr. Gummer: I do not disagree. I took the denominational example because, to a large extent, what the hon. Gentleman is proposing is an extension of the circumstances we have at the moment. I was suggesting that the first step is not to take away what we have now. I do not disagree that if we want choice, we have to recognise that for many people travel and choice are inextricably linked in education. In a constituency such as mine, we clearly could not provide choice and nearness for a large number of people. It cannot be done. People have to travel significant distances. We want variety and to give opportunity, as the Government have said they want to do, and as previous Governments have sought to do. In particular, in the denominational area, we have done that since the historic agreements of 1906 and beyond. If we want that, we cannot ignore the transport element. There is no other way through.

Behind all the amendments is a thought from outside the educational world. I was castigated by the hon. Member for Braintree on the subject of walking, but there is the whole environmental issue. Not even the Minister would defend the record of his Government and, I would agree, of other Governments, on trying to grapple with the huge problem of the impact of transport on climate. Properly organised, school transport can make a real contribution to that. Any of us who drive in a big city know perfectly well when the school holidays begin. It is noticeable from the traffic. A lot needs to be done down that route, but we are not doing it. A lot needs to be done also in terms of collecting a number of children to go to a particular point. The alternative is often, not shared cars, but a whole series of motor cars travelling long distances. That is not a sensible answer for a Government or a nation with environmental targets to meet, which will be difficult to meet. Only last week the Government admitted that they were not reaching them. Therefore, this is one area where they should be encouraging sensible solutions.

4 pm

I hope very much that the Minister will look again at the amendments and see whether he cannot come at least some way towards us in these important matters, not just because of denominational and educational freedom, choice and variety, but also because of the change in life style that we need to encourage in everything that we do.

Mr. Kidney: I am pleased to follow the right hon. Member for Suffolk, Coastal (Mr. Gummer) because I agree on two points. First, it is right to help pupils get to school. I should like to help more than we do. Secondly, I agree that we should do more to end the school run for the benefit of the environment. Although I am uncomfortable about charging as in the Bill, I recognise that that is the way to pay for the work that needs to be done to achieve those advantages. During all the stages of the Bill, no one has suggested a different way of finding the money necessary to do this work. The hon. Member for Harrogate and Knaresborough (Mr. Willis), who moved the amendment, specifically dodged my question, and said that it was a cheap point as to whether there would be more money from a different source to do this work. Charging is a necessary element of the Bill.

Mr. Willis: It was discourteous of me not to respond directly to the hon. Gentleman's point. Amendment No. 9 would retain what we have now. It would not cost any more to retain what we have now.

Mr. Kidney: I am glad that the hon. Gentleman confirms that he is saying that we want to hold what we have now, with no improvement. But I want improvements, as I have just explained, in two specific areas; to help more pupils get to school and to improve the environment.

Under the charging scheme, there will be a prospectus, schemes suggested and consultation, and entering a scheme will be voluntary. Those are the safeguards against this being an imposition on people who do not want to pay charges. Those who say what we have now we want to hold must accept that the present situation is unstable. In the past one-and-a-half hours of debate the hon. Member for Hereford (Mr. Keetch) complained about his local authority's threat to take away transport to denominational schools. My hon. Friend the Member for Braintree (Mr. Hurst) told us that his local authority was threatening to withdraw transport to denominational schools. Anyone who has read the Library research paper on the subject knows that it refers to the full regulatory impact assessment for this Bill, noting that a growing number of LEAs have introduced school transport charges for pupils attending denominational schools, from £94 a year in Rutland to £565 a year in Windsor and Maidenhead. They also know that some LEAs have withdrawn or are consulting on complete withdrawal of home-school transport to denominational schools. It is a fantasy to think that if we stay as we are, everything will be fine. It certainly will not.

Amendments Nos. 10 and 13 deal with rurality, which pupils will be exempt from having to pay a charge and what measure will be used to decide which pupils they are. My hon. Friend the Minister will recall that I tabled an amendment in Committee that dealt with the two issues of morality and means testing. When he responds to this short debate, I should like him to confirm that the assurances that he gave me in Committee still hold and

that the Government are working on amendments that will deal with those issues. I am disappointed that by the end of proceedings in the House of Commons we do not have those amendments so that I and every other hon. Member can consider whether they meet our concerns. I await my hon. Friend's response to see whether those issues will be dealt with by the time the Bill has finished its passage through Parliament.

Mr. Peter Atkinson (Hexham) (Con): The hon. Member for Stafford (Mr. Kidney) is wrong about this aspect of the Bill. He talks about the scheme being voluntary. However, as he said—indeed, he made my case for me—when local authorities have the chance to collect money for a service, as with denominational schools, they will quickly change their minds. If they can charge for it, they will. One cannot say that the scheme is voluntary; once it is in place, any local authority offered the scheme will start to charge. That will happen, as night follows day, and the lessons of history show that that is the case.

The hon. Member for Braintree (Mr. Hurst) asked where the new money would come from, but the £200 million will, in time, come from the parents. That is my concern.

The problem with representing a large, sparsely populated and rural constituency—as I do—is that choice is very limited. The only way in which choice can be exercised by parents is by using their own transport to convey their children to a school of their choice. We have Catholic schools in the market towns, but in those areas with no Catholic high schools, provision for Catholic education is made in other schools. That provision is fairly limited, but parents who wanted to send their children to Catholic high schools would have to travel right across the county of Northumberland to the only one.

All four high schools in my constituency have specialist school status; one for sport, one for languages, one for art and one for technology. However, children living in west Northumberland could be more than 30 miles away from the nearest high school. If parents want their child to go a specialist school other than their local school, that involves using their own transport or paying for public transport; if it exists, because it is scarce and hard to find in my constituency. Even those parents who use the free school transport system will often have to drive some distance—often in 4x4 vehicles in the more isolated areas—to meet up with the school bus.

I do not want to repeat what was said on Second Reading, but I stress that I support amendment No. 1 in particular, because it would retain the status quo, which I am anxious to do. The problem is that whatever happens, the changes will be a substantial burden on lower income working families. They do not claim free school meals, because it is not in the nature of many people in rural areas to do so, so they will not get counted for help that way. Some of them have several children and the prospectus talks only about help for a fourth child, but the burden of having two or three children at school will be considerable.

I urge the Minister to remember that in many areas, families are sending children to university for the first time. That is to be welcomed, but it puts a heavy financial burden on families despite the grants that are available. If a family has one child at university and two others at school who have to pay transport costs to get to school, it will place an intolerable burden on them. That will discourage parents from sending their children into further and higher education, which would be a pity.

I urge the Minister to accept amendment No. 1—although I do not expect that he will—and to return to the status quo, so that free school transport is available, as it is essential if we are to spread further and higher education in our population.

Mr. David Drew (Stroud) (Lab/Co-op): I have no intention of delaying a possible vote on these amendments, so I shall make only a couple of points, starting with my congratulations to my hon. Friend the Minister. Now that he has been promoted, I hope that he will be able to do even more about some of the things that we brought up in Committee.

Rurality, denominational schooling and special educational needs are covered by this group of amendments. I make no apology for talking about rurality first. As various parliamentary questions have been asked since the Committee proceedings, it would be helpful if my hon. Friend responded to the speech of my hon. Friend the Member for Stafford (Mr. Kidney) by telling us that he is still looking into those issues and that there will be an opportunity in the Lords to tie down exactly what we mean by rurality, especially the ongoing question of who in rural areas is eligible for help. There is now a unanimous belief that eligibility for free school meals is a wholly inappropriate way to ascertain eligibility for free school transport in rural areas, if not in urban areas. There must be a more sophisticated and comprehensive way to assess entitlement.

On denominational schooling, I thought we had received an assurance that there would be no change in the Government's intention that there should be no discrimination against those who choose to attend religious schools, subject to the fact that local education authorities have some discretion in the matter. Although in these days of new localism we have to allow some discretion, I hope that we can reinforce from the centre the view that people should not be discriminated against if they want to send their children to denominational schools, provided that it is within the admission arrangements. I hope that my hon. Friend the Minister will reassert the Government's policy.

My main point is that we should look again at special educational needs. We were pleased to follow the lead of my hon. Friend the Member for Wimbledon (Roger Casale) in Committee. He made several speeches that clarified the issue and my hon. Friend the Minister was able to respond. I have studied the letter that accompanied the prospectus, which I am sure that other members of the Committee received. It is generally welcome, especially as it seeks consensus that children with special educational needs should not be worse off under the new proposals.

Point 9 of the letter suggests that there should be no additional imposition on such children. We need to be a bit more positive than that. We must make it abundantly clear that children with special educational

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needs have to be protected. The letter refers to that, but we need to do more than merely ensure that they are not worse off than their able-bodied counterparts. Will my hon. Friend the Minister say something about point 9, to make it clear that children with special educational needs may, and often do, have additional requirements? They may need additional protection on journeys; we need assurances about who goes with them, as we all know what can happen if things go wrong.

I am sure that my hon. Friend will have more to say. I welcome the prospectus but we need clarification of the letter. Given the comments of my hon. Friend the Member for Stafford, I hope that we can look forward to further Government amendments in the Lords so that when the Bill returns to this place the safeguards will be stronger.

4.15 pm

Mr. Huw Edwards (Monmouth) (Lab): I rise to speak briefly to amendment No. 10. The hon. Member for Harrogate and Knaresborough (Mr. Willis) said that this was essentially an urban Bill. Although I cannot quite agree with him, I can say, as someone who represents a very rural constituency, that school transport is vital. The fact that it is free for a high proportion of children is very significant, and I would not want measures to be introduced that would penalise those people in my constituency.

I note from the guidelines that have been issued that the Government claim that only 10 per cent. of children in England have such school transport arrangements. Although they acknowledge that the figure is 20 per cent. in Wales, the proportion is much higher than that in my constituency. For example, 40 to 50 per cent. of children at Monmouth comprehensive school use some form of school transport arrangement; either school contract buses or arrangements made with local service bus providers.

My hon. Friend the Minister will know that, in Committee, I expressed the concerns of many parents about overcrowding on those school buses. I note from the letter that he gave to members of the Committee that, following its proceedings, he has ensured that the prospectus will include an assurance that local authorities should not enter into contracts that incorporate the so-called three-for-two rule, a concession that allows local authorities to make arrangements with bus companies whereby three children under the age of 14 can sit on a double seat. The consequence is that a bus that we would regard as having 52 seats could technically take 78 or 80 people if all those sitting were under the age of 14. If we add those who stand as well, there can be gross overcrowding.

I have told the House in an Adjournment debate and during the Committee's deliberations that the buses that travel six miles up the Wye valley from Llandogo to Monmouth were grossly overcrowded when I travelled on them. To the credit of the local education authority—Monmouthshire county council—that situation has now been resolved locally. I welcome the fact that the prospectus will include the assurance that local authorities will not be able to use the three-for-two rule in any pilot area. I hope that that will lead to a national withdrawal of that rule generally, because we should not allow legalised overcrowding.

Mr. Hoban: This important group of amendments tackles some of the issues at the heart of the Bill, particularly charging. On Second Reading and in Committee, we made it clear that the introduction of charging for those who live more than two or three miles from their primary or secondary school is a move away from the principle set out in the Education Act 1944 and a significant move away from the provision of free education.

Amendment No. 1, which I tabled, is an attempt to reinstate the status quo, to ensure that children who live more than two miles away from their primary school and those who live more than three miles away from their secondary school will still receive free transport. It would not prevent LEAs from trying to tackle congestion relating to children who live less than two miles away from their primary school or less than three miles away from their secondary school; it would allow LEAs the freedom to do so.

We need to recognise the fact that, when we discussed the issue in Committee, we talked about a charge of £1 a day for pupils. For a family with one child, that is about £200 during a school year, but it does not take much for the figures to multiply, depending on the number of children. A family with four children could face a bill of £800 year for sending their children to school. That is an expensive addition to housekeeping costs for many hard-working families. We must also remember that the cut-off for free school transport for protected children is fairly low, and is set at an income of about £13,000—the same as the entitlement for free school meals. In many constituencies, the average income is £24,000. At the same time, however, the Government have introduced means-tested benefits through various tax credit and child care schemes from which families who earn up to £59,000 a year can benefit. It is inconsistent to give money through some child tax credit schemes to families earning £59,000 a year while taking it away from families who may earn only a little more than £13,000 a year. We must therefore be consistent in the way in which we tackle need and people's ability to pay.

Amendment No. 13 would provide clarity about concessionary fares in the documents produced by the scheme authority. It would cover low-income families, who, while they may receive more than £14,000 a year, have below average earnings for the area. It would also cover large families, whom we discussed at an earlier stage. The scheme prospectus has been strengthened, for which I am grateful, but we need to make sure that when authorities introduce a scheme, particularly when the scheme is under consultation, they make their concessionary policies clear to families in the area. If they do not wish to extend a concessionary scheme to certain families, they should be transparent and explain why there are not prepared to do so.

Amendment No. 14 tackles the issue of special educational needs, which dominated a large part of our discussions in Committee. Indeed, it dominated Second Reading, when the previous Secretary of State gave a commitment to my hon. Friend the Member for Westmorland and Lonsdale (Mr. Collins), who, in connection with children with special educational needs, asked whether he was

"prepared to guarantee, by amendment to the Bill, that no parent of such a child who currently has access to free school transport will lose that access?"

The right hon. Member for Norwich, South (Mr. Clarke) said:

"On the hon. Gentleman's argument concerning fundamental rights—the rights of the parent who has a child with a statement—I can give him the assurance that he seeks. If we can provide greater clarity on that issue in Committee, I am perfectly happy to go down that route."—[*Official Report*, 28 October 2004; Vol. 425, c. 1609.]

I am sure that, like me, hon. Members will have interpreted that to mean that a provision would be included in the Bill that, at the very least, would protect children with a statement of special educational needs. Disappointingly, that clarification was not made in any of the Government amendments tabled on Tuesday, but the other place will have an opportunity to discuss the issue. If children have special educational needs, their parents should not be penalised through additional transport costs.

Amendment No. 14 seeks to include children with SEN in the definition of protected children, and identifies two separate categories. The first is relatively straightforward and includes children with SEN who attend the nearest suitable school. We dealt with the second category in Committee, and it is covered by paragraph (ii)(b) of the amendment. If parents choose to send a child with SEN to a school that is not the nearest suitable one, is the scheme authority required to pay their transport costs? The amendment says that it will do so if it has agreed that the child should be registered with that school. It would therefore cover statemented children and, given that the Government are trying to encourage local authorities to move away from statements, it would also cover children whose parents have reached an agreement with the LEA that a particular school, albeit not the nearest one, is the right one for them. A school, for example, may have a special unit for children with autism or hearing problems. It may not be the nearest school, but the local authority may have agreed with the parents that it is the right school, so the child should be considered a protected child, and the local authority should pay transport costs. That is important protection for children with SEN. Although the Special Educational Consortium has welcomed the strengthening of the prospectus and the comments about the transport costs of children with SEN, it, too, wants to see some of the protections on which the Minister has given assurances in the Bill, so that they are available as a statutory right, are enshrined in legislation and cannot be taken away without further primary legislation.

The definition of "mobility" in the prospectus is important. It relates not only to children who have problems with walking, but to children who, by the nature of their condition, would find travelling on a school bus a problem. When the Bill was in Committee, the Special Educational Consortium—if was not the Special Educational Consortium, it was the National Autistic Society—pointed out the problems when autistic children travel on school buses. Such children may have problems that prevent them from travelling on school buses, and as a consequence parents may incur additional costs. I am concerned that the definition of mobility is not sufficiently broad and detailed to cover those needs.

Denominational schools are important and were discussed on a number of occasions in Committee. At the moment, a discretionary scheme operates, and hon. Members have outlined those authorities that have sought to restrict or withdraw support for denominational transport and the problems that that causes.

Returning to the guidance that was published 10 years ago, a Department for Education and Skills circular states:

"many LEAs exercise the discretion afforded by Section 55"

of the Education Act 1944

"to provide free transport or assistance with fares for pupils or students who attend the nearest school or college of their parent's religious denomination, even though they could have attended a non-denominational institution nearer home".

Paragraph 31 of that circular adds:

"the Secretary of State hops that LEAs will continue to think it right not to disturb well established arrangements of the kind referred to in paragraph 29".

That guidance was meant to reinforce the need to continue discretionary transport schemes, but over the past 10 years, it has been progressively ignored.

The Bill does not turn the clock back. It reiterates the guidance, but it does not provide any greater statutory protection for children who attend denominational schools. That raises the question of the power of guidance to continue to inform decisions taken by LEAs on school transport, which we touched on in the previous group of amendments. If the guidance has been progressively ignored, the prospectus, in which the Minister places great confidence, could equally become progressively ignored over the course of the next 10 years. The guidance on SEN, concessionary fares and the problems of rurality, large families and families on low income can again be progressively ignored. The hon. Member for Stafford (Mr. Kidney) rightly pointed out the need for statutory protection on concessionary fares.

It is important that greater protection be included in the Bill for groups who look to concessionary fares. We should recognise that the transport costs of children with SEN should be properly covered by any scheme rules. Although the guidance in the prospectus is welcome, it is not sufficient in itself and should be in the Bill. Above all, amendment No. 1, which would reinstate the status quo, is an important measure to protect free school transport—a principle that has underpinned education for the past 60 years. With your leave, Madam Deputy Speaker, I shall seek to divide the House on amendment No. 1 later.

Mr. Stephen Twigg: I agree that this group of amendments covers the set of issues that is at the heart of the Bill. I shall deal with some general points that right hon. and hon. Members raised during the debate, then discuss each of the amendments in turn.

4.30 pm

The right hon. Member for Suffolk, Coastal (Mr. Gummer) and the hon. Member for Harrogate and Knaresborough (Mr. Willis) rightly reminded us of the need to place this issue in a much broader context. I entirely agree with the right hon. Member for Suffolk, Coastal that it isone component among several in promoting health education and healthy living. The obesity issues to which he referred, including the quality

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of school meals and teaching children about food as part of the curriculum, are important, but equally important are physical activity, including PE and sport in schools, which we discussed earlier this week, and the issues involved in the Bill.

I strongly agree that part of the purpose of the schemes in pilot areas will be to encourage, where suitable, more walking to school. Walking to school involves a set of issues to do with safety and security. One of the reasons why some parents do not want their children to walk to school nowadays, yet might have contemplated it 20 or 40 years ago, is the fear of what might happen in terms of criminal activity, attacks on the children and so forth. Projects such as walking buses that are pursued as part of safer routes to school programmes are to be encouraged, and I hope that they will be developed under the pilots.

The hon. Member for Harrogate and Knaresborough quoted the figure of £2 billion. It is worth taking the opportunity to remind the House that that is a global sum—it is not just for schools and health, but includes all concessionary travel, such as that for the elderly and disabled, and fuel duty rebates. The figure for education is about £600,000. That is still a sizeable amount of money, and I agree that it provides us with an opportunity to achieve a bigger impact. The underlying purpose of the Bill—I acknowledge and welcome the hon. Gentleman's support for that, even though he may disagree with the way in which we are proceeding—is not to cut that money. We are saying not "Let's spend less on school transport", but "There is a lot of money in the system and we want to ensure that it is spent as effectively as possible."

The hon. Gentleman, inadvertently I think, set out a good argument for what we are trying to do when he cited the example of parents having a preference for, say, a specialist school or an academy. As he knows, the entitlement does not exist under the present system unless that specialist school or academy is the nearest suitable school. One of the possibilities of the Bill is that a local authority in a pilot area might decide to provide transport on a concessionary basis for pupils going to those schools, who currently may not benefit from it. The hon. Member for Hereford (Mr. Keetch) gave a good example of how scheme authorities could respond to the concern that he raised.

The hon. Member for Harrogate and Knaresborough said that this is an urban Bill. I would dispute that. In Northumberland, an example of a rural area that was cited on Second Reading and in Committee, only 16 per cent. of pupils travel more than 3 miles to school. The Bill has potential benefits even in a very sparsely populated local authority area such as that.

Mr. Roger Williams (Brecon and Radnorshire) (LD): My hon. Friend the Member for Montgomeryshire (Lembit Öpik) and I cannot possibly support the Bill, as together we represent the whole of Powys, the most sparsely populated local authority area in England and Wales. That area has the authority that spends most per pupil on school transport and, according to a GMB survey, the smallest average income. One can imagine the effect that any proposals that undermine the present system would have on people living a long way from schools, but with incomes of just over the £14,000 limit.

Mr. Twigg: We have deliberately taken the voluntary approach so that pilot authorities volunteer. I do not want to make presumptions, but perhaps it would be inappropriate for Powys to volunteer, or perhaps the Bill will help some parts of the county but not others. I conceded that in Committee when the hon. Member for Hexham (Mr. Atkinson) made similar points about Northumberland, although I have provided figures that suggest that the Bill may be relevant even there.

Mr. Peter Atkinson: In a sense, the figures mislead. In Northumberland, two thirds of the population live in one small corner of the county while the other third lives in the vast remainder. That third lives in isolated and sparsely populated communities.

Mr. Twigg: That is correct. The hon. Gentleman will recall that we had exchanges about that in Committee where an amendment was tabled to apply every scheme to an entire LEA area. I made the point that we did not want to place that requirement on LEAs because circumstances in a county or LEA area can vary in the way that he described. We wanted to ensure flexibility.

Let me consider the amendments in order. The first is amendment No. 9, which the hon. Member for Harrogate and Knaresborough tabled.

Dr. Pugh: The Minister mentioned £600 million of state investment to subsidise school transport. Nothing guarantees that such investment will continue once the Bill is enacted.

Mr. Twigg: My right hon. Friend the Secretary of State gave a guarantee on Second Reading—I gave the same guarantee in response to probing amendments in Committee—that we would not approve pilot schemes that are simply about cost cutting. We want the pilot schemes to fulfil the purposes that we have set out in the Bill and the prospectus. The aim is, first and foremost, to encourage a shift away from the school run to greater use of buses, and walking and cycling. We will not support schemes that are designed simply to cut costs locally because that would have the opposite effect from the outcome that we support. The Liberal Democrats support that, too. The hon. Member for Harrogate and Knaresborough said that a moment ago.

Dr. Pugh: I accept the point that schemes that are simply about cost cutting will not be accepted. However, the effect of the schemes may be that costs are cut.

Mr. Twigg: I do not believe that it will be possible for a scheme to have even an unintended consequence of cutting costs. The moneys that are raised through any charging scheme have to be spent on the purposes that the Bill and the prospectus set out. If the money is used as the hon. Gentleman suggests, the effect will not be achieved. I fear that we are straying slightly beyond the amendment and I might get into trouble. I also want to do justice to all the amendments and I shall therefore try to make progress and respond to each of the amendments.

Amendment No. 9 would maintain the current entitlement to school transport of any child who lives more than two miles away from a primary school and three miles from a secondary school. It would also prevent scheme authorities from removing the existing entitlement to free transport of a child in special education. In essence, the amendment seeks to introduce a transitional period during which pupils who currently get transport continue to have it free of charge, with pilot LEAs charging only new pupils entering primary, secondary or special schools for the first time. The way in which the amendment is drafted makes it unlikely that it would achieve this, but that is clearly what it seeks to do.

We have given a great deal of consideration to the matter. We recognise that changes introduced in the course of a pupil's education, midway through their time at school, might cause some difficulty. We also recognise the valid point made by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), who is present, when the Transport Committee considered the draft Bill, that the urgent problems associated with school transport need addressing sooner rather than later. The Committee criticised us for not moving quickly enough on the measure.

To delay the introduction of affordable fares might undermine the economics of a scheme and make an otherwise excellent proposal unviable. In another authority, it might be possible and desirable to phase in the introduction of affordable fares. In our discussions with LEAs, some have said that, if approved, they would want their scheme to be fully operational from the start. Others have stated that they would prefer the sort of interim arrangements that the amendment suggests. It is important to remember that schemes will be introduced only following wide local consultation. If, thereafter, an LEA wishes to phase in its arrangements, and the finances stack up, the transitional arrangements envisaged in the amendment could indeed be put in place. If there is local support for a less gradualist approach, LEAs will be able to implement full-blown travel schemes from the outset. We believe that given the overall approach of the Bill, and the safeguard of local consultation, this is the right balance—to let the decision be taken locally, according to local circumstances.

Amendment No. 1, tabled by the hon. Member for Fareham (Mr. Hoban) on behalf of the official Opposition, would remove from the proposed schedule paragraph 4, which gives scheme authorities the power to charge for transport or travel assistance provided under their schemes, except in the case of protected children, and paragraph 5, which provides a mechanism for recovering those charges as a civil debt.

That would remove from local authorities the capacity to distribute the subsidy for home-to-school transport according to local priorities. The amendment would not affect paragraphs 6 and 7 of the schedule, which provide that if a scheme gives rise to the need to incur expenditure in order for a child to take advantage of anything provided under it, children who fall within the definition of "protected child" in paragraph 7 will have that expenditure met by the scheme authority.

It is worth reminding ourselves that, under the current system, only a small minority of pupils receive free or assisted home-to-school transport. As we have been reminded in the debate, a joint survey undertaken by the Department, ConfEd and the National Audit Office last summer suggested a proportion of 10 per cent.—about 700,000 pupils—although in Wales, as we were reminded by my hon. Friend the Member for Monmouth (Mr. Edwards), the proportion is higher, at about 20 per cent.

As such a relatively low proportion of pupils receive free or assisted transport, large numbers of families already have to pay for buses or taxis to get their children to school. The national travel survey records a pretty constant statistic of 20 per cent. of pupils taking the bus to school in England and 30 per cent. in Wales, suggesting that as many families currently pay for school transport as receive free or assisted transport from their LEA.

We have conducted recent research that suggests that parents on lower incomes are more likely to have to pay for their children to travel to school than those on higher incomes. The same research shows that two thirds of children who catch the bus have to pay more than £7 each per week to get to school—£300 per year. The large subsidy provided for home-to-school transport is given according to distance criteria rather than ability to pay. In other words, the current system fails to address issues of equity and fairness adequately.

I want to make it clear that although the Bill would allow local education authorities to choose to make small charges for school travel if they felt that that was required, there will be no compulsion to do so. Furthermore, any plans to charge parents would need to be made strictly according to ability to pay, with an expectation that charges would be at a level that would not lead to a shift from bus to car use. I reiterate the comments made on Second Reading by my right hon. Friend the then Secretary of State for Education and Skills—who is now the Home Secretary—that bus fares will remain heavily subsidised.

The Bill aims to give local authorities flexibility in targeting the overall subsidy for school transport more equitably and according to local priorities. We recognise that the introduction of charges may lead to some parents shifting from bus to car use. However, in targeting the existing subsidy, and any additional revenue, on a larger proportion of the school population than currently receive free and assisted transport, the net effect is expected to be a decrease in the number of pupils travelling by car, with corresponding increases in walking, cycling and bus usage.

All pupils in England eligible for free school meals who go to their nearest suitable school would continue to get free school transport where provided by the LEA, regardless of how far they live from their school.

To summarise, the small charges that may be introduced in scheme areas, coupled with the existing large subsidy for home-to-school transport, will provide revenue for improved, extended and better focused transport services for pupils.

I shall now move on to the other amendments that address some of the specific concerns that emerged on Second Reading and in Committee, starting with amendment No. 10, on rurality.

The amendment seeks to prevent LEAs from discriminating financially against parents and children in rural areas. It does not define "rural areas", nor does

[Mr. Twigg]

it define "financial discrimination". The meanings are sufficiently vague and uncertain in legal terms to make the provision unenforceable. The amendment would leave scheme authorities uncertain about what their charging policies should be. They would also be uncertain where their scheme covered what might be termed "rural" and "non-rural" areas, which are not defined, as my hon. Friend the Member for Braintree (Mr. Hurst) pointed out to the House. Equally, the amendment would leave uncertainty for the Secretary of State and the National Assembly for Wales about whether schemes submitted to them could be approved.

4.45 pm

As we have said, current school transport arrangements cater only for a small minority of people. On Second Reading and in Committee, we heard a number of examples of villages that are up to 2.9 miles—just below the criterion of 3 miles—from their nearest school, where pupils must currently make their own way along narrow country lanes because no school bus is provided. We have heard of communities split down the middle by the three-mile limit, with pupils living in low-income estates happening to be just inside the 3-mile limit and therefore receiving no assistance. Recently, my Department published research that suggests that the fares of nearly two thirds of pupils who currently travel to school by bus or taxi are met by their parents, not by the local education authority. We are seeking to address the needs of those pupils through this legislation and the piloting procedures that we are following.

I am aware that I am up against the clock, and I want to move on to the remaining important amendments. Amendment No. 13 sets out a number of changes to the category of protected child for larger families, in terms of family income, and for those whose current transport costs are covered by a discretionary fare scheme. The first point is that concessionary schemes stem from transport rather than education legislation. Outside London, the passenger transport executives and local authorities have discretionary powers under section 93 of the Transport Act 1985 to offer concessionary travel for young people in full-time education. There is a range of provision for school-age children and young people, usually covering journeys in general, not just the home-to-school journey, and in some cases concessions will cover travel by train, tram, metro and ferry, as well as bus.

In the shires, decisions on concessionary fares are made by unitary and district councils, whereas in metropolitan areas, passenger transport executives make the decisions. In London, children's fares are set by Transport for London, and discounts are available for young people up to their 18th birthday. Currently, children under 11 travel free, and the Mayor intends to extend that to under-16s next year.

I hope that that brief explanation has demonstrated the great variety in concessionary fare arrangements around the country. In many cases, they are either set on a commercial basis or decided by transport authorities in a way that caters for transport generally rather than focusing on the school run. As we know, the Bill will allow local education authorities to make charges, but provides that where a child is protected, travel must b free. Where the child is not protected, we anticipate tha LEAs will continue to charge pupils for whom the provide transport now, where there is no statutor requirement to do so, and make small affordabl charges for transport provided to pupils who at presen receive free school transport. The prospectus require LEAs to set out their charging policies, making it clea how many pupils will be charged, in what circumstance and how much. Charges need to be affordable an pitched at a level that does not produce an increase i car journeys to school.

My hon. Friend the Member for Staffor (Mr. Kidney) raised again today the important issu that he raised in Committee. I very much understand hi disappointment that there are not Governmen amendments on the issue. The reason is that we are sti undertaking detailed work on the issue, to see whethe we can achieve a broader protected child category tha can be adopted in a realistic way in the terms of th legislation as set out. I expect that we will be able t return to the matter in the other place. I acknowledg that that is not ideal, and I would have preferred to brin the issue back to the House today, but it is vital that w get it right if we are to provide the kind of protection fo poorer families that those who debated this i Committee were keen that we should provide. We hav of course sought to use the prospectus to do that.

It is highly unlikely that concessionary fares woul differentiate between children in differently size families, as there is no mechanism for that to b done cost-effectively. As has been said, through th prospectus we encourage local education authorities t consider offering lower or indeed no charges to familie containing four or more siblings attending school.

The second category of pupil referred to in th amendment is that of children who are not "protected" but are drawn from families with below-averag incomes for the authority's area. There are a number o difficulties. First, there is no mechanism for LEAs t obtain income details for families in their area, so would be difficult to determine the average famil income.

Mr. Hoban: I am sure the Minister is aware that thos data are already collected by the Government, and ar available through the Office for National Statistics.

Mr. Twigg: I shall be happy to look into that. I thin there are problems over data sharing, but we have ha discussions with colleagues in the ONS and th Department for Work and Pensions to establis whether we could provide the information in a way tha would help local authorities.

The second difficulty is that a family's needs obvious depend to an extent on family size. Larger families wi need more income to sustain the same standard of livin as smaller families, and it seems unfair to penalise the by looking only at average family income. Thirdl average incomes vary considerably from place to plac The greatest concentrations of poverty are in the inn cities, while many rural areas are relatively affluent.

The last category mentioned was that of childre whose current transport costs are covered by discretionary fare scheme. I assume that the ho

Member for Fareham is referring to children travelling to denominational schools, to schools within the statutory walking distances, or to other schools that are not the "nearest suitable" for which the LEA makes discretionary travel arrangements. I can see that there are good arguments for including information about the charges they currently bear and what charges will be in scheme applications in future, and I will amend the prospectus to achieve that.

In the short time that I have left, let me say something about the important issue of children with special educational needs and disabilities. Amendment No. 14 seeks to include a limited proportion of children with a special educational need or a disability in the definition of "protected child". Those included would be pupils who, because of their SEN or disability, were unable to use transport ordinarily available to children without that SEN or disability and were attending their nearest suitable school, or another school where it had been agreed with the scheme authority that they should be registered as a consequence of their need.

In Committee we had some very constructive discussions on the provision of transport for pupils with SEN and/or disabilities. At that stage, I undertook to look carefully at the position of such children. I think there was a helpful consensus among Members that parents of pupils with SEN should not be placed in a worse position than parents of pupils whose children made their own way to their local schools on foot, by bicycle or on the bus. The Committee also agreed that any charges made for transporting pupils with special educational needs or mobility problems must take into account families' ability to pay.

In response to the hon. Gentleman's challenge, I want to explain what we have done following the comments of my right hon. Friend the then Secretary of State on Second Reading. Officials in the Department have had, and continue to have, helpful discussions with the Special Educational Consortium and other groups that speak for children with SEN. I am grateful for the consortium's constructive approach, and for the time and trouble it has taken to explore a broad range of options with us.

After careful consideration of the points made by the consortium and others, I have decided to set out our policy for pupils with SEN and mobility problems in the prospectus, which of course will be referred to in the Bill as a result of a late amendment that I tabled.

LEAs will need to include their policy on providing transport for pupils with SEN in their scheme applications. We will not approve schemes unless they protect pupils with SEN or mobility problems from charges that would be additional to those accruing to the parents of pupils of the same age, in the area in which they reside, where special arrangements have to be made by reason of their disability or special educational need.

I want to respond to two specific points. The hon. Member for Fareham (Mr. Hoban) made a very reasonable point about the definition of mobility, and I undertake to consider whether we can strengthen and clarify the prospectus in the way he suggested. I will reply to him in due course. My hon. Friend the Member for Stroud (Mr. Drew) expressed disappointment, saying that we were simply talking about protecting parents and pupils from the additional costs that might arise in respect of children with special educational needs. I can assure him that our ongoing discussion with the consortium and other groups focuses on that issue, and he is doubtless right in saying that we will return to it when the Bill goes to the other place.

The approach that I have set out meets many of the concerns expressed by the SEC. It does not extend free or subsidised transport to every SEN pupil who does not attend their nearest suitable school because we want the provision of such transport to continue to be at the discretion of local education authorities.

In some respects, the approach that I have outlined goes further than amendment No. 14. It protects pupils who are unable to walk or cycle to school, along with their peers, from charges in cases where they require transport. However, the amendment offers protection to such children only in cases where transport is normally available to their peers. In addition, there are some practical difficulties with the amendment as drafted. For example, it refers to a comparator group of pupils provided with transport. In practice, therefore, pupils who live close to their school, and whose comparator group were walking or cycling, might have to pay a contribution to the transport, while those living further away, and whose comparator group were entitled to transport, would be protected from charges.

I am grateful to the House for allowing me to set out in some detail the Government's response to the amendments. As has been said, these issues are at the very heart of the Bill. Through the existing prospectus, we have been able to respond to the many legitimate concerns that were expressed in all parts of the House and by a number of pressure groups. We are almost there but further work is required, which is why dialogue is ongoing. We will return to the issues of SEN and low-income families in particular when the Bill goes to the other place. However, the progress made merits the support of Members in all parts of the House, so I urge the Liberal Democrats to withdraw their amendment.

Mr. Willis: I thank the Minister for the courteous and detailed way in which he has responded to the debate. This group of amendments goes to the heart of the issue, which is providing guarantees for children with special educational needs, and for children who attend schools that are a product of choice, such as denominational schools, as a result of Government policy. There is also the question of how to guarantee school places for children who live in rural areas, and whose parents are on relatively low incomes, without shifting the burden.

Despite the Minister's assurances, the prospectus has proved to be a moveable feast, even during the course of this afternoon's debate. In a sense, that is to be welcomed, because it shows that he is listening and responding to the debate. But he has also made it clear that we are no longer talking about pilots; rather, school transport will be subject to wholesale change. As amendment No. 9 makes clear, we want to keep the existing arrangements in place until the pilots are seen to work effectively. Imposing such change beforehand is unacceptable and a cause of sadness, so with your permission, Mr. Deputy Speaker, we will press the amendment to a vote.

I was disappointed at the Minister's dismissing the issue of rurality. The legality of the prospectus is very dubious in this regard, and it would have to be tested in

[Mr. Willis]

the courts, or by the Department itself. It is a pity that the Minister has taken this view, because there is growing resentment among people in rural areas, who feel that the Government's social policy is focused on urban areas. This was a good opportunity to deal with that issue.

The issue that we continue to feel strongly about—I hope that there will be other votes on amendments in the group—is denominational schools. It is not feasible for the Government to claim that they have a policy to support denominational schools, as well as academies and specialist schools, and want to expand them, without guaranteeing young people access to those schools relatively free of charge—

It being Five o'clock, MR. DEPUTY SPEAKER, *put forthwith the Question already proposed from the Chair, pursuant to Order [28 October].*

The House divided: Ayes 147, Noes 233.

Division No. 20] **[5 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hogan, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lamb, Norman
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Maples, John
Mates, Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Andrew Stunell and Sir Robert Smith

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Benton, Joe *(Bootle)*
Berry, Roger
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Chwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cooper, Yvette
Corbyn, Jeremy
Crausby, David
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cunningham, rh Dr. Jack *(Copeland)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil

Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hewitt, rh Ms Patricia
Heyes, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Iddon, Dr. Brian
Illsley, Eric
Iranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Kemp, Fraser
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Linton, Martin
Love, Andrew
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
MacDonald, Calum
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Martlew, Eric
Meacher, rh Michael
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Oliver, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Soley, Clive
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, David *(NW Leics)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Noes:
Paul Clark and
Mr. Nick Ainger

Question accordingly negatived.

Amendment proposed: No. 1, in page 2, leave out lines 32 to 39.—*[Mr. Hoban]*

Question put, That the amendment be made:—

The House divided: Ayes 139, Noes 230.

Division No. 21] **[5.14 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Ancram, rh Michael
Arbuthnot, rh James
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan Smith, rh Iain
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Gummer, rh John
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lamb, Norman
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Liddell-Grainger, Ian
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Maples, John
Mates, Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew

Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Peter Atkinson and Andrew Selous

NOES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Benton, Joe *(Bootle)*
Berry, Roger
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cooper, Yvette
Crausby, David
Cruddas, Jon
Cunningham, rh Dr. Jack *(Copeland)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hewitt, rh Ms Patricia
Heyes, David
Hoey, Kate *(Vauxhall)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kidney, David
Killoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Linton, Martin
Love, Andrew
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Martlew, Eric
Meacher, rh Michael
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Mountford, Kali
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Soley, Clive
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Touhig, Don *(Islwyn)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Ward, Claire
Wareing, Robert N.
Watson, Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Noes:
Paul Clark and Mr. Nick Ainger

Question accordingly negatived.

Amendments made:

No. 19, in page 3, line 21, leave out 'powers' and insert 'power of amendment'.

No. 20, in page 3, line 21, leave out 'are' and insert 'is'.

No. 21, in page 3, line 23, leave out 'a' and insert 'the'.

No. 22, in page 3, line 24, after 'power', insert 'of amendment'.

No. 23, in page 3, line 27, leave out 'a' and insert 'the'.

No. 24, in page 3, line 27, after 'power', insert 'of amendment'.

No. 5, in page 3, line 30, leave out 'or revocation'.

No. 25, in page 3, line 33, leave out paragraph 10.

No. 26, in page 3, line 42, at end insert—

11A—(1) The appropriate national authority shall issue, and may from time to time revise—

(a) guidance as to the matters which the authority will take into account in exercising its power under paragraph 8(1) or 9(2), and

(b) guidance with respect to the discharge by a local education authority of functions under this Schedule.

(2) It shall be the duty of a local education authority when exercising functions under this Schedule to have regard to any relevant guidance under sub-paragraph (1)(b).

(3) The appropriate national authority shall publish the guidance for the time being in force under sub-paragraph (1).'.—*[Mr. Jim Murphy.]*

ROYAL ASSENT

Mr. Deputy Speaker (Sir Michael Lord): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Act:

Consolidated Fund (No. 2) Act 2004

School Transport Bill

Order for Third Reading read.

5.26 pm

Mr. Stephen Twigg: I beg to move, That the Bill be now read the Third time.

I shall be brief, to allow other Members to participate in the debate. The Bill will give a small number of local authorities additional flexibilities to tackle issues surrounding what is commonly known as the school run. Twice as many children are driven to school now in comparison with 20 years ago—about 40 per cent. of primary pupils and 20 per cent. of secondary pupils. Most of those journeys cover a distance of less than two miles. In reality, the school run means falling numbers of children walking or cycling to school, with serious health implications in terms of the lack of daily exercise and the growing proportion of children who are overweight. It also means congestion in our communities and increased levels of pollution around our schools.

Of course, much can be done, and is being done, that does not require legislation. The right hon. Member for North-West Hampshire (Sir George Young) has reminded the House of the part that he played, as Secretary of State for Transport in the 1990s, in the introduction of safe routes to school. It is now more than a year since the Government published the travelling to school action plan, setting out a series of measures to encourage more walking, cycling and bus use. The Bill is an important part of that wider picture.

We have had useful debates on the Bill in Committee and today on Report. I have listened carefully and made changes, especially to the prospectus that goes with the Bill, to reflect different views and concerns. Today, I moved a number of amendments. In response to points raised by my hon. Friend the Member for Stafford (Mr. Kidney), I tabled an amendment to place the prospectus on the face of the Bill. Having accepted in principle changes proposed by the right hon. Member for North-West Hampshire to allow local education authorities to revoke school travel schemes unilaterally, I tabled further amendments to allow that to happen. We have made complementary changes to the prospectus, requiring LEAs to undertake local consultation before terminating schemes, and to give parents adequate notice of changes.

We have had constructive debate on a broad range of issues: safety, consultation, the important issue of pupils with special educational needs, the position of pupils attending denominational schools, and pupils expressing a preference for Welsh-medium schools in Wales.

The Bill, if read the Third time, will go to the other place, and I believe that there will be the opportunity in the other place for some further improvement to the legislation. Throughout our debates, there has been a recognition that the issues faced vary from area to area and that the solutions will be different in rural, semi-urban and urban areas. LEAs need flexibility to respond to local need. We are encouraged by the interest shown by LEAs of all parties throughout the country.

This is a short deregulatory Bill, with cross-party support in local government. It will introduce the flexibility for scheme authorities to address urgent cross-

[Mr. Stephen Twigg]

cutting issues of health, the environment and safety. It is voluntary in nature, in both its piloting phase and the longer term.

I should like to end with a quote that I think adequately summarises why the Bill is necessary:

> "There is widespread agreement that the current requirement to provide free transport for children living a particular distance from school, and the sharp divide between free and full cost provision, no longer can be justified in terms of equity, efficiency or need. Instead, we recommend that local authorities should be given the freedom to develop their own transport policies."

That quote is not from the prospectus that accompanies the Bill, but from "Children on the Move—Accessing Excellence", published on a cross-party basis by the Local Government Association.

I commend the Bill to the House.

5.31 pm

Mr. Hoban: I shall endeavour to match the Minister's brevity to allow other hon. Members to take part in the debate.

At the heart of the Bill is the Government's decision to move away from the principle of free education, which has been at the heart of education since the Education Act 1944. Charging children for the right to go to school is a retrograde step, which many of the most vulnerable people in our communities—those on low and moderate incomes and those in rural areas—will feel is harsh and view as a third-term tax increase.

The process of discussing the Bill in Committee and in the Chamber has still left several significant gaps in the legislation that, I hope, people in the other place will tackle. I believe that statutory safeguards are needed for children with special educational needs, so that they are not unduly penalised by virtue of their condition. We need a more robust policy on meeting the needs of rural communities and families on low incomes. Statutory protection is needed on the duty to consult, so that people can be certain that their views will be heard on this matter.

One of the issues that we have not had a chance to discuss today is of fundamental importance to the Bill: what will happen on the expiry of the pilot schemes? No further primary legislation will be required to roll out those schemes across the country, even though on a voluntary basis. Throughout the country, scheme authorities can take it upon themselves to extend beyond 20 the number of pilot schemes in England, so that we could reach the point where virtually every child who lives more than two or three miles away from their nearest school must pay for school transport.

The Bill would benefit from a clause that brings it to an end at the pilot stage, so that further legislation can be introduced to learn the lessons of the pilots schemes, to ensure that statutory protection for those vulnerable groups is put in place where necessary, if that is not in the Bill by the time that its consideration is finished in the other place. We need to ensure that the life of the pilot schemes comes to an end in an orderly way, so that we can put in place proper legislation that protects the interests of children with special educational needs, low income families, those who to go denominational schools and those who wish to go to schools where Welsh is the principal language of teaching. Those protections are needed, but the Bill does not offer them as currently drafted. If the Bill continues without that definite end point, many of the most vulnerable people in our communities will be put at risk.

We voted against the Bill on Second Reading, and I urge my hon. Friends to vote against it on Third Reading because of its deficiencies and the fact that it moves away from a principle, which has been in legislation for 60 years, that children should be able to go to school for free if they live more than two or three miles away from that school.

5.34 pm

Mr. Kidney: I am grateful to my hon. Friend the Minister for the improvements that he made to the prospectus and today's amendment to tie the prospectus to the Bill. I wish the Government well in the other place when improving arrangements to protect the poorest families from having to pay for school transport.

With the existing money that local authorities and the Government spend on school transport and the money from the charging, we could do much more than is already achieved in many more parts of the country and for many more pupils. We could do more to increase walking, cycling, bus use and car sharing. Although I would not normally recommend that people read regulatory impact assessments, anyone who wishes to know how that could be achieved should read the assessment on the Bill, because it sets out two working examples that show how it would be easier to provide transport to pupils attending denominational schools with the guarantee of reasonable charges, rather than the exorbitant ones to which I referred on Report.

We would have greater opportunities to introduce sweeper buses, which are important for pupils who attend rural schools, yet cannot participate in after-school activities at present because they must get on the school bus to go home when it leaves. Sweeper buses would introduce extra flexibility for out-of-school activities at the end of the day.

We could sell more spare capacity. I am especially ambitious for pupils who live just within the current statutory walking distance to be able to access school bus transport at a reasonable and affordable cost. We would also have more money for cycle training and the loan of cycles, and schools would be more willing to discuss staggered start times so that they could make the best use of school transport. On Second Reading, I said that we in Staffordshire are expanding our fleet of yellow school buses all the time, because they are popular and aid such flexibility.

I have talked so far about measures that would improve the safety of pupils going to school, their health if more took to walking and cycling, and the health of the environment, if we were to cut down on the use of cars to get children to school. However, I would now like to discuss congestion, because that is important to people irrespective of whether they have children who go to school. Everyone who has participated in our debates on the Bill has said at one point that there is a huge difference in the traffic on our roads between the school holidays and the times when schools are in session. I want ambitious schemes to

ensure that the traffic on our roads moves as freely during school times as it currently does during the school holidays. We should set our sights on such ambitious aims.

I have outlined a good set of aims. If they were achieved, they would be extremely popular. It is not surprising that Opposition parties oppose the Bill, because they know how popular it will be in the future.

5.38 pm

Dr. Pugh: I thank the Minister and all hon. Members for the rational, sensible and coherent way in which they have addressed all the arguments presented in the debate. May I return the favour by turning to the essence of the debate without any trimmings or exaggeration?

We have been around the houses on the Bill, but Liberal Democrats are still scratching our heads over one big puzzle: why do we need a School Transport Bill? Much of what is described in the Bill can already be achieved. Local education authorities have had school travel strategies since 2003, and the Bill will give them no new powers and no further incentives. They already have officers in place to look after such schemes, and co-operation with parent-teacher associations already exists.

Why have we got the Bill at all, especially given that special schools are already anxious about their transport arrangements? Children at such schools are not always statemented, so they do not always automatically qualify for free transport. There are already worries about denominational school transport, and rural communities are anxious about losing rights, post offices, hospitals and schools.

There is a key question: why are the Government introducing this small, simple Bill? The possible explanations are fairly straightforward. One explanation is that it comes down to cost: both the current cost and the anticipated increased cost that will flow from a greater diversity of provision including academies, special schools and extended schools—a similar consequence would arise from turnaround schools.

One way of reducing the overall cost is to allow charging. That already happens, but the Government will reduce statutory entitlements and remove existing free places. The puzzle for the Government is how to sell that to their Back Benchers. The basic ideal of free school transport may date back to 1944, but it is a noble one. Under the principle of free access to education, no child should suffer financially through attending school. The presumption in 1944 was that little legs could not walk further than two miles and that big legs could not easily cope with three or more miles. I would suggest that biological facts have not changed since, then. Children are no weaker, and the principle of free access is still very much in place. The Government must therefore use sophistical arguments, which their Back Benchers appear to have fallen for, to remove the "legislative straitjacket" that the previous Secretary of State talked about.

Mr. Drew: I cannot tell whether I have been duped, because I spend all my time on the Government Benches. I agree with what the hon. Gentleman said about freedom of choice, but the current provision tends to discriminate against children from lower-income backgrounds, who are less likely to enjoy access arrangements for school transport. That is why we need the pilots.

Dr. Pugh: I could not have hoped for a better lead into my next point. There are two sides to the Government's new argument for social equity. First, they argue that some people who receive free travel can afford to pay for it, and have the resources to get to school under their own steam. Secondly, they argue that some people who do not qualify for free travel cannot get to school cost-free and deserve funding. The first argument can easily be dealt with, as it is essentially an argument for means-testing of the better-off. People who can afford to pay for access, it is suggested, should do so under the new Labour social equity principle. If one extended the argument about free access to school one could also argue that people could afford to pay for school books or games lessons. There is no wish, however, to apply that argument consistently across the piece. To be pragmatic, however, individuals who receive free travel yet have the resources to pay for it are more likely to use a second car when they are denied that entitlement, thus undermining one of the Bill's environmental objectives.

The second sophistical argument that Labour Members have fallen for suggests that people who live less than two miles from school can only benefit if entitlements are removed from other people. I accept that walking two miles in 1944 was different from today's hazardous experience. However, is the solution necessarily to deprive others of their entitlement? Is not the more plausible and socially responsible solution to make routes to school safe and improve public transport in general? That is a more joined-up approach to the problem raised by the hon. Member for Stroud (Mr. Drew).

Neither of the two sophistical arguments stand up, so there must be a hidden agenda. To risk so much grief with so little apparent justification, the Government must either have a cost-cutting agenda or a wish to shift costs from Treasury books. The Bill is not a piloting Bill but a blueprint for the future. Local authorities will pay out less, take in more and, at the end of the day, receive less from the Exchequer. Hon. Members heard it here first—that is precisely what will happen. In the process, pupils of special schools, denominational schools and rural schools will lose out. That is the harsh reality that Labour Members will vote for. They will have only one thing to offer their constituents when they explain why free access for education is no longer part of the new Labour agenda. The prospectus is the only comfort blanket that they will have. People may not read it in great depth and it may not last for very long, but the removal of free educational access is a principle that Labour will regret abandoning.

5.45 pm

Mr. Edwards: It was a pleasure to be a member of the Standing Committee and to contribute to the debates.

I shall be honest with my hon. Friends. When I saw a headline in October last year that said that the Government proposed to end free school transport, I was annoyed. However, I have been assured that the Bill is about pilot areas only. Contrary to the remarks of

[Mr. Edwards]

the hon. Member for Southport (Dr. Pugh), the Bill is not a blueprint, but an opportunity to look for more flexible arrangements.

Like other hon. Members who represent rural constituencies, I have some concerns. Free school transport is vital to my constituency. Government guidelines and briefing documents have assured us that only 10 per cent. of pupils in England take advantage of free school transport; the figure is 20 per cent. in Wales. In my constituency, the figure is significantly greater. I have quoted the example of Monmouth comprehensive school, where about 50 per cent. of pupils arrive at school on free school transport, not only from Monmouthshire, but from Herefordshire and Gloucestershire. Free school transport is vital and I would not support any measure that threatened it. The Bill does not threaten free school transport, because that would depend on Monmouthshire becoming a pilot area and the current arrangements being changed.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does my hon. Friend agree that the suggestion from the hon. Member for Southport (Dr. Pugh) that better-off children who are denied access to free school transport will tend to use private transport does not stand up to examination, because the marginal cost is likely to be less than the charge for school transport?

Mr. Edwards: The hon. Member for Southport has made many good contributions, but that argument is speculative.

I congratulate my hon. Friend the Minister on his appointment as Minister for School Standards.

In recent years, one of my main campaigns in this House has concerned overcrowding in the school transport system. I have mentioned the overcrowding on service buses rather than school contract buses, which the law protects against overcrowding. Because of the three-for-two rule, service buses currently allow excessive overcrowding. That is a particular problem in my area, especially in a community called Llandogo in the beautiful Wye valley. The prospectus states that no authority can enter into an arrangement that exploits the three-for-two concession, and I hope that my hon. Friend will confirm that this afternoon.

Mr. Stephen Twigg: In case I do not have time to speak later on, I can give my hon. Friend that assurance right now.

Mr. Edwards: I have waited a long time for that assurance. I am mightily relieved, and I am sure that the young people of Llandogo are too. It was a pleasure to be a member of the Committee, in which hon. Members from both sides of the House made excellent contributions. With some reservation, I will support the Bill tonight, but I hope that the protection for those in rural communities, those on low incomes and those with SEN will continue.

5.48 pm

Sir George Young (North-West Hampshire) (Con): As the only Opposition Back Bencher who served on the Standing Committee, perhaps I can share a few comments as the Bill approaches the terminus.

I endorse the comments made by the Minister and by my hon. Friend the Member for Fareham (Mr. Hoban). The Bill has been positive and consensual and the Front Benchers have made some high quality performances; I am delighted that one such contribution has been recognised this afternoon. As the Minister said, some of the initiatives in the Bill build on a policy base that predates this Administration.

It was unfortunate that the timetable motion did not allow us to discuss the Government amendments. On Report, we discussed only Opposition amendments that were not carried, so we did not reach the one group of amendments that changed the Bill. Perhaps the business managers will reflect on the allocation of time, because with two statements, we had half a day for Report. With another hour, we might have been able to get through all the groups of amendments.

That leads me to my second point. It would be churlish of me not to thank the Government for picking up the amendment that I moved in Committee, which then became Government amendment No. 5. I was slightly surprised to see my Back-Bench amendment trumped by the Secretary of State, who suddenly changed it into a Government amendment by adding his name to it. The Bill is more deregulatory now that the Government have accepted that amendment and complemented it with their own. Local authorities that are on the margin of deciding whether to become a pilot authority may decide to do so because they know that if it goes wrong they can disengage quite quickly instead of having to get the approval of the Secretary of State.

My third point concerns increased seat belt use, which I touched on in Committee. At the moment, a parent who drives his or her child to school knows that they will be secure in their seat because they have to wear a seat belt, but if they entrust their child to a coach it may not have seat belts. Given the increasing concern about safety, that consideration may influence the parent. Paragraph 25 of the prospectus says that the Government

"expect schemes to include measures that will improve safety, particularly in reducing overcrowding and increasing seatbelt use."

I very much hope that pilot authorities will enter into contracts with bus companies that have seat belts fitted to their coaches so that parents can be confident that they are the safest available.

That brings me to my final point. The journey to school is much more complicated than it was 30 or 40 years ago, when most of the children in an area would have gone to local schools that all began at, say, 9 o'clock. As we move more towards parental choice, there will be a wider spectrum of schools to which parents may send their children, and they may not be the local ones. Moreover, we are moving towards a regime of wraparound schools that open earlier and close later, so they do not all start at the same time of the morning. I hope that there will be sufficient flexibility in the school travel schemes mentioned in the prospectus to cope with the more variable geometries of school journeys than have traditionally applied.

A few days ago, I spoke to people from a company that provides buses for school journeys, and the one thing that they wanted was variable school opening times. They said that they could provide a much better

deal if all the schools did not start at 9 o'clock; they could quote more competitive prices and make better use of their vehicles if school times were staggered. That needs to be put into the equation.

The Bill is part of a broader picture of addressing issues of traffic congestion, and to that extent I welcome it. It is slightly unfortunate that we were not able to hear a little more about the eligibility rules. The Minister explained why those were not available before the Bill leaves this House, and we will follow that with great interest.

I hope that where local authorities enter into pilot schemes they will use safer coaches, bear in mind what I said about the variable geometry of the school journey and not enter into contracts that are so inflexible that the parental choice that Members on both sides of the House support cannot be enforced.

Mr. Bill Wiggin (Leominster) (Con): On a point of order, Mr. Deputy Speaker. I wonder if the Secretary of State for Defence has contacted your office to try to put the record straight on something that he said in his statement this afternoon. He said in reply to my hon. and gallant Friend the Member for Newark (Patrick Mercer) that the reason why Scottish regiments—he gave the example of the Royal Highland Fusiliers—had been named in a different way from Welsh and English regiments was that that was something that they had asked for. It has become clear this afternoon that the Colonel of the Royal Welch Fusiliers did indeed ask for his regiment to be named in the same way as the Royal Highland Fusiliers. I hope that the Secretary of State for Defence will try to correct the record and let you know that that will be the case.

Mr. Deputy Speaker: That is not a matter for the Chair at this point. The hon. Gentleman has now got it on the record, but this is timed business and we must press on.

5.53 pm

Roger Casale: The School Transport Bill has itself been a vehicle for advancing the cause of children with special educational needs. I should like to express my appreciation to the Government and to the Minister for the significant changes that have been made in the interests of those children during the passage of the Bill in Committee and on Report. Those changes will be extremely welcome to the Special Educational Consortium and to my constituents, Mary Powell, Carrie Vibert and Pamela Wilson, who are themselves parents of children with special educational needs and raised these matters with me three or four years ago. It is therefore an important moment. Many of the changes enjoy cross-party support.

We should remind ourselves that we have several things on Third Reading that we did not have on Second Reading. We have a prospectus that explicitly states that local authorities must provide confirmation that drivers and escorts have to undergo Criminal Records Bureau checks before they can be employed by local authorities to provide that service to school. The prospectus encourages local authorities to insist on disability awareness training for drivers and escorts. Lack of such training has often placed children with special educational needs in especially vulnerable positions The prospectus emphasises consultation with all stakeholders, including groups such as the one that Mary Powell and her colleagues set up in Merton. After all, they are in the best position to assess the way in which the service needs to be tailored to meet their needs.

I am delighted that it was decided on Report to include specific reference to the prospectus in the Bill. The prospectus is valuable only if it can be monitored and steps can be taken to force local authorities to implement the proposals if things start to go wrong. The Bill now provides for greater accountability through a more direct line. I believe that my constituents and those who work in special educational needs will be encouraged by that.

We still have some way to go. I look forward to the day when many of the provisions are rolled out nationally, when special educational needs children are fully protected and when their parents do not suffer some of the nightmares that my constituents have had to face. They can be encouraged that their concerns have been heard. The Government deserve credit but hon. Members of other parties have supported the changes to the provisions on special educational needs.

5.56 pm

Mr. Stephen Twigg: With the leave of the House, I should like briefly to respond to the debate on Third Reading. I concur with colleagues from all parties that we have had a constructive process of scrutinising the Bill. Front Benchers of both Opposition parties have acknowledged that although they do not support the Bill in principle, improvements have been made through pre-legislative scrutiny and at various stages of its passage.

I pay tribute especially to the right hon. Member for North-West Hampshire (Sir George Young). I agree with him that the Government amendments that were passed today and inspired by his contribution in Committee mean that we have improved the Bill to make it "more deregulatory", in his words. As he said in Committee, the changes will give more local education authorities the confidence to make scheme proposals. I am confident that they will come from LEAs under the control of all three main political parties, thereby reflecting the strong cross-party support in local government for the Bill.

I thank all members of the Committee for their service. It was an active Committee and contributions were taken on board. That is reflected in changes that we have made to the prospectus as well as amendments that have been accepted today. My hon. Friend the Member for Stafford (Mr. Kidney) made the sensible suggestion of putting the prospectus on a statutory basis. The amendment that was accepted earlier enables us to do that.

As the hon. Member for Harrogate and Knaresborough said earlier, we all agree that we want to reduce the car run and encourage a broader set of alternatives, including walking, the school bus and cycling. There are all sorts of challenges to achieving that. The Bill tries to deal with those challenges seriously. I believe that the same serious consideration that has been given to the Bill in this House will be

[Mr. Stephen Twigg]

shown in the other place, too. I believe that it is a good Bill, which deserves the same cross-party support in this place as it has in local government, and I am delighted to commend it to the House for its Third Reading.

Question put, That the Bill be now read the Third time:—

The House divided: Ayes 229, Noes 135.

Division No. 22] **[5.59 pm**

AYES

Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Benton, Joe *(Bootle)*
Berry, Roger
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cooper, Yvette
Corbyn, Jeremy
Crausby, David
Cruddas, Jon
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr<i>Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Heyes, David
Hill, Keith *(Streatham)*
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Linton, Martin
Love, Andrew
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Martlew, Eric
Meacher, rh Michael
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Soley, Clive
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith *(Leicester E)*
Ward, Claire
Wareing, Robert N.
Watson, Tom
Whitehead, Dr. Alan
Williams, rh Alan *(Swansea W)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Mr. Nick Ainger and Paul Clark

NOES

Ainsworth, Peter *(E Surrey)*
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burnside, David

Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Cormack, Sir Patrick
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Fallon, Michael
Field, Mark *(Cities of <i>London & Westminster)*
Flight, Howard
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
Gidley, Sandra
Gill, Parmjit Singh
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Holmes, Paul
Horam, John *(Orpington)*
Hughes, Simon *(Southwark N)*
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lamb, Norman
Lansley, Andrew
Leigh, Edward
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Maples, John
Mates, Michael
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Teather, Sarah
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Wilshire and
Mr. Geoffrey Clifton-Brown

Question accordingly agreed to.

Bill read the Third time, and passed.

PETITION

Asylum Seekers (Reading)

6.11 pm

Jane Griffiths (Reading, East) (Lab): This petition has 717 signatures, collected from people attending churches in Reading and Woodley. It was prompted by concern about the legal advice received by young unaccompanied asylum seekers from former Yugoslavia. The legal advice given to a number of those asylum seekers by one solicitor working in Reading has resulted in their cases not being presented as they could and should have been.

I was fortunate enough to be able to raise the issue with the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Shipley (Mr. Leslie), in an Adjournment debate last month.

The petition states

"To the House of Commons, the petition of the Rev. David Skinner, Harriet Townsend and the congregations of churches in East Reading declares that a profound injustice is occurring in Reading as disastrous legal representation results in young people in the asylum process being treated unfairly. The petitioners therefore request that the House of Commons urge the Minister of State for Citizenship, Immigration and Nationality at the Home Office to cease the forced return to Kosovo of young people who are suffering from post-traumatic stress disorder, a policy which is against the expressed request of the United Nations mission to Kosovo; and to meet church representatives from East Reading to discuss these matters."

To lie upon the Table.

ADJOURNMENT

Resolved,

That this House do now adjourn.—*[Paul Clark.]*

Adjourned accordingly at thirteen minutes past Six o'clock.

House of Commons

Monday 20 December 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Asylum Application Centres

1. **Gregory Barker** (Bexhill and Battle) (Con): If he will make a statement on progress in establishing asylum application processing centres in non-EU countries. [205635]

The Secretary of State for the Home Department (Mr. Charles Clarke): May I begin this afternoon by paying tribute to the work of my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett) during his most distinguished period of office, both as Secretary of State for Education and Employment and as Home Secretary? He has been an outstanding leader of this country and I pay tribute publicly to his tremendous work.

The Government are discussing with European Union colleagues the best and most durable solutions to processing applications for asylum effectively, and our focus remains clear: first, to continue to offer protection to genuine refugees while protecting our asylum system against abuse and, secondly, to strengthen protection in regions of origin to protect people and reduce secondary movement.

Gregory Barker: It was 2003 when the Prime Minister first raised this issue and said that it would be done. Why has no progress been made at all? Why has there been no action?

Mr. Clarke: There has been a great deal of progress. The fact is, as I hope Members on both sides of the House will recognise, that the key to solving asylum issues lies in international action, and in particular in action with our EU colleagues. Since the discussions at Thessaloniki to which the hon. Gentleman refers, there has been a substantial advance by many colleagues in the EU analysing the best ways to proceed, so there has been great progress since then.

Dr. Nick Palmer (Broxtowe) (Lab): Is the Secretary of State aware that representations have been made from some quarters that it would be possible to transfer all applicants for asylum to an island somewhere where no costs would be involved? Is he aware of progress in this fantasy island proposal?

Mr. Clarke: I have heard that, and I was briefed to that effect. Frankly, the idea was so fanciful that I could not believe that anybody had put it forward in any kind of serious way. I therefore dismissed it as absurd, as I assume it to be. I cannot believe that anybody would seriously believe that that is the right way to proceed.

Keith Vaz (Leicester, East) (Lab): May I welcome my right hon. Friend to his new position? I am absolutely certain that he will serve with great distinction. Will he assure the House that if processing centres are set up outside the United Kingdom in the applicants' countries of origin it will in no way divert resources from the immigration and nationality directorate, that general immigration work does need to be dealt with as quickly and as efficiently as possible, and that we should ensure that the good start that began in 1997 is continued, so that people have decisions as quickly as possible?

Mr. Clarke: I am grateful for my hon. Friend's best wishes, which I very much appreciate. I can confirm that he is entirely right that the Government will remain utterly focused on creating the most efficient and fair system of immigration and asylum that we can achieve in this country, and that is where our resources will be directed.

Dispersal Orders

2. **Mrs. Anne Campbell** (Cambridge) (Lab): How many local authorities have sanctioned the use of dispersal orders since their introduction. [205636]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): We estimate that dispersal orders were authorised in over 400 areas between January and September this year. Half of all crime and disorder reduction partnerships reported that dispersal powers had been used in their area.

Mrs. Campbell: Will my hon. Friend consider whether local authority intervention is necessary in the use of dispersal orders? My local authority, which is Liberal Democrat controlled, voted against the principle of dispersal orders in 2003, voted to use them in 2004 and is now considering whether to renew their use in 2005. Such dithering and delay has a bad effect on some of my constituents.

Ms Blears: Not only do I agree with my hon. Friend that it is important that these powers are used, but intriguingly the leader of the Liberal Democrats apparently called in 16 Liberal Democrat council leaders last week, read them the riot act and told them that they needed to get tough on crime, because his closest advisers believe that he is vulnerable to accusations of failing to be tough on thugs who terrorise the neighbourhood. What we have here is a party that

decides to adopt such powers not as a matter of principle, but as a matter of naked, cynical, political opportunism.

John Cryer (Hornchurch) (Lab): I welcome the introduction of dispersal orders—*[Interruption.]* I hope that the Liberal Democrats will get a bit less excited. Does my hon. Friend agree, however, that the mechanism for introducing them can be cumbersome and that the process can take a long time to carry out? Will she consider the possibility of having an interim dispersal order, which could then be subject to the current mechanisms? I am thinking particularly of Rainham in my constituency, where quite a lot of time is being taken to introduce dispersal orders and a more rapid system would be beneficial.

Ms Blears: My hon. Friend makes an interesting suggestion. He will know that we introduced interim antisocial behaviour orders for that very reason—to try to ensure that the courts can put an order in place very quickly indeed. We have 400 dispersal orders and they have been fairly easy to use, but I am more than happy to look at his suggestion. Some members of the Association of Chief Police Officers have suggested that interim dispersal orders may prove useful in dealing with town centre disturbances associated with binge drinking. I am more than happy to look at those ideas.

Mr. Julian Brazier (Canterbury) (Con): Where is the joined-up government between, on the one hand, the new power for issuing dispersal orders and, on the other, the arrangements under the Licensing Act 2003 by which up to 500 people can hold a rave, creating any amount of nuisance in an area, at just 48 hours' notice after serving the police with an application?

Ms Blears: The hon. Gentleman will know that in the Anti-social Behaviour Act 2003 we strengthened the powers to act against gatherings of people in the very circumstances that he describes. We are trying to work across government not only through the Anti-social Behaviour Act, but by working with the Office of the Deputy Prime Minister on town centre guidance. We are also working with young people themselves to ensure that we can divert many more of them away from antisocial behaviour and into more constructive activities. This Government have a very good joined-up policy across the piece.

David Taylor (North-West Leicestershire) (Lab/Co-op): In the village of Whitwick in North-West Leicestershire, the local Hermitage leisure centre has been the focus over a 12-month period of sustained antisocial behaviour by young people towards local residents and staff who work there. Does the Minister agree that the decision by North-West Leicestershire district council to sanction a dispersal order is to be welcomed, but that applications need to be the result of effective partnership with the local police and that, in parallel with the application for a dispersal order, some provision needs to be made for positive activities for young people in the area concerned, perhaps with concessionary prices targeted at the age group concerned?

Ms Blears: My hon. Friend makes an important point. The way in which the orders are framed means that a superintendent of police has to suggest the order, but must get the agreement of the local authority for it to be made. Fundamental to the use of the dispersal power is that kind of partnership working to ensure that the local authority is drawn into the process and that the issue is not simply about enforcement. The whole of our antisocial behaviour strategy is about a twin-track approach of tough enforcement and support, particularly for young people, to get them involved in a range of activities so that we can prevent them from getting on to that cycle of crime and disorder for the future. We have to have tough enforcement to ensure that communities such as that of my hon. Friend are protected from the harassment and intimidation that all too often take place in this country.

British Passports

3. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If he will make a statement on the rules for applications for a British passport. [205637]

The Minister for Citizenship and Immigration (Mr. Desmond Browne): British passports are issued in the United Kingdom under royal prerogative by the UK Passport Service. Citizenship is a matter of law, primarily under the British Nationality Act 1981, and is usually determined by the facts of a person's date and place of birth and those of his or her parents. An applicant for a passport will need to submit the relevant supporting documentation to establish both their nationality and their identity. Guidance on this documentary evidence can be found in the notes for guidance that are published in the passport application form pack.

Mr. Clifton-Brown: May I thank the Minister for the constructive discussions that we have had about the case of my constituent, Captain Warwick Strong, who served Her Majesty's armed forces loyally in the most severe troublespots of the world and was prepared to lay down his life, but who, because of the regulations, was not in the United Kingdom on the qualifying day five years before his application in 2002? It seems now that he is eligible for indefinite leave to remain, and hence for a British passport afterwards. Will the Minister give me an assurance that these applications, in a full, open and deserving way, will be fast tracked?

Mr. Browne: I thank the hon. Gentleman for his question. I, too, found my discussions with him in relation to this case constructive. As I undertook to do, I have reviewed Captain Strong's application over the weekend. His application from 2002 has been reviewed several times, and I am content that the decision taken to refuse his application was correct. Those who did not resist the temptation—I should say that the hon. Gentleman has not behaved in this way—to behave in a disgraceful way in relation to Captain Strong should reflect on the fact that his application was refused on the basis of a mandatory rule that was introduced in the 1981 Act by a Conservative Government.

As the hon. Gentleman pointed out, since his original application, Captain Strong appears to have had a further two years' residence in the United Kingdom.

bringing his total residence to six years, which is more than the five years required for naturalisation as a British citizen. If he still wishes to become a British citizen, the first thing that he needs to do is acquire settled status. As an ex-member of the armed forces who has served four or more years, he should be eligible for indefinite leave to remain in the UK under Her Majesty's forces' new rules introduced on 25 October this year. Once settled, Captain Strong would be free to live and work in the UK indefinitely and to apply for British citizenship. I invite the hon. Gentleman to encourage Captain Strong to apply. If he wants to ensure that that application is dealt with properly, I will give him separately from this answer the name of an official in the immigration and nationality directorate who will deal with it.

Antisocial Behaviour

4. **Ms Sally Keeble** (Northampton, North) (Lab): What plans he has for the policing of antisocial behaviour associated with late-night drinking. [205638]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): A Christmas alcohol misuse enforcement campaign is under way in all 43 police force areas in England and Wales. Town centres across the country are being targeted in an effort to crack down on alcohol-fuelled crime and disorder. We will continue to work closely with the police to tackle that.

Ms Keeble: Will my hon. Friend examine rule changes to make it possible for police authorities routinely to charge the leisure industry much more of the costs of policing late-night drinking? Not only are the costs high, but policing late-night drinking is a drain on police officers' time. It seems unfair that the general taxpayer should pay the costs of an industry-related problem.

Ms Blears: My hon. Friend is right. I am delighted that her local force is playing a full part in the Christmas alcohol misuse enforcement campaign. The industry should contribute towards the extra costs that arise from not only policing, but the impact of late-night drinking on our town and city centres. We are committed to a voluntary approach and are working on business improvement models. If the voluntary approach does not have a significant impact on the problems, we will re-examine the matter early in the next Parliament, in which case our review might well include further legislation.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): Four years ago, when he was a junior Home Office Minister, the new Home Secretary launched his action plan for dealing with alcohol-related crime. Unfortunately, the number of violent crimes linked to alcohol has risen by no less than 10 per cent. Does the Minister think that the new Home Secretary's strategy has been a roaring success?

Ms Blears: Our new Home Secretary has an excellent record in that area, and I have no doubt that he will go from strength to strength driving down crime, making our communities safer and contributing positively to the life of this country. The alcohol misuse enforcement campaign that we ran over the summer was extremely successful. The police visited 30,000 premises, issued 4,000 fixed penalty notices and arrested 5,000 people. In the areas in which the campaign was conducted, serious violence decreased by 9 per cent., which is real evidence that good police action makes a difference.

Lawrie Quinn (Scarborough and Whitby) (Lab): My hon. Friend knows that Scarborough is one place in which that summer-time initiative was conducted. Will she commend the organisers of a recent conference on the night-time economy, which many participants from the industry attended? Will she take the opportunity to come to Scarborough and see how much progress has been made through the type of partnership that she extols from the Front Bench and that we in Scarborough try to deliver in the community?

Ms Blears: I am delighted to join my hon. Friend in commending the work of the partnership in Scarborough, which has been so effective in tackling binge drinking. Like many other seaside towns, Scarborough sometimes experiences a particular problem with its night-time economy. My hon. Friend makes the point that the problem is a matter for not only the police but local authorities and transport operators, and we all have a responsibility to try to make our communities safer. I shall be delighted to consider my hon. Friend's kind invitation to have a day out—or perhaps a night out—in Scarborough in the new year.

Mr. Bob Laxton (Derby, North) (Lab): Is my hon. Friend aware that the cost of the new licensing arrangements that will be undertaken by local authorities will hammer them considerably? My own local authority, Derby city council, has estimated that it will find some of those costs punitive. Much as it supports the new arrangements, as do I, the Home Office needs to consider the heavy costs and financial burden that they will impose on local authorities.

Ms Blears: My hon. Friend makes an important point. My right hon. Friend the Secretary of State for Culture, Media and Sport has given an undertaking that the licensing fees will be sufficient to cover local authorities' inspection and enforcement responsibilities. That has been confirmed by the Deputy Prime Minister. Clearly, at the Home Office we have an interest in ensuring that local authorities have the full resources to be able to carry out the enforcement as well as the licensing process itself. A consultation is being undertaken about the level of fees to be set. My hon. Friend can be assured that we will continue to make these representations.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The hon. Lady responded earlier to a question about licensees selling to intoxicated people. I suggest to her that another problem urgently needs addressing: high-alcohol alcopops that are produced by the drinks industry, aimed at young people and often drunk in excess. We see that in town centres day in, day out. Does

the hon. Lady honestly think that the drinks industry will regulate itself, or do not the Government have the bottle to take it on?

Ms Blears: The hon. Gentleman will recognise that the alcohol industry, in common with most sectors, has some extremely good operators who want to get rid of the rogue element in their industry, but some irresponsible people are still running promotions such as, "All you can drink for £10." We are determined to ensure that we drive out such irresponsible marketing, which is why we are working on a code of practice to ensure that we have decent standards in the alcohol industry. This Government have given unprecedented attention to that problem. I entirely reject the notion that we are not tackling those interests head on, because we are absolutely determined to try to change the culture. That is very difficult in this country, but we have to do it because these are very serious problems indeed.

Householders' Rights

5. **Mr. Henry Bellingham** (North-West Norfolk) (Con): what plans he has to bring forward proposals to change the law on the rights of householders to defend their property. [205639]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): Current law makes it clear that a person may use reasonable force in self-defence or in the defence of his or her family or property. However, we recognise that there is public concern in this area and the review of murder will be looking at self-defence in cases where someone dies. In addition, we are looking with the Association of Chief Police Officers and the Crown Prosecution Service to see whether the position needs to be clarified in order to send out a strong message that the law is on the side of the victim, not the offender.

Mr. Bellingham: On 6 December, the Lord Chancellor said that the law relating to householders' rights did not need changing and that he would not support my hon. Friend's Bill. However, on 8 December, the Prime Minister said that it was most likely that he would

"support a change in the law."

A national debate about householders' rights has been raging for six years. When will the Government listen to people and actually have a clear policy?

Paul Goggins: What the Prime Minister did say in the reference that the hon. Gentleman mentions was that

"we are on the side of the victim, not the offender."—[*Official Report*, 8 December 2004, vol. 428, c. 1160.]

Our starting point is that the current law strikes the correct balance between the rule of law and the right of people to defend themselves. However, there is of course a public confidence issue. We are consulting ACPO and the CPS and we will listen carefully to their advice.

Sir Patrick Cormack (South Staffordshire) (Con): As there is such widespread public concern, why does not the Minister invite my hon. Friend the Member for Newark (Patrick Mercer) to discuss his Bill and what it will contain in order to try to create between them a measure that the whole House can support?

Paul Goggins: We do not intend to invite such discussion, but we look forward with interest—I am sure that that applies to hon. Members of all parties—to the publication of the Bill of the hon. Member for Newark (Patrick Mercer) and the ensuing debate in the House.

Patrick Mercer (Newark) (Con): I am sorry that the Under-Secretary does not feel the need to discuss such matters with me face to face, but I probably understand that. The crux of the Bill is the phrase "grossly disproportionate", which is already used and has been enshrined by the Government in civil law as a test for whether one should be able to sue. Will the Under-Secretary explain whether he agrees or disagrees with the use of the phrase for the law that we are considering? In view of the question that my hon. Friend the Member for North-West Norfolk (Mr. Bellingham) asked, whose side is the Under-Secretary on: the Lord Chancellor's or the Prime Minister's?

Paul Goggins: I am not afraid of face-to-face discussion; indeed, I greatly welcome it. That was not the suggestion that the hon. Member for South Staffordshire (Sir Patrick Cormack) made. I am prepared to discuss the specific measure now, from the Dispatch Box and, indeed, at any time, just as I would be prepared to discuss issues with any hon. Member.

The hon. Gentleman mentioned the phrase, "grossly disproportionate", and I look forward to other opportunities to hear his definition of the phrase. The Crown Prosecution Service would be required to make a judgment, as it does at the moment, about what constitutes "reasonable". He may be interested in the comment of the Director of Public Prosecutions, who told *The Sunday Telegraph* that he would look for clear evidence of excessive force before considering a prosecution. If it is not excessive, it is reasonable. That is an excellent starting point for our considerations.

Traffic Police (West Midlands)

6. **Mr. Jim Cunningham** (Coventry, South) (Lab): How many traffic police are operating in Coventry and the west midlands. [205641]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): I understand from the chief constable of the west midlands that at 30 November there were 302 full-time equivalent dedicated traffic police officers in his force, 38 of whom operated in Coventry. A further 89 full-time equivalent posts are allocated to the central motorway policing group.

Mr. Cunningham: Given that we are entering the Christmas period, will my hon. Friend tell us whether the Department is prepared to hold discussions with the Department for Transport to reduce the number of drink-related accidents in Coventry and the west midlands?

Fiona Mactaggart: We undertake such work all the time. My hon. Friend will have heard the response of my hon. Friend the Minister for Crime Reduction, Policing and Community Safety to earlier questions about the alcohol campaign this winter. One of our aims in that campaign is to persuade people to avoid alcohol abuse, not only in town centres but when they get behind the wheel of a car, where they can become dangerous. We know that those campaigns can be successful and help to reduce the incidence of driving while under the influence of alcohol.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Under-Secretary give us the figures for the number of prosecutions in Coventry and the west midlands in the past five years for driving without due care and attention and dangerous driving when under the influence of alcohol? Will she compare those with the figures for the number of people caught speeding in the area?

Fiona Mactaggart: I do not have those precise figures, but we know that the new technology that we are using increases significantly the number of people who can be arrested for a range of offences while driving. Automatic number plate recognition—ANPR—technology has been rolled out in the west midlands and 13,500 people have been arrested for offences that include theft and burglary. Prosecutions of those who have been caught for speeding increased substantially as speed cameras were introduced. In practice, as they have the deterrent effect of which they are capable, the peak of arrests for speeding has begun to decline. The number of court proceedings in the past couple of years reduced from 154,000 to 150,000 to 144,000. Speed cameras are beginning to work.

Identity Cards

7. **John Barrett** (Edinburgh, West) (LD): What his latest estimate is of the total cost of the identity cards project. [205642]

The Minister for Citizenship and Immigration (Mr. Desmond Browne): The cost of biometric passports is estimated to be £415 million per annum by 2008–09. Re-using that passport infrastructure for ID cards will save money on issuing both separately. For United Kingdom citizens, the cost of operating ID cards, on top of passport costs, is £85 million. We estimate an additional £50 million per annum to provide verification services.

In addition, as we set out in November 2003, we estimate set-up costs in the first three years to be £186 million. There will be some additional costs beyond this period. We are continuing to work on these estimates and will inform the House when we are in a position to provide updated figures.

John Barrett: People throughout this country want to see the Government fighting crime, dealing with terrorists and reducing fraud and illegal immigration. Will the Minister explain why he is not spending that massive amount of money on more police, efficient security services and enough customs officers to do the job, instead of this ID scheme, which is a piece of plastic and a massive waste of money?

Mr. Browne: With respect to the hon. Gentleman, he uses a phrase that he gets from his colleague, the hon. Member for Winchester (Mr. Oaten), which he has been trotting out in the media all morning—this ID scheme is a piece of plastic. Of course it is not a piece of plastic. It is an ID card supported by a modern database, which will collect biographical information in relation to people and match it to their biometric information to give a gold standard of identity. That will be expensive, but the collection of the biometrics is required to let people have the sort of travel documents that they will need for the 21st century, so that work will have to be done in any event.

It would be a dereliction of the Government's duty if, in doing that work, we did not take advantage of being able to secure the identity of the citizens of the United Kingdom to do just the things that the hon. Member for Edinburgh, West (John Barrett) encourages us to do, which are tackling serious crime, terrorism, illegal immigration and illegal working, but, most of all, to give the people of this country what they want—80 per cent. of them tell us they want it—which is a secure form of identity.

Mr. Neil Gerrard (Walthamstow) (Lab): Can my hon. Friend give us an example of a major Government IT project that has both come in on cost and worked?

Mr. Browne: All Governments have faced challenges in relation to developing IT programmes that serve the needs of the people of this country. I am sure that the Opposition spokesman on my area of responsibility probably goes red every time he thinks of the wasted money that the last Government incurred in relation to an IT scheme for immigration and nationality: they sacked half the workers before they brought it in and it then had to be scrapped because it did not work.

Increasingly, however, there are IT schemes that are working and delivering. The best example in my area of responsibility is the UK Passport Service, which has a database of 44 million people and provides a first-class service.

David Winnick (Walsall, North) (Lab): Is my hon. Friend aware that some of us had hoped that the new Home Secretary would reassess the position on identity cards, including cost, instead of making woolly-minded attacks on those of us who have considerable doubts about whether an identity card scheme will do any good whatever? Will he bear it in mind that continental countries with identity cards have the same problems of illegal working, illegal immigration and the rest of it, which clearly have not been resolved by identity cards?

Mr. Browne: My right hon. Friend is well known to be a supporter of identity cards and was before he became Home Secretary. It was highly unlikely that in his early days as Home Secretary he would want to rethink a policy that he was already committed to.

My hon. Friend the Member for Walsall, North (David Winnick) raises an issue that is yet another great Opposition canard in this debate: that identity cards do

not help other countries—for example, in their fight against terrorism. He always trots out the argument that the Spaniards had the Madrid bomb and they also have identity cards, but he has not asked the Spanish Government whether identity cards helped them to confront terrorism. I have, and they tell me that they do. Spain has 700 convicted terrorists in prison and is very successful in its use of identity cards to interdict terrorism.

Drug Misuse

8. **Jane Griffiths** (Reading, East) (Lab): What progress has been made on tackling crime associated with drug misuse. [205643]

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): I am pleased to inform the House that between April 2003 and June 2004, recorded acquisitive crime, such as theft and burglary, fell by more than 12 per cent. We know that people with drug addiction problems are hugely responsible for such crime. The drug interventions programme provides a route out of crime and into treatment. So far, crime is falling faster in the drug interventions programme areas than elsewhere across the country, as drug addicts get out of crime and into treatment.

Jane Griffiths: My hon. Friend will know, I hope, that excellent work has been done in Reading with those who have committed drug-related offences. Does she agree with me and with the crime reduction initiative drug user project in my constituency that publishing photographs of women who sell themselves on the street to feed their drug habit will not help such women, but that treatment will?

Caroline Flint: I am pleased to say that not long ago I visited Reading, where I met members of the drug action team and the police. Reading is doing a very good job both in ensuring that there is capacity for treatment and in dealing with offenders. My hon. Friend will also be aware that I am currently undertaking a review of issues related to prostitution. There are serious issues in relation to the antisocial behaviour caused by street prostitution, but I agree with her that 90 per cent. of street prostitutes are addicted to class A drugs, and we need to examine how to get them into treatment. That is why the Drugs Bill proposes an intervention order for adults, which can be provided where an antisocial behaviour order has been issued, to get people into treatment. I hope that that will be used in this area.

David Davis (Haltemprice and Howden) (Con): I regret that I guessed wrong as to which question the new Home Secretary would go for. Craving your indulgence, Mr. Speaker, may I take a moment to congratulate him? He and I have known each other and, I dare even say, been friends for about 30 years. I look forward to seeing him for many years across the Dispatch Box, albeit, perhaps, in some time, from the other side.

The last time the Home Secretary was a Home Office Minister, he said:

"I believe the most likely impact of a relaxation in the law would be to increase consumption . . . and I think that would be bad for the people concerned and bad for society".

Does the Minister agree?

Caroline Flint: As the right hon. Gentleman knows, we reclassified cannabis for a number of reasons. First, we had A, B and C categories, and we felt that having cannabis in B was not appropriate. We are trying to have a credible discussion with young people and adults about the different harms of different drugs. Cannabis is still illegal, however. Secondly, we felt that reclassifying cannabis would allow the police to devote greater amounts of time and resources to priority areas such as class A drugs. A recent Metropolitan Police Authority report showed a 53 per cent. decrease in arrests for cannabis possession, which has saved a huge amount of officer time, which can be better used, for example, to shut down crack houses—150 have been shut down this year—and to support efforts to tackle those organised criminals involved in drug distribution and supply. That is the right way to tackle the problem.

David Davis: I do not think that that was a yes or a no. Since the Home Secretary left his previous position in the Home Office, drug-related offences, criminal damage, theft, robbery and violence against the person, all drug-driven, have all gone up. Sadly, our British teenagers top the European Union league of drug abuse. Now that the Minister has a new Home Secretary, will she consider reversing the declassification of cannabis?

Caroline Flint: No, I will not consider reclassifying cannabis, because there are serious issues in relation to understanding the nature of different drugs. All illegal drugs have different harms associated with them, and we need to give a credible message to young people. The figure on young people who have used cannabis is 26 per cent., which has gone down, and some of our figures suggest that it will decrease further in future. Our strategy must recognise the crime connected with those involved in drugs, which is exactly what we are doing by putting record amounts of money into treatment and policing to tackle the problem. The evidence is in what I said earlier: recorded acquisitive crime has gone down, and the number of offenders going into drug treatment is increasing day by day.

David Cairns (Greenock and Inverclyde) (Lab): Given that 95 per cent. of the heroin on Britain's streets originates in Afghanistan, and that the United Nations has reported a 64 per cent. increase in poppy cultivation in Afghanistan in one year, can my hon. Friend assure me that she will work closely and urgently with our counterparts across Europe to crack down on the trafficking of this evil crop before it reaches our shores and causes even more crime and misery?

Caroline Flint: I can give my hon. Friend that assurance. I know that he has paid a huge amount of attention to this area, and committed a lot of his time to examining the problems underlying source and supply. The issue in Afghanistan is complicated, and involves tackling the people involved in developing the crop. It is

also about livelihoods—alternative livelihoods for the people involved. He makes an important point, because the drugs go through Europe, through a number of different countries, so our work across the European Union, and also with countries such as Turkey, is essential in trying to stop the supply of drugs to the UK.

Miss Anne McIntosh (Vale of York) (Con): Does the hon. Lady accept that cannabis use among British teenagers has doubled since 1997? In constituencies such as mine, which includes many small market towns such as Sowerby, Thirsk, Bedale, Boroughbridge and Easingwold, petty crimes and vehicle crimes are fuelling cannabis use, and the Government have failed to deal with that problem.

Caroline Flint: As I said to the right hon. Member for Haltemprice and Howden (David Davis) a moment ago, cannabis use among young people has been going down in recent years, but we still take the problem very seriously. That is why we have the Blueprint education project—one of the first longitudinal studies that examines how children in years 11 and 12 can better understand drugs and their implications and dangers. We need to have a credible message about these issues. FRANK, which was launched in May 2003, has had 3.5 million visits to its website, and 657,000 phone calls have been made to the service. That shows that there is information out there for families and young people—but we should never be complacent about such issues, and we need to ensure that we continue to drive down the number of people who peddle drugs. The Drugs Bill will do that by, for example, making it an aggravating factor to sell drugs near schools or use children as couriers.

Dr. Brian Iddon (Bolton, South-East) (Lab): Should we not give preference to those who volunteer for treatment without committing a crime, rather than coercing people into treatment after they have committed a crime?

Caroline Flint: We know that drugs fuel crime, and in the drug interventions programme we find that when we test people and get them involved in assessment, they are more likely to take up treatment. That is why we feel that in the Drugs Bill we need to move to testing on arrest, but also to making assessment a mandatory part of the process. I can reassure my hon. Friend that the fact that the Home Office is focusing on the relationship between crime and drug addiction does not mean that people who volunteer for treatment, but who have not committed a crime, will lose out. We are putting more money in, working with the Department of Health and the Department for Education and Skills, and treatment has increased across the board, including treatment for people who self-refer and have not committed a crime.

Mr. David Borrow (South Ribble) (Lab): A few months ago, as part of the parliamentary police scheme, I visited the Tower project, run by Lancashire police in Blackpool, which works with persistent offenders who are drug users, enabling them to break their drug habit. That has led to a 30 per cent. reduction in acquisitive crime in Blackpool. Does my hon. Friend agree that this is an example of how joined-up police work can achieve the results that we all want—less drug use and less acquisitive crime? Will she commend Lancashire police for their work, and does she agree that such a scheme could be adopted in other parts of the country?

Caroline Flint: I certainly agree with my hon. Friend about the success of the Tower project. Such projects have informed our thinking on how to tackle offenders when drugs are at the heart of their offending behaviour. It is part and parcel of the drug interventions programme, and our work with persistent and prolific offenders, to look at projects such as the Tower project, and I commend Lancashire police for their challenging and innovative approach to these serious issues.

Police Numbers

9. **Mr. Paul Goodman** (Wycombe) (Con): if he will make a statement on police numbers. [205644]

11. **Mr. Derek Wyatt** (Sittingbourne and Sheppey) (Lab): if he will make a statement on police officer numbers. [205646]

The Secretary of State for the Home Department (Mr. Charles Clarke): This Government have delivered record police numbers. There are now nearly 140,000 police officers—an historic high, and an increase of more than 12,500 since 1997. I hope that the shadow Home Secretary will intervene on this question and indicate how he feels about that development.

Mr. Goodman: Chiltern Vale police, who are not paid London weighting, regularly lose experienced officers to forces such as the Metropolitan police, who are. An experienced local officer recently suggested to me that the Met might like to pay a transfer fee for poaching police from other forces. Will the Home Secretary have a serious look at that constructive proposal?

Mr. Clarke: I understand the issue raised; indeed, my honorary Friend has made this point consistently for many years—[HON. MEMBERS: "Honorary?"] I beg your pardon, Mr. Speaker; I meant my hon. Friend the Minister for Crime Reduction, Policing and Community Safety. The House will be interested to know that the number of officers in the Thames Valley force has increased by 444 since 1997. I do acknowledge the existence of the recruitment issues that the hon. Gentleman raises, but the fact is that we are succeeding in increasing the officer numbers in the Thames Valley force, as elsewhere.

Mr. Wyatt: We are grateful for the many more police officers, community support officers and neighbourhood wardens, but will my right hon. Friend include the funding of neighbourhood watch schemes in the totality of crime prevention? We think that is a very good idea.

Mr. Clarke: It is a very positive idea; indeed, encouraging police officers to work in partnership with forces such as those that my hon. Friend mentions, and with their local communities through neighbourhood

watch, is an important approach. We are considering the best funding regimes to incentivise that approach, and I will consider his proposal in that context.

Bob Russell (Colchester) (LD): The Secretary of State might wish to know that in the past few days Essex police has called up for training as potential police officers some 50 people who have been waiting for well over a year to be called into the police force. Can he confirm that the minute they begin training, they will appear on the roll as police officers? Is such recruitment going on around the country, and does it have anything to do with 5 May?

Mr. Clarke: Recruitment of police officers is certainly going on around the country: indeed, it has been going on since 1997, which is why we have more police officers now in Essex—as elsewhere in the country—than we did in that year. Such recruitment has nothing to do with any forthcoming election; rather, it is to do with the policies that we have advanced. The issue in the election, which the main Opposition must address, is that they have stated clearly that they would cut spending on Home Office resources in real terms.

Mr. Kevan Jones (North Durham) (Lab): My right hon. Friend will be aware that since 1997 there has been a welcome net increase of almost 100 in the number of officers in Durham constabulary, but is he aware that as a result of next year's grant settlement, and of proposed changes concerning the training of probationary police officers, the chief constable of Durham might have to cut the number of officers by nearly 40 if he is to balance the budget? Will my right hon. Friend agree to meet me and other Durham Members to discuss the situation?

Mr. Clarke: I will meet my hon. Friend and his colleagues, but I should point out that most police authorities recognise that the settlement announced a couple of weeks ago, following the pre-Budget report, is a very generous and positive one that allows continuing investment in policing throughout the country. That said, I am happy to have the meeting that he requests.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Given the rise in crime across Britain that has occurred while the right hon. Gentleman has been away from the Home Office—and, indeed, throughout the tenure of this Labour Government—and given the near doubling in the number of violent crimes and the worrying fall in detection rates, why does he not accept that we need more fully trained policemen and women, and implement the Conservative party's costed policy promise to provide 40,000 more police? Is that not what people in Britain want to hear from the Home Secretary and this Government today?

Mr. Clarke: First, crime has reduced under this Government, not increased, and in that regard the contrast between our record and that of our predecessors is dramatic. Secondly, the shadow Chancellor is making these Conservative policies, which state explicitly that in real terms there would be no extra money for policing; in fact, as with everything else, there would be a real terms cut in spending. I wish Conservative Members would own up to that fact.

Immigration

10. **Mr. Piara S. Khabra** (Ealing, Southall) (Lab): What measures he has taken to stop clandestine entry into the UK from France. [205645]

The Minister for Citizenship and Immigration (Mr. Desmond Browne): The measures taken include the deployment of state-of-the-art detection technology, the levying of civil penalties on hauliers, and closer co-operation with carriers and port authorities and, principally, with our EU counterparts. We also now have full immigration controls in place in Calais, Boulogne and Dunkirk, which include the searching of tourist and freight vehicles using a variety of detection methods, ranging from sniffer dogs to carbon dioxide probes. All these measures have led to a 23 per cent. decrease in the number of detected clandestine entrants into Kent in the first six months of 2004, compared with the last six months of 2003, and to a 36 per cent. increase in the number of detections in Calais in the same period.

Mr. Khabra: I thank the Minister for that encouraging answer. He will be aware of the Prime Minister's meeting with EU leaders last month to discuss a five-year immigration and asylum plan aimed at streamlining policy. In that context, will the Minister tell the House whether any further progress has been made on this issue?

Mr. Browne: Thanks principally to the work of my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett), we have further plans to improve existing security in the ports to France and others. Following the recent meeting between my right hon. Friend and the French Interior Minister at Calais on 15 November, we announced the roll-out of further UK detection technology to the port of Dunkirk by summer 2005. We continue to work with our EU partners to drive down illegal entry across the EU, with regular exchanges of intelligence and regular joint operations impacting on organised human smuggling. Indeed, on 14 December, as a result of one of those operations, we saw the conviction of Mohammed Shahzad, who was sentenced to four years' imprisonment on the charge of conspiring to facilitate illegal entry to the UK.

Mr. Peter Luff (Mid-Worcestershire) (Con): Is the Minister aware that many of those who enter the UK clandestinely from France end up working in Worcestershire, where officers of the excellent West Mercia constabulary quite regularly apprehend them? When the police ring the immigration and nationality directorate, it suggests that these clandestine entrants should be issued with a travel permit to go to Croydon. How many of those entrants does the Minister believe take up the kind invitation of IND staff to pop down and see them in Croydon?

Mr. Browne: I am not in a position to discuss in detail with the hon. Gentleman the activities of the West Mercia police. I would say, however, that it cannot have escaped his notice that we have recently significantly increased the detention estate that is available to the IND. Indeed, it has more than doubled since the Government came to power. We now have state-of-

the-art facilities as opposed to the inappropriate detention facilities that we inherited from the previous Government. Now we are turning our attention to the challenge faced by local police forces in the continued detention of people discovered in the back of lorries as clandestine entrants. Thankfully, of course, the number of such entrants has decreased significantly, largely as a result of the steps that the Government have taken.

Witness Support

12. **Vera Baird** (Redcar) (Lab): What plans he has to encourage liaison about witness support between the police and the Crown Prosecution Service. [205647]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): We are putting victims and witnesses at the heart of the criminal justice system. The "No Witness, No Justice" project provides support for witnesses through a local partnership between the police and the Crown Prosecution Service. That will include a witness care unit in every area of England and Wales by March 2005.

Vera Baird: The "No Witness, No Justice" scheme is very good. It is primarily about providing information about the case and getting rid of any obstacles that stop people coming to court. However, there is more to getting people to court than transport and child care. It is often about criminally injured victims needing specialist support from domestic violence advocates or rape crisis services, for example. There are real concerns now that the police and the CPS are starting to see witness care as a monopoly and are discouraging specialist referrals. Will my hon. Friend ensure that all witness care units adopt the approach taken by my own in Cleveland, which is to set up a directorate of help groups and actively take responsibility for facilitating specialist contact where it is needed?

Paul Goggins: I always take the advice of my hon. and learned Friend in these matters, because she is very close to the agencies in her constituency that deal with them. Victim support is also an essential ingredient in the partnership that we are seeking to develop between the voluntary sector, the Crown Prosecution Service and the police. I can confirm that there will be three witness care units in my hon. and learned Friend's criminal justice area, the first opening in Hartlepool on 31 January, the second at Middlesbrough Crown court in May and the third at Middlesbrough magistrates court in October. Her comments about the importance of the specialist help that is sometimes required will be taken seriously by those agencies. It is essential to provide appropriate support so that witnesses can come to court and ensure that criminals are convicted.

Mr. Bill Olner (Nuneaton) (Lab): Will my hon. Friend take this opportunity to congratulate all the people who have helped to set up the new justice centre in Nuneaton where the Crown Prosecution Service, the police and the courts have come together under one roof? Having done that, will he also encourage the CPS to be a little more positive in ensuring that cases are brought to court, because victims of crime often feel that they have been left out?

Paul Goggins: The central emphasis of our policy is to put the victim at the heart of the system. I commend the agencies in Nuneaton, which are clearly working together effectively to ensure that witnesses and victims are given support. Up and down the country, not least in Liverpool, where a community justice centre opened only a few days ago, we are seeing justice related much more to the communities where people live and where the offences about which we are so concerned take place. As we see partnerships developing between local communities and agencies, we will see greater justice being delivered.

Departmental Expenditure

13. **Jim Knight** (South Dorset) (Lab): What assessment he has made of the potential for efficiency savings in his Department beyond those proposed in the Gershon review. [205648]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): The efficiency savings recommended across Government by Sir Peter Gershon's efficiency review equated to an average of around 2.5 per cent. per annum cumulatively. In assisting Sir Peter, the Home Office proposed a target of increasing value for money by £1.97 million, which is roughly 3 per cent. a year cumulatively. The target provides a challenging but realistic ambition for the Department and the police service to increase the efficiency and effectiveness with which key public services are delivered.

Jim Knight: My constituents are keen to see a greater proportion of money spent on front-line services, such as an increase in police community support officers. Does the Minister agree that there is a limit to how far that process can go and that if the Conservative party was allowed to impose its £20 billion cuts—

Mr. Speaker: Order. The hon. Gentleman is out of order.

Policing

14. **Iain Wright** (Hartlepool) (Lab): What plans he has to increase the presence of police on the streets. [205649]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): We have secured and will maintain record numbers of police officers. There are now around 140,000 officers in England and Wales. There will be at least 5,500 community support officers by next March. The neighbourhood policing fund will help increase the number of CSOs to 24,000 by 2008.

Iain Wright: On 4 January, 24 police probationary constables will start their training in Cleveland police. That is in addition to the extra 228 police officers that Cleveland has had since 1997. Their training will be different from most because it will be locally based, on the streets and in their local communities, rather than provided through the more traditional residential method. What will the Minister do to ensure that that

approach continues after their training so that the public see, and are reassured by, the increased number of police provided by the Government?

Ms Blears: I am delighted to welcome the 24 new constables who will start to police my hon. Friend's area from January. The fact that they will undergo community-based training means that they will work with local people from day one rather than going into weeks and weeks of residential training. In developing our new style of neighbourhood policing for the long-term future of the country, I am absolutely determined that we get police officers, community support officers and wardens working with local people and doing joint tasking and co-ordinating. They will direct their activities towards the priorities that local people set, which is why, in the national policing plan, we made tackling antisocial behaviour and other low-level crimes one of our top priorities. Those are the things that local people want us to do.

Angela Watkinson (Upminster) (Con): Will the Minister give an assurance that funding for police constables and community support officers is entirely separate, and that the increase in the number of community support officers is not going to have an adverse impact on the number of police constables who can be trained?

Ms Blears: The hon. Lady will know that I and other Ministers have gone on record time and again to say that the record number of police officers in this country will be in addition to the community support officers whom we are now developing. There is absolutely no case of community support officers being recruited at the expense of police officers. They have different jobs to do; they complement each other; they work together; they are a strong partnership. We are committed to maintaining record numbers of police officers and ensuring that we have more visibility and accessibility—the things that local people want to build safer communities.

Young Offenders

15. **Mr. Peter Pike** (Burnley) (Lab): What measures he is taking to reduce the reconviction rate of young offenders. [205650]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): We have completely reformed the youth justice system with a new structure, innovative new sentences and investment in early intervention. This approach is already bearing fruit, with the rate of reconvictions of juvenile offenders falling by 6 per cent. between 1997 and 2002.

Mr. Pike: Does my hon. Friend agree that, while we are moving in the right direction, there is still a long way to go? Far too many young offenders are reconvicted. Some of the figures are appalling in terms of the number of offences committed. Will he make it an absolute priority to provide education and training to young people so that they can get proper employment when they reach the right age and do not have to commit crimes to live?

Paul Goggins: Education and training are critical in trying to reduce rates of reoffending. Lancashire Connexions is working closely with youth offending teams in Lancashire, in Blackburn, Darwen and Blackpool, in order to ensure that after young people come out of young offenders institutions, they get back on track and back into work. It is essential that we see that as a priority, and we will continue to do so.

Belmarsh Judgment

3.31 pm

Mr. David Heath (Somerton and Frome) (LD) (*Urgent Question*): To ask the Secretary of State for the Home Department if he will make a statement on the legislative consequences of the House of Lords judgment that the detention without trial of aliens held in HMP Belmarsh under the anti-terrorism laws is unlawful.

The Secretary of State for the Home Department (Mr. Charles Clarke): I refer the hon. Gentleman to the statement that I made last Thursday, 16 December 2004. Let me reaffirm that the case is about the compatibility of our domestic legislation with the European convention on human rights. As the Human Rights Act 1998 makes clear, Parliament remains sovereign and it is ultimately for Parliament to decide whether and what changes should be made to the law.

Mr. Heath: I think I welcome the Home Secretary's rather brief and complacent reply. The judgment of the Law Lords was in terms of unprecedented condemnation and could not have been more unequivocal. Lord Hoffmann said that the case called into question

"the very existence of an ancient liberty of which this country has until now been very proud: freedom from arbitrary arrest and detention."

That has now been reinforced by the resignation of Mr. Ian MacDonald as special advocate, in response to what he termed an "odious" law. He is not alone in that opinion.

Will the Home Secretary accept that the Liberal Democrats fully understand the difficult balance between ensuring the safety of the public and the security of the nation on the one hand, and rights under law on the other? We did not expect the Home Secretary precipitately to set aside the judgment of his predecessor as to the national interest, but can it really be the case that his Department has made no contingency plans for the present circumstances? What work, if any, has been done to explore the eminently sensible suggestions of the Newton committee and the Joint Committee on Human Rights? Specifically, when will he introduce legislation on the use of intercept evidence, and why are the Bills currently before the House not suitable for that purpose?

Those detainees should be prosecuted and tried. Clearly there are difficulties, but should we not now seek consensus in this House on a proper solution? Certainly we would be happy to work with the Home Secretary and with others to develop an appropriate solution to the problem. However, simply renewing the present deeply unsatisfactory legislation is not an option.

Mr. Clarke: My answer was brief, but not complacent. The fact is that a committee of nine Law Lords has spent the last 11 weeks considering the issues raised by this case in great detail. It would have been discourteous and wrong to respond instantaneously to such consideration. It was and is my duty to examine very carefully the judgments of those Law Lords and to come to conclusions. In making my assessment, my duty is to look first to the security of this country, and in that context I welcome the hon. Gentleman's remarks about working on a basis of consensus. I hope that his party will be prepared to do that, but in so doing that it will consider carefully the precise legal measures.

We have of course considered the questions raised by the Newton committee and a number of other representations, including from the Joint Committee, but we shall look carefully at the Law Lords' judgment. I shall not be rushed into coming to a conclusion on the right course to take simply to meet some conception of brevity that the hon. Gentleman has to offer. We shall look at the issue properly. We shall come to proper conclusions and bring them to the House. The most important point, as my right hon. Friend the Member for Blackburn (Mr. Straw), now the Foreign Secretary, and my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett)—the previous Home Secretary—made clear on several occasions, is that it is Parliament that must decide how best we deal with this country's security interests. I shall report to Parliament and Parliament will come to its conclusions, but my report will be based on a detailed and full understanding of the decisions and views of the Law Lords in their consideration.

Mr. John Denham (Southampton, Itchen) (Lab): The House will welcome my right hon. Friend's commitment to careful consideration of these issues. When the House is invited—presumably early next year—to consider how, or whether, we want to change the law as it relates to the group of foreign nationals in Belmarsh, it will be enormously helpful if we have the clearest idea of what further anti-terrorism measures the Government propose to cover British citizens, as flagged up in the Queen's Speech. Can my right hon. Friend give us any hope that when we look at those issues, we shall have a better idea of what will be in the draft Bill referred to in the Queen's Speech?

Mr. Clarke: First, I appreciate the work of my right hon. Friend and his Committee in considering this matter with due care. The best way that I can respond to his question is by saying that it would be better if we looked at such situations in the round, as he suggests, so that we have a comprehensive view of them. That is not to say that particular difficult questions are not raised, but he is right to say that consideration will be best effected if we are clear on how we are pursuing the issues.

David Davis (Haltemprice and Howden) (Con): The Opposition do not underestimate the difficulty that the judgment presents for the Home Secretary in balancing his duties, but it is impossible to overstate its importance. It is only the second time since the second world war that a panel of nine, rather than five, Law Lords has sat. The Government cannot claim to be surprised by the judgment. When the Act was moved, we warned that the longer the detention went on, the more difficult it would be to justify. The powers taken by the Government at the time were viewed as temporary; presumably that is why the previous Home Secretary commissioned the Newton report.

The report was published exactly a year ago this week and in that time exactly nothing has happened. I remind the Home Secretary of some of the recommendations

[David Davis]

and reiterate the points made by the Liberal spokesman, the hon. Member for Somerton and Frome (Mr. Heath), who was quite right on this matter. The committee suggested that the power of freezing order be repealed, as it has not been used. Will the Government accept that? The committee recommended that it should be possible to use intercepts in court, as the Liberal spokesman said, and as we, too, have argued. We intend to table an amendment to the Serious Organised Crime and Police Bill to try to get the Government to accept changes to the law. Will the Home Secretary accept that, or undertake changes himself?

The committee also recommended proposals on plea bargaining. There are some changes to Queen's evidence in proposed legislation currently going through the House. Will the Home Secretary ensure that the changes meet those requirements on plea bargaining? Newton recommended that the Home Office carry out research into alternatives to the use of powers granted under part 4. What research has been carried out? What progress has been made?

Even after evidential changes that we recommend, there may still be cases of grave concern to the security services that cannot be tried. I am conscious that there is at least one case of an alleged terrorist released under licence, case G. A three-member panel ordered his release after he was diagnosed as psychotic. G is electronically tagged and has to report to the police five times a day. He is not allowed to use telephones, mobile phones or computers, and visitors are restricted. Does that give us a model for similar cases in the future if the courts cannot deal with them?

I reiterate that I do not recommend the release of those prisoners immediately, but in the interests of natural justice I recommend that the Government move as fast as competently possible to sort the problem out legislatively. If the Home Secretary does that, we shall give him every support.

Mr. Clarke: I agree with the right hon. Gentleman's concluding point; it is important to reach a conclusion of these matters as soon as possible so the House can decide clearly how it wants to proceed. I was not particularly surprised at the Law Lords' judgment. In fact, it would be a surprise if there were not deep controversy about the ethnical, philosophical and moral issues that are involved. These are difficult questions, and it is not surprising that people will come to difficult and complicated judgments on them. I reiterate that I have the particular responsibility of looking at the national security of this country—I appreciate the remarks of the right hon. Gentleman on that question—but I simply will not be rushed into taking a view on this in the first few days of my stewardship of my office, without looking at the situation in the round. The assurance that I can give to the House is that, early in the new year, I will come with proposals for the House to consider and we can then look at them in the round, which is as it should be.

Mr. Frank Dobson (Holborn and St. Pancras) (Lab): I welcome the Home Secretary's statement. As one of those who voted for the Act that the House of Lords has decided is contrary to the human rights legislation, for which I also voted, I recognise the major dilemma that the Government face in trying to reconcile maintaining the security of the people of this country with our treasured reputation for the rule of law and the maintenance of natural justice. So in the spirit in which the Home Secretary has made his statement, I urge him to look carefully at the proposals from the Newton committee and the Joint Committee on Human Rights. The objective of terrorists is, in the end, to persuade us to bring our sacred institutions into disrepute so that we can be mocked throughout the world as hypocrites. I know that he recognises that, and I hope that the House will be able to come up with proposals that reconcile the two needs.

Mr. Clarke: I appreciate the tone and style of my right hon. Friend's remarks and, yes, I can give him the assurance that I will seek to address this matter in the way that he suggests. I should like to make one observation on what he said. Some of the terrorist organisations active in the world that we seek to contain are about destroying every fundamental freedom that we have; not only the fundamental freedom of the House to debate a range of issues, but the rule of law itself and the right of the media to discuss questions in a general way. Their explicit aim is to destroy all those things, which hon. Members throughout the House have sought to build and develop over many years. We must defend ourselves against these attacks. The best way to defend ourselves in these circumstances is a matter for debate—it is in that spirit that I appreciate my right hon. Friend's remarks—but we cannot run away from this. When we read some people's comments, we see that they do not appreciate the seriousness of the matter. Our obligation is to take that seriously and then to decide the best course, for precisely the reasons that my right hon. Friend gave.

Mr. David Trimble (Upper Bann) (UUP): I welcome the fact that the Home Secretary has emphasised in his response the supremacy of Parliament on these matters. That is hugely important. I also endorse his statement that his approach will be based fundamentally on questions of national security and the need to protect the community. I urge him to consider that whatever he does should be based simply and essentially on the legislation framed to meet the needs of protecting the whole community, not on little quirks of immigration legislation.

Mr. Clarke: I think that I can give the right hon. Gentleman that assurance. Our existing legislation is based on a foundation of principle, which I see as my duty to seek to defend. That is the way in which we must approach this matter and the way that, historically, the House has sought to approach these matters; the House would wish to do so in the same way in the future.

Jean Corston (Bristol, East) (Lab): I welcome my right hon. Friend's answer to this question and congratulate him on emphasising that he will proceed cautiously. Reference has been made to the report from the Joint Committee on Human Rights, which, as he knows, I chair. I urge him to consider one of our recommendations: that intercept material should be admissible in court, as it is in many other countries. Will

he confirm whether he will discuss with our security services ways in which that material can be admissible, while protecting personnel and methods?

Mr. Clarke: I can give my right hon. Friend the assurance that she seeks. I will consider the recommendations of her Committee, especially the one that she cited. However, let me make the point that this Government implemented the Human Rights Act under which her Committee was established and the Act under which the Law Lords gave their judgment. We should be proud of the Act and of our approach. As my right hon. Friend said, we were clear from the outset during our first debates on the matter that difficult and not straightforward questions such as those that we are discussing would be raised, but it is better to address them with a discussion of human rights and its importance rather than trying to ignore them. I put that remark on record while giving a full commitment to examine carefully her Committee's recommendations.

Sir Teddy Taylor (Rochford and Southend, East) (Con): As there is obvious concern about any individual who is kept in prison for a long time without charge or prosecution, will the Home Secretary explain to us and the public the opportunities that the people in prison have to put forward their arguments if they think that the complaints made against them are inaccurate, or perhaps created by someone unfairly?

Mr. Clarke: They have the opportunities that the current law gives them; that is the state of affairs. It is important to recognise that our legislation is designed to deal with threats from organisations that want to destroy any such rights and abilities in any respect whatsoever.

Jeremy Corbyn (Islington, North) (Lab): Would the Home Secretary care to reflect on the fact that the big problem with the legislation is that it gives him the power to imprison foreign nationals, which is obviously discriminatory? Does he not think that we have crossed a rather dangerous rubicon, in that politicians, rather than independent courts acting under the criminal law, are allowed to imprison people?

Mr. Clarke: As my hon. Friend knows—his record on these matters is well understood in the House—there is a substantial process of review of any of the decisions taken in the area. That includes legally qualified people, so that judgments can be made on precisely the issues that he describes. However, I come back to the absolutely fundamental point; the House must decide whether it wants its Government to try to work to defend national security in these circumstances and to put that as a central question. That issue remains for my hon. Friend, for me and for every other Member of the House. I am sure that we will continue to discuss these matters, but I remain firmly of the view that one cannot simply assume that there is a benign set of organisations out there with a specific and interesting point to make. There are people who are determined to do what they can to destroy the fundamental foundations of our society.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The right hon. Gentleman will know that I have opposed the powers since their introduction. Any legislation that he introduces must reflect the judgment of the highest court in the land. He must do away with the right to hold people in detention indefinitely. Should he not be trying to create an offence of associating with terrorists or terrorism, which might, in appropriate circumstances, lead to a custodial sentence?

Mr. Clarke: I hear that suggestion and know that the right hon. and learned Gentleman has long experience of debating these matters in the House. I assure him that I shall examine his suggestion carefully when making the considerations to which I referred earlier.

Mr. Kevin McNamara (Hull, North) (Lab): My right hon. Friend is quite right to say that he will come to the House with proposals early in the new year—we look forward to hearing them—and to point out that terrorists are bent on destroying our fundamental institutions and our institutions of liberty. One of the fundamental institutions of which we were most proud was the fact that we did not detain people without trial or without allowing them to see the evidence on which they were kept in custody. Such things are fundamental, but we believe that the legislation has already given the terrorists one of the victories that they want. Will he examine carefully the suggestions of the Joint Committee and the Newton committee? In particular, no one understands why intercepted communications cannot be used if they might convict people, provided that the communications have been subject to proper safeguards. Finally, there are people in prison at the moment about whom we are talking in something of the abstract. What will happen to them in the meantime while he cogitates?

Mr. Clarke: I think I dealt with my hon. Friend's points earlier. I repeat that I will return to the House with proposals relating to all of them. I also repeat to my hon. Friend and the House that our obligation to do all we can to inhibit those who want to destroy our fundamental institutions of freedom is critical, and I am determined to uphold it.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): When the Home Secretary rightly warned against an instant response, did he recall the instant negative response that his predecessor gave the Newton committee when we recommended a range of measures which, taken together, could deal with these foreign nationals and, indeed, with United Kingdom citizens about whom similar suspicions were felt? Why has no work been done in the interim to prepare the new legislation that we thought should be prepared by the end of the year?

Mr. Clarke: I think I have already dealt with those points as well. I have committed myself to considering the issues involved, and to returning to the House to discuss them in the round.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Although most of those affected by the decision are in Belmarsh, one is in Woodhill prison in my

[Dr. Phyllis Starkey]

constituency. I entirely accept the Home Secretary's description of this issue as a difficult one, requiring us to balance the right of the individual to a fair trial against the need to protect the general public. When the issue returns to Parliament, will he be as open as he can be with Members about all the information behind these cases, and explain why the measures on which the Government decided were the only way in which the matters could be handled at the time? Back Benchers want to understand the reasoning behind the Government's current proposals.

Mr. Clarke: I can assure my hon. Friend that I will indeed be as open as I can be, although I think she and the House understand that difficult security issues are involved.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): During the passage of the 2001 Act, many of us could not quite square detention without trial with article 6 of the European convention on human rights. May I urge the Home Secretary to act quickly and positively? Otherwise, the certification that Bills comply with the Human Rights Act 1998 may well become a meaningless endorsement.

Mr. Clarke: I return to the point with which I began. The Human Rights Act requires a derogation to be indicated if necessary in a particular case. That was done in this case, quite properly. It is then for Parliament to decide how to respond to the circumstances. I do not think that our approach involves any devaluation of the Act, which has been followed to the letter and in accordance with processes that were established when the Bill was passed.

Mike Gapes (Ilford, South) (Lab/Co-op): My right hon. Friend spoke of the threat of international terrorism. When carrying out his assessment, will he take account of what happens in other countries facing similar threats? Will he also confirm that the individuals currently being detained could leave tomorrow, and return to the countries from which they come?

Mr. Clarke: I can confirm that. I had not thought to highlight the point, but it is important and arises specifically in the case of those detained in such circumstances. I can also confirm, as I did earlier, that we will consider the situation in the round.

Tony Baldry (Banbury) (Con): Does the Home Secretary accept that the Law Lords did not make what he described as an ethical, moral or philosophical judgment, but a legal judgment? Does he accept that that judgment is now a statement of law regarding the relationship between human rights legislation and terrorism legislation? Since the judgment, he has given the impression—unintentionally, I am sure—of being rather contemptuous of it.

Mr. Clarke: I am not at all contemptuous of the Law Lords' judgment. Theirs is the very highest court, and they judge the law in the way described by the hon. Gentleman. However, as an experienced parliamentarian, he will understand the relationship between their judgment and the duties and obligations of Parliament. That was clearly established at every point during the progress of the Human Rights Act, and rightly so. That has also been made clear by my right hon. Friend the Foreign Secretary and my right hon. Friend the Member for Sheffield, Brightside, the former Home Secretary, who I am delighted to see is present. That has been clear throughout the whole of this discussion. The Law Lords understand that very well and I am sure that the hon. Gentleman understands it properly, but it is in the light of that that the judgments have to be made by this Parliament.

Dr. Nick Palmer (Broxtowe) (Lab): Few of us envy the Home Secretary in the current dilemma, any more than we did his predecessor, who I am also extremely pleased to see in the Chamber. Many of us who feel that there is excessive hysteria about asylum issues in general still do not feel that it will be possible to defend free entry to Britain for people whom we believe wish to support terrorist acts in Britain. I consulted constituents on this last year, and my impression is that there would be widespread support for powers to prosecute people for co-operation with terrorists—I say co-operation rather than mere association—as an alternative to detention under current law, and that that should apply to British nationals as well as to foreign nationals. Will the Home Secretary consider that in his review?

Mr. Clarke: I will consider that, but my hon. Friend used the word "envy" in an interesting way when he said that he did not envy me or my predecessors the responsibility here. There is a key point here. If we choose to live in a democracy, we have to face up to the responsibilities of that and take the decisions necessary to ensure that we continue to live in a democracy. That may not be enviable, but it is not only my responsibility and the responsibility of other Members of the Government; it is for all Members of the House to think how to carry out such responsibilities properly. I would argue that that extends to wider groups in society as well. It is not a question of my having a particularly unenviable responsibility; it is a question of all of us facing up to our responsibility to preserve democracy when it is under these kind of threats. I am glad that the issue will be debated in the House in the new year so that we can consider how to address it.

Mr. Robert Marshall-Andrews (Medway) (Lab): In considering the matter, will the Home Secretary also bear in mind the political dimension of the difficulties that we and the Government have in rationally criticising the state of affairs in Guantanamo bay while we ourselves also have imprisonment in this way?

Mr. Clarke: I will look at those issues, but my hon. and learned Friend makes the point extremely clearly. The obligation to determine how to defend our democracy is particularly an obligation on our learned Friends in the House, who should consider how the law can play its proper role. That is a key question for us all.

Brussels European Council

3.57 pm

The Prime Minister (Mr. Tony Blair): With permission, Mr. Speaker, I shall make a statement on the European Council that took place in Brussels on 16 and 17 December.

I begin by congratulating Prime Minister Balkenende and the Dutch Government on their handling of the Council and, indeed, on their entire presidency. I also want to congratulate the presidency on achieving the historic agreement to begin accession negotiations with Turkey. This is a hugely important and welcome moment for Europe. Turkey lies at the intersection of three areas of strategic importance to Europe—the middle east, central Asia and the Balkans. So a stable and democratic Turkey will help to strengthen our influence and role in all three areas.

Turkey is an important and trusted NATO ally. It will take over the international security assistance force lead from Britain in Afghanistan and replace Eurocorps in Kabul next February. Turkey is a strongly growing economy which, as a market of 70 million people, imports over €40 billion worth of goods from the EU each year. Our own trade with Turkey is now over £4 billion a year and is growing at some 30 per cent. annually.

The fact that Turkey is beginning negotiations to join the EU shows that those who believe that there is some fundamental clash of civilisations between Christian and Muslim are wrong. Muslim, Christian and other religious faiths, can work together in democratic, tolerant and multicultural societies. Turkey's membership is therefore of fundamental importance for the future peace and prosperity of Britain, Europe and the wider world.

The European Council agreed that Turkey should begin negotiations on 3 October 2005, during the British presidency of Europe. Before this happens, however, Turkey will need to complete its latest reform package. The Turkish Prime Minister, Mr. Erdogan, confirmed during the European Council that he was ready to sign before 3 October the protocol to the Ankara agreement extending the European Union and Turkey customs union to the 10 new EU member states. That does not constitute formal legal recognition of the Republic of Cyprus. The accession negotiations thereafter are likely to last at least a decade. Turkey's performance, including in relation to respect for fundamental freedoms and human rights, will be closely monitored, and we will want to see a satisfactory track record of implementation before each of the negotiating chapters is closed. Moreover, there is the option of long transition periods, derogations or even permanently available safeguards, should these be required.

It is worth emphasising how much Turkey has achieved under Prime Minister Erdogan's leadership. He has now taken through nine separate packages of legislative and constitutional reform, bringing the military under civilian control, improving minority rights, abolishing the death penalty, significantly improving freedom of expression, liberalising the economy and reforming the penal code. Those reforms must continue, but this House should recognise the extraordinary progress that has been made. The developments in Turkey over the past two years, following the reforms across central and eastern Europe of the last decade, surely demonstrate the influence and power of the European Union as a motor for change and a force for good.

There were other significant decisions at this European Council. We confirmed the conclusion of accession negotiations with Bulgaria and Romania; both should join in January 2007. We decided to begin accession negotiations with Croatia on 17 March 2005, subject to its full co-operation with the International Criminal Tribunal. We decided on several new areas of action and co-operation in the fight against terrorism.

We welcomed the agreement reached with Iran on nuclear issues and future co-operation, following negotiations conducted by the UK, France and Germany. If, however, this process is to succeed, as we all want, Iran must sustain its full suspension of all enrichment-related and reprocessing activities.

The European Council confirmed its full backing for next year's elections in Iraq and its commitment to support them, finance UN protection and provide continuing reconstruction assistance. The violence and terror directed against Iraqis wanting to have free elections should simply make us redouble our efforts to ensure that democracy defeats terror and those elections take place. Whatever the original disagreement over the conflict in Iraq, I am pleased to say that that is a unified European position today.

We also committed ourselves to support financially, technically and politically the democratic transition in the occupied Palestinian territories, and we reaffirmed our commitment to achieving through the road map a negotiated two-state solution. Finally, we committed ourselves to helping to ensure that the rerun of the elections in Ukraine is free and fair, including through sending a substantial number of EU observers.

At this European Council, we achieved an historic British objective with the decision to begin accession negotiations with Turkey during the British presidency next year. If evidence is needed of the benefits of positive engagement and leadership in Europe, here it is, and I commend it to the House.

Mr. Michael Howard (Folkestone and Hythe) (Con): I thank the Prime Minister for giving me advance sight of his statement.

In respect of the middle east process, we support the emphasis in the declaration on accelerating implementation of the road map. On Iran, is the Prime Minister confident that this time the Iranian Government will honour the undertakings that they have given on their nuclear programme?

The communiqué refers to the importance of the millennium development goals. Cannot the European Union itself make a substantial contribution to the alleviation of international poverty by further reforming the common agricultural policy, allowing developing countries greater access to European markets and making the European Union's aid programme dramatically more effective and focused on the poorest countries in the world?

I endorse what the Prime Minister has said on Ukraine, and I welcome the successful conclusion of negotiations on the membership of Romania and Bulgaria and the date for opening negotiations with Croatia.

[Mr. Michael Howard]

The communiqué also refers to the EU budget. With such rapid changes taking place in the size of the EU, is it not essential that strict limits are now set on its budget? Will the Prime Minister assure the House that he will veto any EU budget above the limit of 1 per cent. of Europe's gross income?

The European Court of Auditors has refused to sign off the accounts for the past 10 years, and the former chief accountant of the EU, Marta Andreasen, says that the auditors cannot clear 95 per cent. of the budget and that the system does not allow them to say whether the money is being spent well or fraudulently. What action are the British Government taking to remedy that completely unacceptable state of affairs?

The summit was dominated by discussions on Turkey. I welcome the agreement that was reached on the membership negotiations and the prospect of Turkey providing an invaluable bridge between the rest of Europe and the Islamic world. Does that not lay to rest any claim that the European Union, or the west as a whole, is in any way anti-Islamic in nature? And should it not be seen as a very positive development for that reason alone? The Prime Minister was quite right to pay tribute to Prime Minister Erdogan for the reforms that have been introduced under his leadership and for the progress that has been made. I very much hope that those negotiations will reach a successful conclusion and that Turkey will, in due course, become a full member of the EU.

Does the Prime Minister agree with all those who have said that Turkish membership of the European Union is incompatible with the constitution? Those people include the chairman of the European Parliament's Constitutional Affairs Committee and the godfather of the constitution himself, Valéry Giscard d'Estaing, who said:

"The European constitution ... was not designed to accommodate a power the size of Turkey".

Does that not reinforce our view that the constitution is out of date before it is even ratified? Are reports true that the Prime Minister himself accepted that in a private meeting with Chancellor Schröder? Does he agree with his own Minister for Europe, who, with the ink barely dry on the constitution, now says that the

"Treaty won't be the last word"?

Earlier this year, the Minister for Europe signed a document calling for new EU taxes, a common immigration policy, a single welfare system and the surrender of Britain's seat on the UN Security Council. *[Interruption.]* The Prime Minister ought to know about that. Is that what the Minister for Europe meant when he said that the constitution would not be the last word? Is that the view of the Government? If not, why is the Minister for Europe still in the Government?

Will the Prime Minister tell the House the latest position on the Bill to ratify the constitution and allow for the referendum? It was promised four weeks ago in the Queen's Speech, but there is no sign of it—perhaps he will tell us why. Why does not the Prime Minister have the courage to start the debate that he says that he wants? Why does he not set a date next year for the referendum, so that the British people can have their say and so that we can give a lead to Europe, instead of following others? Will he now tell the House what he plans to do if the constitution is rejected?

Is not the fact of the matter that the constitution is a block on the kind of reform that an enlarged Europe needs? Was not the Prime Minister's own former economics adviser right—[HON. MEMBERS: "Oh!"] Labour Members laugh, but the Prime Minister selected his economic adviser and presumably listened to him for many years—when he said that

"the constitution is a missed opportunity to put the EU on a sound footing",

that the constitution will

"entrench Europe's economic failings and drag Britain down too",

and that the only reason why the issue of bringing more power from Brussels to Britain was not on the agenda was that

"the government was too gutless to put it there"?

The Prime Minister mentioned the British presidency of the EU in the second half of next year. Is not that an ideal opportunity for Britain to put the case for reform in Europe—the case for a Europe that gets out of the way of business, so that wealth and jobs can be created? Is not the UK presidency an ideal opportunity to put the case for a modern, flexible Europe: a Europe that is ready for the challenges of the 21st century; a Europe that transfers powers back from Brussels to the nation state; and a Europe based on co-operation and not on coercion? Is it not more vital than ever that, by the time of the EU presidency, Britain has a Government with the courage and conviction to put the case for the kind of Europe that the British people want to see?

The Prime Minister: First, let me deal with the issues that occupied us at the Council. In relation to the middle east peace process, we agree that it is important that we move that forward. I am confident that Iran will honour its obligations. I hope very much that it will; if it does not, we must be prepared to take further action. The leadership role that we have been able to exercise with France and Germany has been important at least in getting a bigger measure of co-operation than we have had for many years.

On the millennium development goals, I agree with the right hon. and learned Gentleman about further reform of the common agricultural policy, access to EU markets and the aid programme. All that will have to be negotiated with our partners; that is why it is important that we retain some friends and influence in Europe.

In relation to the EU budget, we are leading the fight to ensure that there is a limit of 1 per cent. That is our position. Again, we continue to work with other countries on the issues raised by the Court of Auditors.

In respect of Turkey, of course I agree that it is very clear that it should not be a question of an anti-Islamic EU; I think that that myth has been laid to rest by these successful negotiations in Europe.

Let me come to the issues that the right hon. and learned Gentleman raised on the EU constitution. First, Turkey is fully in favour of the constitution. I am sorry to have to disappoint him about that. Valéry Giscard d'Estaing is actually against Turkey coming into the

European Union. He is entitled to take that position. Fortunately, however, Europe has decided that Turkey should come into the European Union.

As for the right hon. and learned Gentleman's position on the constitution, I have to tell him that as far as I am aware every other Government in Europe is in favour of it. He has no support for his position from any other Government, be it a conservative Government, a social democratic Government or a liberal Government. Has he got any ally in any Government on his position? Absolutely not. So when he talks about how we should use our influence in Europe, the fact of the matter is that he would completely marginalise this country in the European Union.

Of course, his real desire is not to oppose the constitution, but to renegotiate the existing terms of membership. That is right, is it not? That is the official position of the Conservative party today. It is true that the right hon. Member for Wokingham (Mr. Redwood), who was brought back into the shadow Cabinet, says that that would be "easy", but the former Conservative party chairman dismisses it as "virtual reality" and the former Conservative Prime Minister as "absurd". The last Conservative Chancellor said that it would

"provide a terminal blow to our EU membership or end in . . . a humiliating u-turn".

The last Conservative Foreign Secretary described it as

"little more than a euphemism for us to quit Europe".

Let me read what was recently written by the right hon. Member for Kensington and Chelsea (Mr. Portillo) about the claim by the Leader of the Opposition that anyone not carrying out Conservative commitments would have to resign. He said:

"Howard told us that any minister who failed to deliver on commitments would be fired. Perhaps the next Tory Foreign Secretary should keep a signed letter of resignation in his pocket, because it is hard to see how he could extract Britain from Europe's common fisheries policy and social chapter".

That is the reality. Unless something is renegotiated by agreement, it is not renegotiation. That is why, to be frank, at least the United Kingdom Independence party has an honest position on this. It wants to get Britain out of Europe because it recognises that renegotiation on those terms is not possible. The truth is that the right hon. and learned Gentleman cannot point to a single ally for his renegotiation—not one. *[Interruption.]* Well, we have tried this before. Who are the allies? Who are the European countries that are allied to him? Can we hear it? Right—silence. He has to get all the other 24, then 26, then 27 to agree. It is a fantasy policy. It is dishonest as a policy, because it says that one can do something that everyone knows cannot be done. He may say that it is supported by the British people, but I doubt it in the end. I think that the British people will understand that getting this country out of Europe is a mistake—that it would isolate us unnecessarily and do damage to our business and industry. That is why I believe that the Conservative party continues, on this issue and others, to be unelectable.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): I thank the Prime Minister for his statement on the significant summit of a few days ago. Does he agree, when we hear some of the sceptical sounds that are made about Europe, that after a summit that has welcomed the finalising of accession treaties with Romania and Bulgaria and set dates for their accession, thereby opening important accession discussions with Turkey and Croatia, it is a bit odd that all the welcome new countries—democracies emerging from the shadow of the cold war—are queueing up to join the institution, while others would have us believe it is a manifest disgrace and disability to us all? People should reflect on that when they hear some of the nonsense that is talked about the welcome progress on the European front.

Does the Prime Minister agree that opening discussions with Turkey sends a positive signal about the European Union to the rest of the world? The European Union is open, secular and united by democracy and human rights. Given that, will the Prime Minister go a little further than he went in his statement about how he—or the Foreign Secretary—views the squaring of the circle regarding Cyprus and the legitimate, continuing interests of our country in that context? I appreciate that that is a difficult question.

Given the Home Secretary's answer to an urgent question earlier, does the Prime Minister find it difficult when attending European summits to square indefinite detention without trial at Belmarsh with the statement in the summit's conclusions:

"Efforts to combat terrorism must respect human rights and fundamental freedom"?

We all agree with that, but it does not sit comfortably with the exchanges in the Chamber a few moments ago.

The Prime Minister properly referred to Iraq. Will he give us some indication of the Government's current thinking on possible requirements for the deployment of more British troops in Iraq? Did he have a chance at the summit to speak to his Polish opposite number about Iraq? Poland confirmed only last week that it will pull out 1,700 troops—approximately half its force—from Iraq in February. Against the electoral timetable, which we all support, that raises legitimate anxieties about what further commitment, if any, may be required from our country and armed forces.

The Prime Minister: I thank the right hon. Gentleman for his general welcome for the summit. His comments about the new countries are right. The Conservatives have got themselves into a truly bizarre position: the 10 new countries that have joined the European Union all support the European constitution; Romania and Bulgaria, which will also join, support the constitution, and Turkey, which is coming in, also supports the constitution.

Mr. Howard: Give people a vote.

The Prime Minister: We have made it clear that people in this country will have a vote and the final say in a referendum. However, what is the sensible position for a Government to take? We appreciate that, in the end, the question will be put to the British people, but is it sensible for a Government who have to work in Europe and who welcome the new countries that are joining to take a position that is so at odds with every other Government in Europe?

The right hon. Member for Ross, Skye and Inverness, West (Mr. Kennedy) mentioned Turkey. Of course, I hope that Turkey would have made progress on

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democratic and political rights in any event, but European Union membership has played a dramatically important part in ensuring consent in countries for the big process of change. The right hon. Gentleman mentioned Cyprus. Under the first EU presidency in 1998, when we dealt with Turkey and Cyprus, I personally would have found it inconceivable that we could get Turkey to support the Kofi Annan plan. The fact is that it did support that plan. Indeed, it was the Greek Cypriots who, in the end, rejected it. That will have to be resolved by negotiation, but it is a sign of just how much Turkey has changed under this magnet of EU membership.

In respect of Belmarsh, I obviously cannot agree with the right hon. Gentleman, but I would just make this point. Of course it is extremely important to pay close attention to the civil liberties of our citizens—indeed, this Government incorporated the human rights legislation in British law—but I hope people also understand this from the position of decision takers, who are desperately anxious to prevent terrorist attacks in this country in circumstances where there are people who our security and police services are telling us are a direct threat to this country's security, who are free to leave this country at any time, and who do not have rights of citizenship here.

In those circumstances, we have tried to constrain how we act as much as possible to make it compatible with human rights. Of course I understand people's concerns—I do not disrespect them at all—but I think that our primary responsibility has to be to protect the lives of the citizens of this country. As we have seen from 11 September, from Madrid and elsewhere, there are terrorists, I am afraid, who are prepared to cause destruction on a massive scale.

Incidentally, it is true to point out that many other European countries have very tough security legislation. It is not always the same as ours, but I can assure the right hon. Gentleman that it is also very tough. Just as I came into the Chamber, I heard an Opposition Member talking about a possible criminal offence in respect of the right of association. That is a very wide criminal offence to introduce. It applies in certain other European countries, but frankly it gives rise to exactly the same debate about civil liberties as we are having over Belmarsh.

Finally, in relation to Iraq and troop requirements, it is correct that some of the 11 or 12 European countries with troops in Iraq will be either reducing their capability or pulling out, mainly because they have already taken a position to end their troop deployment in Iraq at a particular time. However, at the same time we are building up the Iraq security forces. We keep the question of additional troops under review the whole time, but we have no current plans to deploy.

Mr. Ben Chapman (Wirral, South) (Lab): I very much welcome the decision to enter into accession talks with Turkey, but does my right hon. Friend accept that the issue of Cyprus will indeed loom large as a background, and that, in this context, the way forward is to revert to consideration of the Annan plan and to recognise that the situation we find ourselves in is, as he says, that the Greek Cypriots, who voted against the Annan plan, find themselves with the full benefit of EU membership while the Turkish Cypriots, who voted for it, find themselves in isolation—without direct flights, without EU aid and without direct trade?

The Prime Minister: I take the point that my hon. Friend makes. We strongly support the EU commitment to end the isolation of Turkish Cypriots. That is one of the issues that we have discussed before at the European Council. Direct flights to the north of Cyprus would of course contribute towards ending that isolation, but this is an immensely complex legal area, although we are examining the issue. We also support proposals from the European Commission for direct trade between north Cyprus and the EU and financial aid to north Cyprus. We are working to ensure that those are agreed on, so I hope we show that we are earnest and have good intentions in that regard. I hope that, over time, we will be able to see the negotiation of a satisfactory solution to Cyprus.

Mr. William Cash (Stone) (Con): The Prime Minister may have seen a recent poll which showed that 18 to 24-year-olds and 65 per cent. of the Scottish voters have said that they would like to move to associate status. In relation to the question of renegotiation, which he has just raised with the Leader of the Opposition, does he deny that it is open to Parliament to legislate inconsistently, if necessary, with the European Communities Act 1972 itself, or indeed with rulings of the Court or with treaties or other laws of the acquis communautaire?

Does the Prime Minister therefore understand that if there is a no vote in the referendum, which he has promised, he himself will be faced with renegotiation? What will he do if there is a no vote?

The Prime Minister: I will, of course, accept the verdict of the people. When the hon. Gentleman talks of associate status, he is talking of his desire to get to associate status. That is at least an honest position for the Conservative party to take, as it is the effect of what it is saying. Whatever the Front Bench wants to do to try to walk around the issue, to try to keep together the two bits of the Conservative party, the fact is that were we to renegotiate the terms of membership, there is no doubt—this is not about renegotiating the EU constitution but about renegotiating existing terms of membership—that that would end up either with this country being utterly humiliated and having to accept that we could not do it, or, I agree, with us headed for associate status. He says that that is what people in this country would want. Well, he can adopt that position, but I am afraid that I would be prepared to challenge it. If people do think that, it is right that we should stand up and say that European Union membership, and being part of the European Union, is good for this country, our business, our trade, British jobs and British influence in the world. We will get to that debate, which we will have in the course of the referendum on the constitution, but at least he is adopting an honest position: that he sees a no vote in the constitution referendum as the first step towards associate membership, which means "out of Europe".

Mr. Dennis Skinner (Bolsover) (Lab): Why does the Prime Minister not acknowledge for once in a while, when answering the Tory Opposition on the question of the European Union and its predecessor, the Common Market, that there is a set of revolving doors? When the Tories were in power for 18 years, they went into the Common Market revolving doors, and when they went into opposition in 1997, they came out in opposition to the Common Market. That is what has happened ever since 1973. A few of us have stayed in the same place while the revolving doors have been going round. Will he accept that when we fight the next election, we will fight it on the strength of this Labour Government, not on whether we believe in the Common Market or are against it?

The Prime Minister: I take my hon. Friend's point about revolving doors—as people go into government, they become in favour of retaining Britain's membership of the European Union. That only indicates to me the sanitising effect of government, which is why I am so keen that we carry on doing it.

Mr. Alex Salmond (Banff and Buchan) (SNP): Can the Prime Minister tell us a bit more about the positive engagement and leadership that he intends to exert during the British presidency, and is he looking forward to that six months as potentially the climax of his political career?

The Prime Minister: We can certainly play an important role in Europe, in relation to economic reform and taking forward the G8 presidency issues, and of course we will begin the Turkish accession negotiations. I look forward to doing that and much more.

Mr. Ian Davidson (Glasgow, Pollok) (Lab/Co-op): May I urge the Prime Minister to ignore the voices of those Euro-enthusiasts who not only welcome the discussions with Turkey but urge its immediate full entry into the European Union, because full entry means freedom of movement? All the evidence is that currently up to 30 million Turks would wish to move to the west. May I urge him to reject that policy, which has been advanced by the Liberal Democrats, and to stick to the Government policy, with "the option of long transition periods, derogations, or even permanently available safeguards, should those be required"?

The Prime Minister: I profoundly disagree with my hon. Friend, not just with what he said, but with its tone. It would not be helpful or sensible to start having a debate about Turkish membership of the European Union on the basis that millions of Turks are about to flood across Europe. That is not what has happened in respect of the eastern European countries that have come in: the vast majority of the people who have come here have come to do jobs. A tiny number of them have even made benefit claims, and the vast bulk of those have had those claims refused.

A lot of people who come to this country make a vital contribution to it. There will be a significant period of time before Turkey becomes a member of the European Union, and, as my hon. Friend acknowledged in the latter part of his question, there will then be a series of safeguards, transitional periods and so on available to us. Of course, Turkey will be a very different country by that time. It has made remarkable strides, under the impulsion of European Union membership, over the past few years, and I am sure that a democratic and stable Turkey, anchored in the European Union, will be a very important part of our security for the future.

Mr. David Curry (Skipton and Ripon) (Con): In the long-term battle to combat the causes and circumstances that lead to terrorism, is not the opening of negotiations with Turkey likely to be much more important than the invasion of Iraq, because it demonstrates the importance of the soft power that the Europeans are good at, alongside hard military power? Will the Prime Minister perhaps persuade President Bush to recognise the importance of that European experience in creating stability and democracy in Europe and in the wider world, and to create more effective partnerships rather than depending almost exclusively on the hard power in which the Americans are so pre-eminent?

The Prime Minister: I have to say that there are occasions on which we need both the hard and the soft, and if we succeed in Iraq—as I am sure eventually we will, despite the actions of terrorists and insurgents—that will be a big force for stability and democracy in the region. I agree with the right hon. Gentleman that Turkey's accession is an indication of the force for good that the European Union can be. I have no doubt that President Bush will probably agree with his point about Turkish membership of the European Union, when he comes over to Europe some time later next year.

Keith Vaz (Leicester, East) (Lab): I congratulate my right hon. Friend on his work in ensuring that Turkey is allowed to begin negotiations. I know that he has worked long and hard on this issue for the past seven years. However, does he share my concern about the level of opposition in some countries, such as France and Austria, where a large number of people are against entry? Some of them express the opinions put forward by my hon. Friend the Member for Glasgow, Pollok (Mr. Davidson), and it is extremely important that we campaign on this issue in Europe. What steps will my right hon. Friend take to ensure that that happens, and what does he think Parliament should do to aid that process?

The Prime Minister: President Chirac is to be congratulated on his courageous stand on Turkish accession to the European Union, in difficult circumstances for him domestically. My hon. Friend is right to say that there are countries where public opinion is against Turkish membership. The best way to persuade them is to make the argument calmly and reasonably, to state the fact that this will happen over a long period, with the ability to make the transition, and to point to the fact that fears have been raised in most instances of new countries acceding to the European Union. It is clear that Turkey represents a different order of accession—but it is for that very reason that we have set aside a significant time for the process. I hope very much that Britain continues to be a force in favour

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of Turkish membership of the European Union, and I am sure that my hon. Friend is right about the long-term benefits.

Mr. Francis Maude (Horsham) (Con): Does the Prime Minister not feel that although the decision to embark on negotiations with Turkey is welcome, the idea that those negotiations will take, as I think he said, at least 10 years is rather depressing, and risks losing the focus in Turkey on exactly what kind of changes are needed, particularly on resolving the issue of Cyprus? Turkey and Turkish Cypriots were for so long the block on progress, but, that block having been removed, there is now a risk that the deadlock will persist long into the future, which would destabilise the European Union.

The Prime Minister: We must be careful about that, but as for the statement about the process taking at least a decade, of course it all depends on how quickly Turkey fulfils the criteria, can close the negotiations, and so on. That statement has been made several times, and I do not think that it comes as news to Turkey. In the end, this is a question of trying to manage what, as I have said, most people accept is a different order of enlargement. Turkey coming into the European Union is not the same as an eastern European country of 4 million or 5 million people coming in. That is why we need to give people confidence that the criteria will be adhered to, and that there is the possibility of making transitional arrangements. However, subject to that, the time scale will constitute a prediction. Once accession negotiations begin, the question of how quickly they can be concluded will be in the hands of the Turks themselves.

Mr. Parmjit Dhanda (Gloucester) (Lab): I welcome what my right hon. Friend has said about not only Turkey but Croatia. Does he agree that this development holds out the real hope that the rest of the former Yugoslavia might be able to join the European Union, but that there must be two provisos in that regard? First, there must be a final solution concerning Serbia and Montenegro. Secondly, those involved in the most heinous war crimes during the conflicts in the former Yugoslavia must be arrested and charged, to ensure that they end up in The Hague, which is where they belong.

The Prime Minister: It is obviously important that there is co-operation with the International Criminal Tribunal for the Former Yugoslavia. However, it is still a remarkable thought that the countries of the Balkans, which was a byword for instability and war for decade upon decade, are now plausible members of the European Union. That shows how much things have changed in that region, and if we continue with that change we will achieve even further steps towards re-integrating the Balkans with the rest of Europe. I agree entirely with my hon. Friend: it is important that Croatia abide by its co-operation with the tribunal, because other countries have to do the same.

Mrs. Patsy Calton (Cheadle) (LD): Will the Prime Minister comment on the position of property in northern Cyprus seized from its owners during and after Turkey's invasion?

The Prime Minister: This issue has been part of the negotiation and it has been tremendously sensitive on all sides. Frankly, it can be resolved only in the context of an agreement to a plan for the whole of Cyprus. People understand its importance, but it is probably better if I say no more about it.

Mr. Harry Barnes (North-East Derbyshire) (Lab): On Iraq, the Prime Minister said that the European Council has confirmed its full backing for, and financing of, United Nations protection. Is not part of such action this Government's supplying of weapons to the fledgling Iraqi security forces, police and army? Words are not enough, and such action is surely necessary in order to contain terrorist forces in Iraq.

The Prime Minister: My hon. Friend is absolutely right, and we must ensure that we not only train the Iraqi forces but equip them properly, so that they can defend themselves against terrorists who are often very well financed and well armed.

Mr. John Gummer (Suffolk, Coastal) (Con): Does the Prime Minister accept that even those of us who are not as enthusiastic as he is about Turkey's membership of the European Union will point out the attraction of the EU to the many countries that want to join it? Central to that attraction is democracy and the rule of law, so how can he go on talking as he does, given what is happening in Guantanamo bay and in Belmarsh? Is it not true that we need to put those things right before Turkey will listen to what we are asking it to do?

The Prime Minister: We have made clear on a number of occasions the position concerning the British detainees in Guantanamo bay; Belmarsh, however, is a different situation. Those detained there are free to leave the country, and some actually have. The right hon. Gentleman faced this problem when he was in government; indeed, for a considerable time back then, the Labour party was probably on the other side of the argument in this House concerning prevention of terrorism legislation. We do not in any way dismiss the argument about the civil liberties of those detained in Belmarsh. However, given what we know these people are capable of, given that our security services tell us that there is a reasonable suspicion that they are plotting terrorist activity, given that we have gone through a judicial process—albeit one that is not in accordance with the normal procedures of law, but which was headed by a High Court judge—and given that these people are actually free to leave this country, I, as a decision taker, having taken account of the civil liberties argument, must in the end put the security of the British people first.

Our security services indicated that if we let such people out, we could not guarantee that we could survey them adequately, or that we would not lose some of

them. This issue is difficult and we must return to it repeatedly, argue about it in this House and in the media, and have a public debate on it. My belief, on balance, is that we have to maintain this position, but in pointing to my belief I do not dismiss the right hon. Gentleman's argument. I simply say, as he knows from when he was in government, that it is a heavy responsibility to allow out on our streets people whom we know or believe may want to cause death and destruction to our citizens.

Mr. Andrew Dismore (Hendon) (Lab): I very much welcome the decision on Turkey, but the fact remains that it is in military occupation of an EU state—northern Cyprus. The problem would not have been resolved by Annan 5, which would have allowed Turkish troops to remain in Cyprus in perpetuity. Will my right hon. Friend consider whether a new initiative on Cyprus could be launched before October, perhaps after the elections in northern Cyprus in February? On the matter of trade, perhaps we should think more about free trade in the round rather than direct trade with the rest of the EU. In particular, we should ask the Turkish Cypriots to lift their embargo on imports from the Republic of Cyprus into the north.

The Prime Minister: I know that my hon. Friend has raised this issue a number of times and it is obviously of great importance to the Greek Cypriot side. I hope that it will be possible to get back to some sort of sustained negotiations. Cyprus is now in the EU, Turkey wants to join the EU and we have agreed to start accession negotiations, so it really does not make sense to carry on having this contention between the Turkish and Greek side of Cyprus. We have discussed the matter on many occasions with Kofi Annan and we will continue to look for a way to revive the process.

Mr. Andrew Mackay (Bracknell) (Con): In the context of strongly supporting what the Prime Minister said about Turkey's application being an historic moment, I put it to him that, after the sad failure of the Kofi Annan plan, which many people thought was the best way forward for Cyprus, the EU made a clear move to open up trade with northern Cyprus and to internationalise the airport. That has slowed down very badly indeed, so will the Prime Minister assure the House that he is using his full powers to speed it up? Otherwise, confidence in northern Cyprus and Turkey will be lost.

The Prime Minister: I entirely understand the right hon. Gentleman's point. Yes, we certainly will use our best endeavours to make sure that the blockage is unblocked.

Chris Bryant (Rhondda) (Lab): Some people argue that we should not sign up to the draft constitutional treaty because it would bring about a European foreign Minister and a shared foreign policy, which they believe would be counter to the interests of Britain. However, does not the experience of this year—whether we are talking about Iran, where the EU played a significant role in ensuring greater stability and safety for the region, or about the Ukraine, where Javier Solana played an important part in ensuring stability—show that a shared foreign policy is in Britain's best interests and that the sooner we sign up to the constitutional treaty the better it will be for us all?

The Prime Minister: What the last two years show is the validity and importance of Europe working together—for example, in respect of Iran and, more recently, Ukraine. They also show clearly that when Britain decides as a sovereign country to go its own way and disagree with other European countries, as over Iraq, it can do so. Those years also show that there are other issues, such as the middle east peace process, in respect of which we are somewhere between the two. That demonstrates the importance and common sense of Europe co-operating where it can and wants to, and of this country being free to run its foreign and defence policy when it needs to. That is precisely the situation that will be maintained under the new European constitutional treaty.

Rev. Martin Smyth (Belfast, South) (UUP): I welcome the Prime Minister's clear thinking on the need for democratic countries to protect their own citizens, but does he agree that Turkey could advance its hopes for accession if it were prepared to acknowledge past failures in respect of the Armenian massacres?

The Prime Minister: If I may, I will not get into that issue. I hope that the hon. Gentleman agrees that what Turkey has done over the past few years represents, on any basis, remarkable progress in human rights terms. Under the guidance, in a sense, and the pressure of EU negotiation, it will continue to do even more. It will do it as a sovereign country because it wants to. It is better to look to the future.

Dr. Nick Palmer (Broxtowe) (Lab): The Prime Minister's report from the European summit quite naturally focused on the accession of new countries, which directly affects the EU. Does he agree, however, that it is quite possible that when we hold the chair of the EU in the second half of next year the key issue will be giving the final push to a settlement for Israel, Palestine and the other countries involved in the long-running conflict there? Does he agree that it would be a crowning achievement for the EU if it helped facilitate a transformation of the situation for the years to come?

The Prime Minister: I hope very much that Europe will play a constructive role in the middle east peace process. We would certainly like that to happen.

Mr. Patrick McLoughlin (West Derbyshire) (Con): The Prime Minister said that

"we committed ourselves to helping to ensure that the re-run of the elections in Ukraine is free and fair".

I am sure that we would all hope that that is the case. He also said that the Government would send a substantial number of observers. Does he think that a substantial number of observers should be sent to the Iraqi elections, and would they be safe?

The Prime Minister: The issue of observers for the Iraqi elections has not been decided yet. Obviously, if at all possible, it would be right to send observers. The process is being conducted by the United Nations, and

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it is important that we try to do that. Obviously, there will be security issues, and we shall have to take account of them. But most people would like to see the elections in Iraq held as freely and fairly as is possible. If only the terrorists stopped, of course, that would happen.

Mr. Julian Brazier (Canterbury) (Con): After the European Council had finished examining the troublespots to the east, did it take a moment to look to the south, to Sudan and Zimbabwe, with both of which Britain has a long-standing connection? Both are countries where brutal Governments are currently engaged, through a series of semi-legal militias backed by the apparatus of the state, in massacring many of their own subjects in ethnic minorities and opposition political groupings.

The Prime Minister: Yes, of course we considered the question of Sudan. We reiterated the very strong position in support of the African Union troops and the need for the Sudanese Government and those fighting on the other side to conclude an agreement by the end of the year. We have to keep up pressure to do that.

On Zimbabwe, there are different positions in Europe, but the British Government's position remains the same. We do what we can to help people in Zimbabwe who have a difficult situation and for whom it is intensely difficult to function properly politically. We do what we can, but what more we can do is often difficult to foresee exactly.

Mr. Richard Allan (Sheffield, Hallam) (LD): With the waves of accession that are now planned, the problematic countries of the former republic of Yugoslavia and Albania will find themselves surrounded by the EU but outside of it. Can the Prime Minister assure the House that their development remains high on the European Council agenda and that it will not lose priority because of everything else that is going on?

The Prime Minister: Yes, I can give that assurance.

Mr. John Bercow (Buckingham) (Con): Given that trade-distorting subsidies to western agricultural production are both morally wrong and economically damaging, and that such destructive policies help, at least in part, to explain why, on present trends, the noble millennium development goals will be achieved only between 100 and 150 years beyond the due date of 2015, can the right hon. Gentleman indicate what faster timetable and greater specificity of policy in terms of trade justice he has in mind that can be progressed to give the poorest people in the world the chance to compete and grow?

The Prime Minister: The only answer is to make sure that we give, in the World Trade Organisation round, a comprehensive EU offer that deals with access to markets and with the common agricultural policy. That is what we will be fighting to ensure in Europe. There has already been a significant movement, and there needs to be much more. That will then have to be joined by other countries; it is not just a European problem. The one thing of which I am absolutely sure is that one of the main claims that will be made by civic society, non-governmental organisations and the Commission for Africa will be that it is wrong to tell Africa that it should stand up for itself and stand on its own two feet while we keep its goods out of our markets. We need to open our markets, and that will be good for Africa and, ultimately I believe, good for us.

Point of Order

4.50 pm

Mrs. Alice Mahon (Halifax) (Lab): On a point of order, Madam Deputy Speaker. I am sure that you have been following events in Birmingham, where Sikhs have been demonstrating against a play that they said was offensive to their religion. The demonstrations turned violent over the weekend and I understand that the production has now been pulled. This is an extremely serious matter, because the police should guarantee the security, of theatre-goers and anyone else. The Sikh community has said that it cannot guarantee that there will be no more violence. Has the Home Secretary indicated whether he will make a statement or are we to have our theatres censored by the mob, who will decide what we watch and do not watch?

Madam Deputy Speaker (Sylvia Heal): I understand the concern expressed by the hon. Lady, but it is not a matter for the Chair. I certainly have not been made aware that the Home Secretary intends to make any statement.

Sir Michael John Austin Cummins

4.51 pm

The Leader of the House of Commons (Mr. Peter Hain): I beg to move,

That this House expresses its gratitude to Sir Michael John Austin Cummins, on his retirement from the office of Serjeant at Arms, for his 23 years in the service of this House, including five years as Serjeant at Arms, which was preceded by 24 years of distinguished military service, and for his unfailing courtesy, good humour, and helpfulness to individual honourable Members; and extends to him its best wishes for his retirement.

I believe that the whole House will wish to support this motion and join me in paying tribute to Sir Michael, who retires at the end of the year. Michael and his staff, including the doorkeepers, do an exceptional job. He is regarded highly, and with much affection, by Members and staff alike. I know that the whole House will also join me in paying tribute to his wife Catherine, who is seated under the Gallery and is doubtless checking that all our tributes in his honour are up to scratch.

Sir Michael has served this House since 1981, following distinguished service in the Army. After graduating from Sandhurst, he served in the Royal Scots Dragoon Guards, reaching the rank of lieutenant-colonel. He saw service overseas in Germany, Norway, Denmark, Aden and Kuwait and in operational tours in Northern Ireland.

Sir Michael joined the House as a Deputy Assistant Serjeant at Arms and was promoted to Assistant Serjeant at Arms in 1982, later becoming Deputy Serjeant at Arms in 1995 and then Serjeant at Arms on 1 January 2000. He has overseen significant modernisation reform to the House, including the introduction of television coverage, the huge expansion of information technology and, following the Braithwaite review, a comprehensive programme of change, including the creation of a new senior management structure.

Sir Michael also managed the completion of the building works to Portcullis House, the occupation plan for the building and the official opening by Her Majesty the Queen in February 2001. He oversaw the lying in state of Queen Elizabeth the Queen Mother and the successful golden jubilee celebrations in 2002. He led the accommodation review that resulted in the House, for the first time, having a coherent forward accommodation strategy. He also formulated and put into practice a comprehensive contingency plan for the relocation of the House in an emergency.

Sir Michael showed determination in the face of this year's serious security breaches and I know that he welcomes as much as I do the appointment of the new security co-ordinator. When, earlier this year, there was some disparaging comment in the media about the so-called "men in tights", none of it saw fit to mention the fact that Michael has seen front-line service in Northern Ireland in the notoriously dangerous border areas. In any case, I would be the first to acknowledge that nobody looks better in black stockings than he does—well, no men, anyway.

Throughout his time here, Sir Michael has exercised his responsibilities with great courtesy, good humour and charm. He has always been approachable and unfailingly helpful to individual Members. The Serjeant's parties are reputed to be the best in the Palace

[Mr. Peter Hain]

of Westminster and, I am told, involve even more fancy dress than he has to wear in the course of his daily duties. We will indeed miss him.

I believe that the whole House will join me in expressing our thanks to Sir Michael, and in wishing him, and his wife Catherine, a long and happy retirement—and knowing him, probably a busy one, too.

4.55 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): On behalf of the Opposition, I join the Leader of the House in his tribute to Sir Michael Cummins, the 37th Serjeant at Arms—a post first established in 1415. During his 23 years here, he has made a huge contribution to the work of the Serjeant at Arms Department, since 1995, as deputy Serjeant, and during the last four years as the Serjeant.

As has been mentioned, Sir Michael oversaw the opening of Portcullis House, the new parliamentary building that has done a huge amount to improve the work of this place. He has also overseen the major development of information technology, which now has a department of its own.

During this period, there has been a large increase in the number of people visiting Parliament and I know how pleased Sir Michael has been that so many have been able to enjoy that experience. Inevitably, he has overseen an extension of our security precautions, but has always borne in mind the wish of the House that this place be accessible to our constituents. He has shown great dignity in the face of some unfair criticism.

In implementing all those changes, Sir Michael has shown great skill and been unfailingly courteous. From my time on the Administration Committee, I remember the helpful way in which he addressed the ideas of individual members, while always seeking to ensure that the most adventurous ideas were very fully scrutinised before being implemented. As a result, many of them did not see the light of day.

Sir Michael was able to bring a wealth of knowledge to the discussion of all areas under his responsibility, including security, where he had detailed knowledge of the work of other Parliaments. I know that members of the House of Commons Commission found that particularly useful.

Michael Cummins has served his country well as a soldier and in his work in the House. We wish him and his wife Catherine a long and happy retirement in Pimlico. I am sure that we all hope to see them visit this place regularly. Perhaps Sir Michael will find more time to enjoy his recreations of tapestry and equitation—although I suggest that he should not try them both at the same time.

4.57 pm

Mr. Paul Tyler (North Cornwall) (LD): My right hon. and hon. Friends and I are delighted to associate ourselves with the tributes to Sir Michael.

I want particularly to draw attention to the role that Sir Michael has played in modernising the House over the past five years. As the Leader of the House said, it has been a period of dramatic change—not least in terms of IT, which Sir Michael has had to steer through. My hon. Friend the Member for Sheffield, Hallam (Mr. Allan) has reminded me that that is by no means the sort of activity that one would normally associate with retired military personnel, or indeed with those whose main hobbies were equitation and tapestry. The process has been remarkably smooth compared with many other processes of a similar nature.

The other thing I wanted to mention is that there has been—*[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order. There is far too much conversation in the Chamber.

Mr. Tyler: As the Leader of the House has already said, the Serjeant has had to look after us in a period of particular difficulty in relation to the security of these buildings. There has been much unfair, ill-informed criticism of the Serjeant's team. This is an opportunity for us not only to thank him but to pay tribute to his staff who look after us so well. It is important to recognise that prevention is just as important as response and the Serjeant has done us proud in the way that he has led his team in that respect. They are unsung heroes and heroines and they deserve all the praise we ean give them.

The quality of Sir Michael's leadership is seen in the performance of his Department. We can be very proud of the way in which it works on our behalf. The Liberal Democrats, too, wish Sir Michael and Lady Cummins a long, happy and very rewarding retirement.

Hon. Members: Hear, hear.

4.59 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Members of Parliament are not easy people to organise. They all come here with a firm conviction not only that are they elected solely on the basis of their own brilliance, but that everything that they do should be given precedence over all the other 654 Members with whom they work. To seek to organise them at least in some comparatively sensible way, any servant of the House—the Serjeant at Arms is the most senior and most important servant of the House—must learn to deal not only with that vast number of bruised egos, but with the day-to-day complications presented by a building that, for centuries, has been the centrepiece of freedom in this country, where our people must have access, where the public must have the right to come and where hon. Members must congregate to express freely the views that they represent from their constituencies.

Sir Michael Cummins has exercised that task with not just wit and sense, but enormous courtesy. Every hon. Member who has had to deal with him knows that he is very sensitive and has always been extremely anxious to maintain the reputation of Parliament and deal with the needs of individual Members, irrespective of whether they are Back-Bench or Front-Bench Members. In the past year, he and his staff have been subjected to gratuitous, unhelpful and astonishingly ignorant criticism, based on extraordinarily superficial things, such as the court dress that his office brings with it. If we ever lose touch with those traditions that have

made this a great Parliament, we shall be the poorer for it. The fact that he has borne those criticisms stoically has given me to understand that possibly some of the assault courses that he had to negotiate in the Army must have given him excellent training for his job in the House of Commons.

I hope that Sir Michael and Lady Cummins will look back on their time here perhaps with affection, somewhat tempered from time to time by reservations about some of the things that have happened. I hope, too, that they will go away not with regret, but with appreciation in their hearts from those of us who know that those who undertake that very difficult task frequently do so with little appreciation and with—on the part of many Members of Parliament, I hope—our prayers and certainly our affection.

5.2 pm

Mr. David Trimble (Upper Bann) (UUP): It is a pleasure to associate myself and my colleagues, on whose behalf I speak, with the comments made and good wishes expressed to Sir Michael on his retirement. Just listening to the recital, particularly by the Leader of the House, of all the changes that have taken place over the past five years almost took me by surprise. I suppose that it is a tribute in a sense to the skill with which those changes have been manoeuvred into place that we now take so many of them for granted. The smoothness with which that has happened is in itself a significant achievement.

Hon. Members have also referred to the security difficulties that have arisen in recent months and they have rightly noted the ill-informed comments that have been made and the ignorance about the House that they reflected. Obviously, there must be a response to the changed circumstances and to the threat, but I very much hope—I think that this is the view of my colleagues—that, in that response, we will bear in mind the traditions of the House, the need for openness and the need for what happens in the Palace to reflect the needs of Members both of this and the other place. We must not allow ourselves to reach a situation where excessive security in any way impinges on what hon. Members need and wish to do in representing their constituencies and trying to deal with the issues of the day. I hope that we never reach a situation where so-called security experts start to try to tell us how we should conduct ourselves in this place.

5.4 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): I happily associate my hon. Friends in the Scottish National party and Plaid Cymru and myself with the sentiments in the motion, not just because Sir Michael had distinguished service in the Scots Guards—one of the few regiments unaffected by the Government's recent proposals—but because it notes his unfailing courtesy and good humour. To that, we should add—this has been reflected in the sentiments expressed—the efficiency with which he has carried forward his duties and those of his Department.

The Leader of the House listed some of the responsibilities of the Serjeant at Arms in addition to order and security, which his Department has carried forward with great efficiency. I can report that the responsibilities on order are carried out with efficiency because some of my hon. Friends helpfully test them from time to time. I agree with the sentiments about security that have been expressed. Despite all the controversy about men in tights, I think that they look after the security of this place rather well and perhaps better than men without tights will in the future, although that remains to be seen.

In the meantime, we all join in wishing Sir Michael and his family a long and happy retirement. He takes with him our grateful thanks for his distinguished service to all of us.

5.5 pm

Sir Patrick Cormack (South Staffordshire) (Con): On behalf of the three Back-Bench members of the House of Commons Commission, it is good to be able to join the unanimous tributes from all parties in the House. Without being a Member of the House, Sir Michael was a wonderful House of Commons man, and I shall remember him in that context. He loved this place as much as any of us could love it. He cared for it deeply, which is why it was sad that the ill-informed comments to which the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) eloquently referred were made in recent months. I hope that Sir Michael's memories of this place will not be coloured or distorted by those ill-informed comments, which were motivated by prejudice and based on ignorance.

Sir Michael has been an exemplary servant of the House. He is an honourable man in a long line of honourable Serjeants who have served us well. On behalf of the Back-Bench members of the Commission, who have good reason to know just what he has done for the House, I am glad to add my tributes and good wishes to Sir Michael and Lady Cummins for a long, happy and healthy retirement.

5.6 pm

Mr. Patrick McLoughlin (West Derbyshire) (Con): I rise briefly on behalf of the Joint Committee on Security, the advisory Committee of both Houses that makes recommendations on security to the Speaker and the Lord Chancellor regarding the parliamentary estate. Sir Michael has, like his predecessors, been one of our principal advisers and has attended the Committee for almost 10 years, first as the deputy Serjeant and then as the Serjeant. The Committee is chaired by the Government deputy Chief Whip and its members include the hon. Members for Knowsley, South (Mr. O'Hara), for Stockport (Ms Coffey) and for Hazel Grove (Mr. Stunell), and my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack). Committee members expressed their gratitude to the Serjeant for his long and dedicated service at their last meeting.

As hon. Members have said, over a difficult period during which Sir Michael has often been criticised unfairly, he has displayed a dignity and loyalty to Parliament that is much to be admired. He has been a superb Officer of the House, combining industry, integrity, a lightness of touch and a ready sense of humour. He will be greatly missed and we wish him well in his retirement.

Question put and agreed to.

Orders of the Day

Identity Cards Bill

[Relevant documents: The Fourth Report from the Home Affairs Committee, Session 2003-04, on Identity Cards, HC 109, and the Government's reply thereto, Cm 6359.]

Order for Second Reading read.

Madam Deputy Speaker (Sylvia Heal): I inform the House that Mr. Speaker has selected the amendment in the name of the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg).

5.8 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): I beg to move, That the Bill be now read a Second time.

The discussion is an important milestone in the lengthy dialogue that the country has had on identity cards. The debate is of long standing, but it has increased in intensity in the aftermath of the terrorist atrocities in the United States on 11 September 2001. However, the Bill needs to be considered on broader issues than matters of national security alone.

In preparation for the legislation, we have had a six-month public consultation exercise, an inquiry by the Select Committee on Home Affairs and further consultation on a draft Bill. The Government listened carefully to the many comments that were received. Changes have been made both to the Bill that we are debating and the plans for delivering the scheme.

I assure the House that the Government and I will continue to listen to and act on constructive comments and proposals as the Bill goes through its various stages, but I want to emphasise that, both in principle and in practice, the case for it is in my opinion very strong. Quite apart from the security advantages, there will be enormous practical benefits. ID cards will potentially make a difference to any area of everyday life in which one already has to prove one's identity. Examples are opening a bank account, going abroad on holiday, claiming a benefit, buying goods on credit and renting a video. The possession of a clear, unequivocal and unique form of identity, in the shape of a card linked to a database holding biometrics, will offer significant benefits of various types.

Moreover, the help that the cards can offer in tackling fraud will save tens of millions of pounds of taxpayers' money. Some £50 million a year is claimed illegally from the benefit systems alone through the use of false identities—money that could of course be far better spent on other public services.

Mr. Richard Allan (Sheffield, Hallam) (LD): The Home Secretary says that £50 million has been claimed in benefits because of false identities. What would it cost the Department for Work and Pensions to implement an identity card checking system? I believe card readers will cost between £250 and £750 each.

Mr. Clarke: I shall deal with the costs at the appropriate point in my speech, but I hope that it is clear to everyone that fraud in the benefits system and other public services is unacceptable and that we should do whatever we can to deal with it as effectively as possible.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Those who succeed in repeatedly creating fraudulent credit cards are clearly very efficient at it. Is my right hon. Friend absolutely certain that the first cards on the market will be the genuine ones, not those that are fraudulently produced?

Mr. Clarke: I am. Perhaps I could confirm that by making another point. Credit card fraud has been a major issue. When I was first a Home Office Minister, I chaired a meeting of all the companies concerned and the various police agencies, which led to the PIN system that is now being introduced throughout the country. That had to be introduced because existing credit card security simply was not adequate and led to hundreds of millions of pounds worth of fraud. The biometric card that we propose is a further refinement that will enable things to be dealt with far more effectively.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): May I help the Home Secretary answer the question of the hon. Member for Sheffield, Hallam (Mr. Allan)? The DWP said that there would be 4,500 identity checkers, each costing a minimum of £250. That means that £1.1 billion would have to be spent to save between £20 million and £50 million a year. If there is depreciation over 10 years, it will cost £100 million a year to save between £20 and £50 million. Does the Home Secretary consider that a good deal?

Mr. Clarke: I do not accept the figures given by the right hon. Gentleman or by Liberal Democrat Members. As I have said, I will come to the costs later.

Mr. Alex Salmond (Banff and Buchan) (SNP): The Home Secretary helpfully listed services for which he thought identity cards would be useful. The Scottish First Minister has said that identity cards will not be compulsory in Scotland for access to Executive services. Does that mean that they will be compulsory in Scotland, or not?

Mr. Clarke: It means exactly what the First Minister said, which is that the system in Scotland will decide how the cards would be used for access to services there. That decision will be made by the Scottish Parliament and I am sure that the hon. Gentleman's parliamentary colleagues—if they are still working with him—will make their voices heard.

Mr. Mike Hancock (Portsmouth, South) (LD) *rose—*

Mr. Clarke: I shall make a bit more progress and then give way to another Liberal Democrat.

The point that I want to emphasise in considering this question is that the drive towards secure identity is happening all over the world. For example, under current plans, from next autumn, British tourists who need a new passport will have to have a biometric one to visit the United States, or a biometric visa instead. We

will rightly have to bear the costs of introducing the new technology to enhance our passports in any case, but I believe that we should take the opportunity of that investment to secure wider benefits, such as those that I have just set out.

The security issues here are critical and they need to be faced up to by those who oppose the introduction of the scheme. A secure identity scheme will help to prevent terrorist activity, more than a third of which makes use of false identities. *[Interruption.]* A third of terrorist activities make use of false identities and we need an identification process to deal with that. It will make it far easier to address the vile traffickingin vulnerable human beings, which ends in appalling tragedies, and the exploitative near slave labour or forced prostitution that exists as a result of the traffic in people. It will reduce, as we have just discussed, identity fraud, which now costs the United Kingdom more than £1.3 billion every year.

David Winnick (Walsall, North) (Lab): Does my right hon. Friend recognise that his predecessor, when giving evidence to the Home Affairs Committee, conceded that identity cards, including biometric ones, would not have prevented the kind of atrocities that we saw, tragically, in Istanbul and Madrid, and therefore there are high expectations, with regard to terrorism and many other factors, that in practice are not likely to be realised?

Mr. Clarke: My right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett), in his evidence to the Select Committee, simply emphasised the straightforward point that there is no panacea, no rabbit that can be pulled out of the hat, in the form of identity cards or anything else, that will solve all the issues of international terrorism. The issue is whether such measures will improve our capacity to deal with international terrorism. My right hon. Friend said that they will, and that is what I say.

Mr. Hancock: Now that the Home Secretary has confirmed that everyone in the United Kingdom will have to have an identification card, when will he decide to make it compulsory to carry it, so that, if it is to be effective, it can be used and challenged on the day?

Mr. Clarke: That proposal is specifically excluded by the legislation. I shall come to precisely that issue later. It is one of the myths about the proposal that the Liberals continue to perpetuate without any foundation at all.

Dr. Nick Palmer (Broxtowe) (Lab): Since I introduced this proposal as a private Member's Bill some years ago, I have had overwhelming support from my constituents and many others around the country. Will my right hon. Friend confirm that the Spanish police have said that identity cards have been helpful in investigating both the identity of the victims and the identity of the killers in the Madrid bombing?

Mr. Clarke: I pay tribute to the pioneering nature of my hon. Friend's contribution to these discussions and confirm that security forces in countries throughout the world recognise that a system of identification of this kind will help them in the challenges that they face, which are very serious. The question that we have to face is whether we will help them to face those challenges. I acknowledge that there are difficult problems, but I make it clear that I am not arguing that ID cards will somehow solve the issues and prevent the tragedies that arise throughout the world, but I do argue that they will help to solve them, and that is why we should support them.

Mr. Francis Maude (Horsham) (Con): It is easy to see how all the benefits that the Home Secretary refers to could flow from a fully compulsory identity card scheme where citizens are required to carry those cards at all times, although most of us, I suspect, would find that objectionable. It is very, very hard to see how anything more than tangential, minimal benefits flow from the kind of voluntary scheme that he is proposing, which many of us see as an expensive waste of time.

Mr. Clarke: With respect to the right hon. Gentleman, I simply do not think that that assertion is correct. The police themselves are very clear that having a national identification base of the kind that is set up in the scheme will lead to serious policing advantages for them and that is the basis of the argument with which they are principally concerned. We are also clear, as we have already said, that we will not require people to carry cards in that way because we do not believe that it would have significant policing advantages of the kind that the right hon. Gentleman suggested.

Mr. Maude: I am grateful to the Home Secretary for giving way again.

The suspicion that many of us have and the reason why we feel that the police are so enthusiastic about this is that it is an incremental process. First, there will be a voluntary scheme. Gradually, as the money will have been spent on it, it can then be argued that the only way of getting value for that money is by introducing compulsion, which will then mean carrying the card at all times. It is a salami-slicing process, which is why so many people are very suspicious about it.

Mr. Clarke: I have no sympathy with the "thin end of the wedge" argument. People may have argued when national registration of births was introduced in 1837 that they would at some time arrive in a society in which everybody operated in a "1984" type of world. That is nonsense; it simply has no substance. The question of how the scheme develops will depend on what this Parliament does as we go through the process of saying how we should take it forward. I can raise any fears that one likes, but they will have foundation only if Parliament decides to surrender all responsibility with regard to how the matter develops. The Bill sets out a series of parliamentary systems of scrutiny and approval that must be gone through if the ID card system is to develop in any particular way.

Mr. Roger Gale (North Thanet) (Con): The Home Secretary is trying to have it both ways. On the radio at lunchtime, the Minister for Citizenship and Immigration said that this was a voluntary scheme, not a compulsory one. That is literally the case, although clauses 6 and 7 allow the Home Secretary to introduce a compulsory scheme. The Minister was than asked how

[Mr. Roger Gale]

the scheme would be of value to the police if it was not compulsory. Frankly, he did not have an answer. What he said was that there will be a biometric register. Will it include everyone? Otherwise, how will it help people like me, who go out on the streets as a policeman?

Mr. Clarke: Let me be very clear. If there are hon. Members who are opposed in all circumstances to a compulsory system, they should vote against the Bill. The measure sets out clearly a process that could lead to a compulsory system at the end, but it does it by a process of voluntary change in taking the matter forward. That is the right process of reform; it is perfectly reasonable, and it is the way we should go. If the hon. Gentleman says that in no circumstances that he can ever foresee should there ever be a system of compulsion, he should certainly vote against the system.

Jeremy Corbyn (Islington, North) (Lab): Since the Home Secretary and others have made a strong case that the introduction of identity cards will somehow or other protect us from terrorism, can he explain exactly how it will do so? Since there is a very narrow gap between official identity and the production of fraudulent identity, what evidence does he have that even biometric recognition itself will not be tampered with, making the card utterly useless after a very short period?

Mr. Clarke: On the second point, I simply do not accept that view. We have had a series of increasingly sophisticated means of identifying and recognising people's individual characteristics. As all experts will acknowledge, having the biometric measure is superior to not having it. As I said to my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) with regard to personal identification number schemes for credit cards, the numeric system is superior to what existed before, but it is not as good as a biometric system. The question that we face is: do we follow the process of trying to get superior systems and carry the matter forward on that basis?

On the point about terrorism, I hope that there will be no dispute about the fact that there are people who try to mislead about their identity and history as they conduct their terrorist activity in their terrorist organisation. A system that identifies people more effectively will be more successful at tackling terrorism.

Sir Patrick Cormack (South Staffordshire) (Con): As there is such widespread concern about this issue even among those like me, who, broadly speaking, support the right hon. Gentleman, does he not concede that it is important that we try to command as much support as possible both within the House and outside and that the Bill is as carefully drawn as possible and scrutinised in as detailed a manner as possible? Will he therefore accept the proposition on the Order Paper that it should go to a Joint Committee of both Houses?

Mr. Clarke: I agree with everything that the hon. Gentleman said except the last clause. There should be proper scrutiny; Parliament has developed very effective methods of scrutiny of these questions, and it will exercise them. That is the way for us to proceed.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): Will the Home Secretary give way?

Mr. Clarke: Not at the moment.

I repeat what I said earlier: we have already considered a draft Bill and had a public consultation exercise, and the Home Affairs Committee has already looked at the matter. The policy comes not out of the blue sky, but after a lengthy public consultation.

Jean Corston (Bristol, East) (Lab): Today's front-page report in *The Guardian* that the Government have withheld information from the Joint Committee on Human Rights is entirely false. The Committee will examine the Bill as part of its normal scrutiny process. We will write to the Government on any issues of concern that arise on human rights. If the past is anything to go by, we will have an amicable and proper exchange—all such exchanges are, of course, published.

Two years ago, I conducted a consultation with 100 organisations in my constituency on the Government's consultation on identity cards. *[Interruption.]* The overwhelming majority of respondents were in favour. *[Interruption.]* One of the organisations representing ethnic minority women was particularly—

Madam Deputy Speaker: Order.

Jean Corston: One of the organisations representing ethnic minority women was particularly in favour. *[Interruption.]* It said that ethnic minority women do not have access to their passports, do not hold bank or building society accounts and need identity cards.

Mr. Clarke: I accept the second part of my right hon. Friend's remarks. Identity cards have popular support, but it is important to emphasise that the Government's case does not rest on the fact that the legislation has popular support, because the legislation is merited in its own terms.

I am grateful for my right hon. Friend's remarks about the report in *The Guardian*. I assure her Select Committee that the Government will fully co-operate as the Committee seeks to inquire further.

It is frustrating that so much of the identity cards debate centres around matters that the Government are not proposing and, in some cases, have never proposed, and I should like to address some of those myths. In my opinion, it is entirely false to claim that ID cards will erode our civil liberties, re-visit "1984", usher in the Big Brother society or establish some kind of totalitarian police state.

Mr. William Cash (Stone) (Con) *rose—*

Mr. Clarke: The hon. Gentleman is brandishing a book by George Orwell. I shall give way to allow him to explain exactly where the issue is resolved in George Orwell.

Mr. Cash: The Secretary of State claims that the matter has nothing to do with "1984". In that case, will he repudiate the statement by the Information Commissioner, Richard Thomas, that the proposals will amount to a "sea change" in the relationship between the individual and the state?

Mr. Clarke: I will repudiate the Information Commissioner's remarks. I do not accept that identity cards will change the relationship between the citizen and the state as fundamentally as the Information Commissioner suggests. The relationship between the citizen and the state was not transformed in 1837 when people in England and Wales were required to register the birth of a child, which is the example that I gave earlier, or on any of the many other occasions since then when means of identification have been introduced by statute. There are issues about the relationship between the individual and the state, but, in my opinion, they are not about this Bill and ID cards.

We are clearly moving towards a compulsory ID card scheme, because we believe that the state has a duty to protect its citizens from the misuse of their identities and to give them a means to interact simply and securely with public services. However, we are not looking to create a new culture of identification in which people are asked to confirm their identity more frequently than they are now. I must also make it clear that we have never proposed and do not propose a scheme under which it would be compulsory to carry a card. That was ruled out in the 2002 consultation paper and again in the draft Bill, and clause 15(3) of this Bill still rules it out.

Jim Sheridan (West Renfrewshire) (Lab): The Secretary of State has already mentioned the effect that ID cards will have on vulnerable workers, indigenous or otherwise, in this country. His predecessor offered great support to the Gangmasters (Licensing) Act 2004, which registers and licenses employers. If it is right to register and identify employers, why is it wrong to register and identify employees?

Mr. Clarke: I strongly agree. One of the most important humanitarian motives for supporting the Bill should be that it is one of the most effective means of attacking the people trafficking that leads to near-slave labour in many parts of this country. ID cards will help us to do that, and those who oppose the Bill need to face up to that fact.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Secretary of State is attempting to reassure the House that this will not alter the fundamental relationship between citizens and the state, but how about those of our fellow citizens who suffer from mental ill health or lack of mental capacity? As the National Association of Citizens Advice Bureaux has pointed out, those people are especially dependent on benefits. Cards could be used as a passport for access to benefits, and they might find themselves effectively locked out of an increasingly authoritarian and administratively complex system and be deterred from claiming that on which they depend for a reasonable life.

Mr. Clarke: All I can say is that I understand the abuse to which my hon. Friend refers, and it is true that the issue needs to be addressed. In fact, ID cards enable us to attack that problem better and more effectively than the means of identification that exist at the moment. Whether people have mental health problems or whatever, a simpler, clearer system of identification for dealing with such issues will be more effective for those individuals, let alone for society as a whole.

Simon Hughes (Southwark, North and Bermondsey) (LD): Will the Secretary of State deal with an apparent failure of logic in his case? We are opposed to ID cards; he is in favour. If a police officer tracks down a criminal, terrorist, hijacker or trafficker and they do not have a card with them, how does the fact that they have to possess a card but can produce it a week or two weeks later aid the police officer in identifying the person in front of him? It is just not logical.

Mr. Clarke: I am sure that the hon. Gentleman will want to serve on the Committee that considers the Bill in order to raise those questions. I stress to him that it is the clear opinion of the police and all the other security services that the passage of the Bill will make the identification of people easier from that point of view.

Mr. David Trimble (Upper Bann) (UUP): The right hon. Gentleman clearly hopes that the identity card system will be comprehensive in covering every citizen in the United Kingdom. However, has he given any thought to the fact that we are part of a common travel area that involves the whole of the British isles, and that consequently his identity card system will not be effective unless some arrangement is made for it to cover the whole of the common travel area?

Mr. Clarke: We have certainly taken that into account, and the fact that we are part of a common travel area is fully addressed.

Perhaps I could deal with the question of devolution at this point. We will have a common identity card on a UK-wide basis and cards will be issued UK-wide. Provisions requiring people to register for cards will apply UK-wide. Any requirement to use cards under clauses 15 to 17 for services that are the responsibility of the Westminster Parliament will be a matter for this Parliament. However, where services are devolved, it will be a matter for the relevant devolved authority. Transport security is a matter that operates in the European area.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): The answer that the Home Secretary gave to the hon. Member for Southwark, North and Bermondsey (Simon Hughes)—that the police say that it is a good idea—is simply unacceptable in this House. If a police officer approaches someone he suspects of illegal activity and that person refuses to produce an identity card or does not have one, how will this system help the police officer in those circumstances; or will the refusal to produce an ID card simply become an excuse and a reason for arrest?

Mr. Clarke: Let me be absolutely clear. The powers of the police in the cases that are being described will be the same after the passage of the Bill as they were before it. That is because the Bill is not about extending police powers in relation to the individual in the way that the hon. Member for Southwark, North and Bermondsey fears and about which he asks questions. The establishment of a national identification register will enable the police to carry out their current duties more effectively. That is a powerful case for doing it.

Mr. Salmond: The Home Secretary mistook my point. I was trying to show the emptiness of the suggestion by the First Minister of Scotland that somehow ID cards would not be compulsory because they were not being applied to Executive or devolved services. Does the Home Secretary, who is a much more sensible person, agree that, if a card is necessary, for example, to access one's pension, it means it is compulsory, even if it is not necessary for going to the doctor?

Mr. Clarke: I am sorry if I have not been clear to the hon. Gentleman. The whole point is that, ultimately, the scheme will be effectively compulsory. However, for services that are devolved to the Administration in Scotland or wherever, the decisions will for the devolved institutions. He mentioned pensions, which is not a devolved matter and therefore one for the UK Parliament. Let me be clear: services that are devolved will be, as they are now, matters for the devolved Administrations.

Chris Bryant (Rhondda) (Lab): One of the arguments—*[Interruption.]*

Madam Deputy Speaker: Order. The level of noise in the Chamber is rising all the time.

Chris Bryant: Many people in the emergency services, not only the police, argue for ID cards because they would make it much easier to identify people who had been in road traffic accidents. They also say that it would be useful if the ID card could include, on a voluntary basis, some medical record, of, for example, blood type. Is my right hon. Friend still open to that voluntary option?

Mr. Clarke: The Bill makes it clear that medical records are not included. There may be arguments in favour such as those that my hon. Friend makes, but we will not include such a provision in the Bill because we believe that its purpose is precisely as indicated previously.

The Bill has no power to require the production of an identity card to the police. The scheme will allow the police to check the fingerprints of those whom they are already entitled to fingerprint, such as those under arrest, against the records that are held on the national identity register. We all carry our biometric information with us and there is therefore no need for people to have a card in their possession for the police to make that check.

The Bill sets limits on the information that can be held on the register. Unless the information fulfils the requirements of clause 1(5) and schedule 1, it cannot be held on the register and no criminal convictions, medical records or bank details would be on the database. We will not allow other organisations to have access to the database. We may choose, with Parliament's agreement, to provide specific information on request and subject to proper authorisation, but that is different from what our critics allege.

Kate Hoey (Vauxhall) (Lab): It is clear from what the Home Secretary says that, for everything to work, the technology will have to be superb. Is he confident that we can deliver that? Will he give an assurance that Capita, which destroyed lives in my constituency when it tried to operate the housing benefit system, will not be allowed anywhere near the system that we are discussing, should the Bill, which I oppose, be passed?

Mr. Clarke: There is a Luddite tendency in the House that opposes technology and information and communications technology on the basis that a variety of mistakes has been made in the past. That is a legitimate position but I do not support it. The use of technology can be a major asset in terms of many aspects of my current responsibilities. If I am asked whether we should be more effective in our management, the way in which we carry through the provisions, the conduct of our tender processes and so on, I reply that we can and should be. However, if I am asked to exclude any possibility of using modern technology to advance our ability to deal with such matters, I shall not. I shall not exclude any bidder from any process. The requirement is to have a proper process that is properly tendered and carried through.

Mr. Win Griffiths (Bridgend) (Lab): Given that schedule 1 provides for the possibility of holding 27 or more pieces of information about an individual on the register, what guarantees can my right hon. Friend give that the system will be hacker-proof?

Mr. Clarke: Again, the position is as I have just stated. I think we are in a position to say that we can create a secure system. If we could not do so in the way that has been suggested, I would agree that the Government were behaving wrongly in coming forward with that proposal. I do not deny the point made by my hon. Friend and by my hon. Friend the Member for Vauxhall (Kate Hoey)—issues arise in relation to these questions and they need to be properly dealt with—but I am not prepared to take the view that we should simply stop any progress in those areas because of those issues.

Martin Linton (Battersea) (Lab): Is not the point about the answer to the question asked by the hon. Member for Southwark, North and Bermondsey (Simon Hughes) that an identity card will not help the police to decide whether to arrest somebody, but once somebody is arrested it will be possible quickly to establish beyond doubt that person's identity because of the biometric information the police will have from the

fingerprint? That will also act as a deterrent, as people will know that the police have access to an instant means of verifying their identity.

Mr. Clarke: My hon. Friend is entirely correct, and that is why I gave the example of using fingerprints in this context—a power that already rightly exists for the purposes of law enforcement.

Several hon. Members *rose—*

Mr. Clarke: I shall give way once more and then make a little progress.

Mr. Mark Oaten (Winchester) (LD): Will the Home Secretary give the House a guarantee that individuals will have access to and be able to see what is held about them on the database?

Mr. Clarke: There is a specific provision to deal with precisely that point.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the Home Secretary help me on one point? Clause 1(6)(c) provides that the individual is apparently required, if he has died, to state the date of his death.

Mr. Clarke: Under the Government's proposals, people will be able to live on after the point of death and do just that in every respect.

Several hon. Members *rose—*

Mr. Clarke: I shall give way once more; I have given way on more occasions than I intended.

Mr. Simon Thomas (Ceredigion) (PC): I am grateful to the Home Secretary for giving way. As I understand it, the main point of his argument today is that this measure does not represent a significant erosion of civil liberties in this country. He knows that many Members, on both sides of the House, disagree fundamentally with him. Will he at least address the fact that all 14 western European countries with compulsory ID card systems, which he has admitted that this proposal is, have a written constitution and a Bill of Rights? In the context of the development of the constitution in this country—checks and balances that are not written down, but enshrined in case law—what comfort can he offer to people who believe that this measure represents a significant shift away from the rights of the individual in favour of those of the state?

Mr. Clarke: The comfort I can offer is to study carefully the content of the Bill. Going through it as I have sought to do in my general introduction thus far, the fact is that we are not extending the rights of the state vis-à-vis the individual through these measures. We are producing a significant change, which will allow a state of affairs whereby people's identity can be more clearly known. The effect of that approach will be to improve services, improve security and improve the public conduct of life in a variety of different ways. I argue that this Bill is an enhancement, not an inhibition, of civil liberties.

If the hon. Member for Ceredigion (Mr. Thomas) wants to invite me to go down the path of a written constitution, I will not follow him. I do not think that that is the right way to proceed. On the other aspects, I believe that we are in the right place.

I want to conclude by going through the central clauses very rapidly. First, on the national identity register and its statutory purposes, the key is set out in clauses 1 to 3 and schedule 1. It is the secure record of identity that is important, not the card itself. That is a vital aspect to understand in the overall proposals. The statutory purposes cited in clause 1(3) show that ID cards are, first, to provide people with a convenient method of proving their own identify and, secondly, to help to verify people's identity when that is in the wider public interest. National security will be improved, illegal working attacked more effectively, immigration controls enforced more directly, and crime prevented and detected more effectively. It is also important that the register is accurate and remains so. Those points have been raised in the debate and clause 11 requires that to be the case.

Mr. Gordon Prentice (Pendle) (Lab): I support the Bill—my right hon. Friend will want to know that—but under clause 5 it will fall to an individual to give details of his or her address, previous addresses, time spent at previous addresses, tenancies and so on. What sanction will be applied to an individual who does not inform the national register of all those changes? The Law Society reminds us that about 40 per cent. of the population in London change address every year.

Mr. Clarke: We have made it clear in the Bill that civil sanctions, not criminal sanctions, are the way to operate, and that is what would apply in those circumstances.

Mr. John Denham (Southampton, Itchen) (Lab): On that same point, will my right hon. Friend give serious consideration to the recommendation of the Home Affairs Committee that if addresses are to be included, there should be a responsibility on landlords, as well as individuals, to contribute to the registration of addresses? That is standard practice in Germany, it is one of the things that makes the German system work efficiently, and it does not cause difficulties.

Mr. Clarke: I reassure my right hon. Friend that we will consider that. The system that we have at the moment, and that we are suggesting in terms of addresses, is similar to the system that currently operates for driving licences, and enables—*[Interruption.]*

Madam Deputy Speaker: Order. The problem is that, again, there is far too much loud conversation taking place in the Chamber.

Mr. Clarke: Then let me speak directly to Conservative Members, Madam Deputy Speaker, to conclude what I have to say.

The Bill is important for the future economy and security of our society. It is important to get it right. I am delighted that the shadow Home Secretary and the leader of the Conservative party have decided to

[Mr. Clarke]

support it, which is the right thing to do. I say to every Conservative Member, as I do to Liberal Democrat Members, that they, like all of us, must face up to our responsibilities in the modern world to take forward the system in the right way.

Mr. Robert Marshall-Andrews (Medway) (Lab): Will my right hon. Friend give way?

Mr. Clarke: We can turn our backs and say that we take no account of these areas—

Hon. Members: Give way.

Madam Deputy Speaker: Order. Would the House please come to order?

Mr. Clarke: I will not give way, even to my very good hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews). I have discussed with him outside the House how we will conduct our relationship in the future as we have done in the past.

This legislation is a critically important development for the security of this country. I hope that every Member of the House will examine carefully their motivations and approaches to this issue. I repeat what I said earlier: as the Bill goes through its parliamentary stages, we will consider every constructive suggestion, such as those from the Select Committee, in the most positive way, to see how we can improve the quality of this legislation. What I will not do is accept that the principle is wrong. The principle is right. I urge the House to give the Bill a Second Reading.

5.47 pm

David Davis (Haltemprice and Howden) (Con): May I start by reiterating my welcome to the new Home Secretary? He will perhaps be pleased to hear that not all our debates are quite this exciting.

The Home Secretary inherits a difficult job: one that always requires a keen sense of the balance between the interests of the citizen and the role of the state. It is the first duty of the state to protect the lives of citizens, but the duty to protect life must be balanced by the duty to protect our way of life. Nowhere is that more evident than in the debate about identity cards that we have just heard.

As I said in the debate on the Queen's Speech, I would not have countenanced ID cards before 11 September. After that, however, I accept that we must consider them. After 11 September, it is incumbent on all of us to examine carefully any measures that might enhance the nation's security. Identity cards introduced properly and effectively may help to do that.

None the less, it is worth remembering that the Bill will not see ID cards introduced to Britain tomorrow. Indeed, the Secretary of State for Trade and Industry has acknowledged that the process is going to take "many, many years". This legislation merely establishes the framework necessary for their introduction. It is vital for us to consider that framework carefully and to get that consideration right.

Mr. Salmond *rose—*

Mr. Cash *rose—*

David Davis: I will give way to the hon. Member for Banff and Buchan (Mr. Salmond).

Mr. Salmond: A wise choice. What the right hon. Gentleman has said so far about considering ID cards sounds more like an argument for an abstention than an argument for backing them. Can he tell us about the shadow Cabinet battle, and the suggestion in scurrilous elements of the press such as *The Daily Telegraph* that it was decided by not wanting to be outflanked by the Prime Minister on the security agenda, as opposed to being decided on a matter of principle or concerns about the prohibitive cost? Can he deny that report?

David Davis: Very easily. If I were the hon. Gentleman, I would not listen to the scurrilous press. As usual, he is getting ahead of himself, which is not unusual for a Scot Nat—even if he is still here, whereas the rest of his party has gone elsewhere.

Simon Hughes *rose—*

David Davis: I shall give way again in a moment. I was just about to reach the point that the hon. Member for Banff and Buchan (Mr. Salmond) asked about. This is why the official Opposition will vote for Second Reading—to allow full scrutiny to take place; it is also why we have tabled an amendment to refer the Bill to a Joint Committee of both Houses. That would enable proper non-partisan examination to take place, and give the Bill the breadth and quality of scrutiny that it deserves.

The Bill is therefore a necessary first stage in the process of a fuller and more open debate.

Mr. Gummer *rose—*

Mr. Cash *rose—*

Simon Hughes *rose—*

David Davis: I shall give way to the hon. Member for Southwark, North and Bermondsey (Simon Hughes).

Simon Hughes: I am grateful to the right hon. Gentleman—*[Interruption.]*

Madam Deputy Speaker: Order. Again I ask the House to come to order.

Simon Hughes: If, at the end of whatever Committee process we have, the Government use their majority on Report to ensure that the Bill remains unchanged, how will the Tory party vote on Third Reading?

David Davis: We shall make a judgment, and if the Bill has not changed at all, that judgment will be pretty

sceptical. We shall make a judgment on the five tests that I shall explain in a minute—*[Interruption.]* All of them, not just one of them. That is critical to the judgment of the whole position.

Mr. Gummer *rose—*

Mr. Cash *rose—*

David Davis: I do not know whom to give way to first. I think I shall give way to my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer).

Mr. Gummer: Does my right hon. Friend agree that the problem for those of us who do not oppose identity cards is that the Government are no longer trusted with anything so serious, so we need some system to ensure that so large a change is not in the hands of a Government who have not shown themselves to be worthy? Is not the Joint Committee a crucial step in making this a wholly parliamentary decision, not a Government one?

David Davis: My right hon. Friend makes an excellent point, to which I shall return when I talk about privacy and civil liberties. I do not agree with the Home Secretary that this is not a matter of civil liberties. There is an important balance here that we have to strike.

There are several other reasons why the Bill deserves detailed consideration.

Sir Patrick Cormack: My right hon. Friend will know that I am grateful that there is a motion on the Order Paper to send the Bill to a Joint Committee, but what shall we do if the Government refuse to heed that good advice, and then move the ridiculous programme motion that obliges us deal with the Bill under a guillotine before the end of January, although we do not come back from the recess until 10 January? That places many of us who are not doctrinally opposed to the Bill in a difficult position. I am speaking not only to my right hon. Friend but, through him, to the Home Secretary, whom I am asking to think again about the appalling answer that he so dismissively gave me when he said that he would not consider a Joint Committee.

David Davis: I take my hon. Friend's point, and I shall also make my own observation to the Home Secretary, who said—properly, in my view—that he was willing to take on board all the advice available from all parts of the House. I therefore hope that he will allow enough time for that to happen. One way of doing so—indeed, a very good mechanism for doing so—would be the Joint Committee.

Several Hon. Members *rose—*

David Davis: No, no. If I may make some progress—

Mr. John Bercow (Buckingham) (Con) *rose—*

Mr. Salmond *rose—*

David Davis: As ever, the Scot Nat wants more than his share. I shall give way to my hon. Friend the Member for Buckingham (Mr. Bercow).

Mr. Bercow: Given the real danger of function creep—a danger underlined by the fact that no fewer than 25 of the 45 clauses in the Bill provide the Government with order-making powers to extend its provisions—does my right hon. Friend not share my deep disappointment that clause 25, relating to the appointment of the national identity scheme commissioner, makes it clear that the report that the commissioner submits can, and probably will, be doctored by the Secretary of State before being presented to Parliament? Does that not underline our anxiety that the commissioner will prove to be but a craven lickspittle of the Government?

David Davis: My hon. Friend offers me an attractive option, because I have a prejudice in favour of the commissioner reporting to the House rather than to the Government, just as the Comptroller and Auditor General and the ombudsman do. That would be a better arrangement, because it would give us more control over something that will affect civil liberties. Something else that my hon. Friend reminds me of is the fact that he is now raising a matter that is addressed about four fifths of the way through my speech, so I must make some progress before I take any more interventions.

There are several other reasons why the Bill deserves detailed consideration. The use of biometric technology is set to become widespread over the next few years. It is worth considering putting it to use within a statutory framework—something that the Bill allows us to do. Similarly, in recent years it has become both legally and technically possible to pass large quantities of data about British citizens around government—indeed, for any arm of government to know more about any individual than at any time in history. That is already the case. Those data, plus the national identity register, are of more importance for privacy than the card itself, which is almost irrelevant in that respect. An important part of the Bill must be to put statutory control on the use and deployment of existing data.

John Robertson (Glasgow, Anniesland) (Lab): Would the right hon. Gentleman bring in some kind of legislation to stop the use of supermarket loyalty cards, which can tell people what food we buy, when we buy it and when we eat it?

David Davis: Such cards are entirely voluntary, and people can decide how much information to provide, which is not the case with the state. As I shall say later in my speech, the use or misuse that the state can make of such data is much more serious than what any commercial concern can do with it.

Identity cards already exist in practice, as passports and driving licences, and already, for asylum seekers, as application registration cards. It is worth considering the introduction of the framework that encompasses them all. We must ask ourselves whether ID cards are a necessary fact of life in the post-9/11 world. We must accept that the modern world, with its increasing use of new and emerging technologies, requires new safeguards and frameworks to govern how information is used, particularly by the state.

Martin Linton: Does the right hon. Gentleman not accept that many asylum seekers—certainly those I speak to—find application registration cards a great boon, and a quick and painless way of establishing their

[Martin Linton]

identity and their entitlement to benefits? The people who receive such cards largely welcome them, because in the past they had to use a tatty old Home Office form, which could not be used for two purposes at the same time. It was a great advantage to them when the new cards were introduced.

David Davis: The hon. Gentleman may be right, but that highlights a point that I shall come to in a moment—the importance of being very clear about what the cards are for. An entitlement card is different from other sorts of card.

Mr. Shepherd: Will my right hon. Friend give way?

David Davis: All right, but this must be the last intervention for a while.

Mr. Shepherd: My right hon. Friend, like many others, has used the phrase "post-9/11". 9/11 was a profound and direct assault on the United States, yet although it has the same common law traditions as we do, that country has no intention of introducing identity cards. Does that not affect my right hon. Friend's judgment in such matters?

David Davis: Yes, it does, but the use of driving licences as straightforward identification in the United States is common. The vast majority of Americans carry driving licences—photo ID—so there is a distinction. We start from different positions. [HON. MEMBERS: "We've got driving licences."] We do not have photo ID yet. We have to consider this matter from where Britain is, and we shall consider it very critically throughout the passage of the Bill, as hon. Members will gather in a minute.

Kate Hoey: Will the Minister give way?

David Davis: I am not the Minister—but I will give way.

Kate Hoey: I must correct the right hon. Gentleman. We are talking about the United Kingdom, and many of us who are citizens of it who come from Northern Ireland have had photographic driving licences for many years.

David Davis: The hon. Lady is of course exactly right—I shall return later to the question of the purpose for which such identification was required—but the simple truth is that such licences are not universal. What we are arguing about today is whether we should adopt such a system for the entire United Kingdom.

Incidentally, the Home Secretary did not deal properly with the issue of the common travel area, which is a critical weakness of the proposal. Unless Eire adopts a system of its own that is compatible with ours, we will have a weakness in that regard.

The Minister for Citizenship and Immigration (Mr. Desmond Browne) *rose—*

David Davis: I will give way to the Minister if he has some information for us.

Mr. Browne: I am grateful to the right hon. Gentleman. He will be aware that only last week, the European Union agreed to introduce biometric travel documents throughout the EU. Over time, that will address—as, of course, will this system—the very point that was so appropriately raised by the right hon. Member for Upper Bann (Mr. Trimble).

David Davis: I thank the Minister for giving us that information.

The Home Secretary rightly made much of the views of people such as the police, who tell us that ID cards will help them to wage a war on crime; indeed, the security services also tell us that they are a useful weapon against terrorism. So when the Minister winds up, will he tell us whether the security services or the police have made a formal request that ID cards be implemented? This is an important issue and if they did make such a request, we need to take it very seriously.

Dr. Palmer: Will the right hon. Gentleman give way?

David Davis: Not at the moment; I must make some progress.

Against that, we must address—

Mr. Browne: Will the right hon. Gentleman give way?

David Davis: Of course.

Mr. Browne: I am very grateful. Both the security services and the police have said that the single most important thing that we could do to interdict terrorism is to introduce a secure form of identity into the United Kingdom. I know that the Leader of the Opposition was very impressed by that advice, as was I. I do not understand what the right hon. Gentleman means by a "formal request", and if I am to answer him in the wind-up, perhaps he ought to explain. Once the police and the security services tell us their views on this issue, they do not need further to inform us formally.

David Davis: A "formal" request is just that. Did the police and the security services write to the Minister or the Home Secretary asking them to introduce ID cards? If not, different issues arise, which I might discuss later.

I turn to our five tests, the first of which is clarity of purpose. One of the main objections to the 1940s wartime identity card was mission creep: at the outset, the card had three distinct purposes; it ended with 39. In the debate leading up to the Bill and in the response to the consultation process, the Government claimed that a national identity card is needed to allow access to benefits and services; to provide proof of age; for voter registration, crime reduction and immigration purposes; to tackle terrorism, money laundering, people trafficking and identity fraud; and to provide access to private services. It is important to know which of these is the priority, since different services and purposes demand different types of card. Entitlement cards, for example, do not have to be universal—as was pointed out earlier—nor do they have to be carried.

On the other hand, it is difficult to see how a card that does not have to be carried will be effective against terrorism or illegal immigration. Are we to ask

Mr. bin Laden to turn up at his local police station within three days to show his card? Obviously not. So the Government must make clear the specific purposes for which an ID card is required, and in particular, which of those purposes are the priorities. Otherwise, it will be very difficult to assess them. Where no individual purpose is specified, it must be made clear that an ID card is not a requirement.

Secondly, as some Labour Members have pointed out, we must be clear about the technology's capabilities. Biometrics technology is not infallible. Fingerprints and iris scans cannot always easily be taken, and the technology can be fooled. The system must be robust from start to finish—from the card and biometric reader, through the communication system, and into the central computer, database and software. It must be impossible for a virus to enter the system. It is easy to conceive a virus that causes the database to give the wrong responses when a particular biometric—such as a fingerprint—is entered, or that conceals the existence of duplicate identities, thus corrupting the system's two key purposes. It is vital to this project's progress that the public and the authorities be clear about the technology's weaknesses, as well as its strengths.

Mr. Marshall-Andrews: Perhaps I might make to the right hon. Gentleman the point that I would have made to the Home Secretary, had I been given the opportunity. Will the excellence of biometric testing not create precisely the trap—I know that many police officers feel this way—that we are seeking to avoid? All existing identification methods are imperfect; indeed, most ID card systems in most countries are acknowledged to be imperfect and are created to be so. If a card is forged, biometric technology will provide what appears to be incontrovertible proof of identity, thus giving criminals and terrorists the access that they would otherwise not have.

David Davis: That is a powerful point, and it is one reason why the technology has to be very effective. One problem is that the presumption so far has been that the technology is perfect. It is not, so we need to build in fail-safes, as is done with other such technologies. As I said, the system must work throughout—from the reader through to the software. No one writing about this issue outside the technical journals has so far addressed the question of what will happen if somebody who is serious about defeating the system, which will have tens of thousands of access points, makes a virus attack on it. We have to make the system foolproof.

Mr. Bill Tynan (Hamilton, South) (Lab): Does the right hon. Gentleman not accept that biometrics is the best and securest technology available, or is he aware of another technology that would deal with the problems that he describes?

David Davis: Frankly, I expect the Government, rather than this House, to check their technical information. Biometrics encompasses a whole range of technologies, such as fingerprint technology and iris reading, both of which can be fooled. It could also encompass DNA technology—that is too slow, however—and facial recognition. I suspect that the Government will have to run at least two completely different systems in order to reduce the odds of being defeated. If the hon. Gentleman will forgive me, his question is one for the Minister to answer, not me.

Mr. Oaten: The issue is not just the effectiveness of biometrics, but the root or "seed" documents by which people obtain such information. If a terrorist were to bring in a false birth certificate, it could easily be accepted; as a result, they would have an identity linked to that document. How do we overcome that problem?

David Davis: The hon. Gentleman is right, in that that is one of the weaknesses with which the Government must deal; however, it is not an insuperable problem. The primary difficulty is with some European ID cards, rather than British ones. Indeed, in a letter to the previous Home Secretary, the Foreign Secretary pointed out that some ID systems are more easily fooled than others. We will simply have to ensure that our standards are high, but that is not the greatest problem. The difficulty is that certain foreign cards could stand in for British ones.

Mr. Browne: Part of the problem is that a significant number of the Members who have contributed to this Second Reading debate clearly have not read the Bill. The right hon. Gentleman will doubtless be able to point out to the hon. Member for Winchester (Mr. Oaten) that clause 11 deals with the very point that he raises. The hon. Gentleman is running yet another red herring by saying that people can come into this country with false identities. The Bill allows for the verification of information on such people against other databases—secure ones—before they can get on to the register.

David Davis: I will allow the Minister to intervene on me again—if he wants to tell me that the three-month period allowed for European citizens who come here has now been rescinded.

Mr. Browne: The right hon. Gentleman is extremely generous in allowing interventions. Given the number of Members who want to speak in this debate, I suspect that I will not get a significant amount of time in which to wind it up. As he well knows, the Government signed up to the principle that we cannot require from EU citizens such registration until they have been in the country for more than three months. So the overall legal framework within which we operate requires us to observe that three-month window. If it did not, we would not have been prepared to go down this route, for obvious reasons. That is why we argue in Europe for biometric ID cards, which is what these people used to

[Mr. Browne]

travel into the country. Biometrics in respect of people outwith the European free travel area are going to become almost compulsory for travel around the world.

David Davis: The hon. Gentleman has made my point for me. As the Liberal spokesman said, one of the main problems is access to the system. If such access is easier in other European countries than it is here, and people can come here for three months, that will have to be dealt with. Simple agreement on Europe-wide biometricsis not enough; there will have to be agreement on standards of access, which must be sorted out.

Several hon. Members *rose—*

David Davis: I want to make some progress.

Mr. Cash: Will my right hon. Friend give way?

David Davis: In a moment. I promise that I will give way to my hon. Friend next time.

The debate that we have just had rather highlights my next point, because the question is whether the Government have in place the organisation necessary to introduce the scheme. We know that what they are proposing is one of the most ambitious technology projects that the country has ever seen. We also know that the Government have an abysmal record—I am not making a political point, because most Governments have an abysmal record—in overseeing large-scale projects, as with the millennium dome and new software for the Child Support Agency and for passports.

Only a couple of weeks ago, the national fingerprint identification system collapsed for five days—and that had the complexity of a pocket calculator by comparison with the national identity register. We have to address the issue of how to deal with the matter. I suspect that the Government will put it out to tender and we are going to have to think very hard about that process. I do not see the Chairman of the Public Accounts Committee in his place, but I hope that he contributes to the debate because I would be interested to hear what he has to say. I promised to give way to my hon. Friend.

Mr. Cash: Will my right hon. Friend reflect on the fact that Australia had an opportunity to adopt identity cards—initially with considerable enthusiasm? Yet when the facts were known to the people of Australia, there was massive opposition to it and the whole proposal was dropped. Does he not think that, given the interaction of the proposals with the criminal law and the social security system within the EU, there is a real likelihood that the whole process will, through the legal framework of the justice and home affairs system, lead to a Europe-wide identity system enforceable through those laws by the European Court of Justice? Does he not regard that as an extremely dangerous prospect for 450 million people, quite apart from people in this country?

David Davis: I thank my hon. Friend for his intervention. On Australia, it took place some time ago in the 1980s and the backdrop was a little different. As to the EU, I do not know the answer to his question, but it is precisely the complex interaction between the legal and technical problems that makes me think that this is a perfect project for examination by a Joint Committee, not just by the House of Commons on a limited programme.

Andrew Mackinlay (Thurrock) (Lab): The shadow Home Secretary and the Minister for Citizenship and Immigration dismiss too readily the problems mentioned by the right hon. Member for Upper Bann (Mr. Trimble). The common travel area with the Irish Republic is quite different from our relationship with France, Germany and other countries. A person in County Louth can travel each day to Belfast and someone from Donegal can travel to Derry, but they are required under the Bill to have a pass or passport. They may not have an Irish Republic passport, but they can still travel. What is going to be done to deal with that problem, given that it is an open border that must, for a variety of sensible logistical reasons, remain so?

David Davis: All I can say is that the hon. Gentleman should have addressed that question to the Home Secretary rather than to me. *[Interruption.]* I do not recall accepting excuses. I have said throughout that we must have proper tests and that problems must be dealt with. It may be possible to deal with that problem: we may need a new arrangement for the common travel area, though it would be a large change to carry through.

My fourth test is the cost-effectiveness of the scheme. The introduction of the Bill saw the cost of the ID card scheme almost double overnight, from £3 billion to £5.5 billion. Given the time scale and the cost, the Government should not lose sight of the cheaper and quicker methods that could be put in place now to deal with some of the problems that ID cards seek to combat—having proper embarkation controls at British ports, for example, which is something that the next Conservative Government will put into effect as soon as possible. An end to fraudulent visa claims and taking action to control immigration are other examples. All those would address some of the problems that the Government propose to tackle with identity cards, and all of them are part of the next Conservative Government's manifesto commitments. They are the sort of cost-effective actions that the British people want to see happen here and now.

Mr. Julian Brazier (Canterbury) (Con): My right hon. Friend is generous in giving way and he is making a powerful and cogent speech—*[Interruption.]* Does he agree that the welcome measures in our manifesto—on keeping embarkation records and proper entry and exit records—would be well underpinned by the proposed system if it could be made to work?

David Davis: I would go further than that and say that such an arrangement would be a necessary aspect of the system. If the Government are to argue that

immigration controls are a high-ranking priority, as I think that they will, embarkation controls and better border controls will be a necessary component.

Mr. Salmond *rose—*

David Davis: I am not giving way to the hon. Gentleman.

Mr. Gordon Prentice: Was it not the right hon. Gentleman's Conservative Government who scrapped embarkation controls in the smaller ports?

David Davis: If I recall correctly, it was embarkation controls for the EU, which were no longer legal. It was the present Government who scrapped them for the rest of the world. I want to make some progress now.

Finally, we must examine the very real concerns about civil liberties, which were dismissed far too easily by the Home Secretary. That goes to the heart of the concerns expressed by so many Members on both sides of the House, including some members of the Cabinet, so it is right and proper to discuss them. I think that the Home Secretary was wrong in his article this morning to call those who are concerned about civil liberties "woolly". That is erroneous and does not help the progress of the Bill.

The scheme proposed today will involve the establishment of a national identity register, the use of the latest technology and the gathering of information on millions of people. That register will be the hub that allows access and collation of vast amounts of data on individuals from many Government databases.

One issue that has arisen today concerns legal advice from the Attorney-General about data and privacy. In the interest of informed debate on this matter, will the Home Secretary publish the advice from Lord Goldsmith, which would be advantageous for debating the arguments about privacy? In practical terms, any database at the heart of the national identity register must be secure. People who misuse the data, particularly Government officials, must face stiff penalties. At the moment, the Bill has smaller penalties for civil servants than for anyone else, which is the wrong way round.

We know that unscrupulous people somehow managed to get at information on the police national computer about the Driver and Vehicle Licensing Agency, and we know that the Pentagon and Microsoft have both been hacked into. The proposed system has to have tens of thousands of access points, so it must be rendered more secure even than Microsoft has so far managed with its own headquarters.

Parliament must oversee the nature of the data used on the cards and must control who has access to them—the point made by my hon. Friend the Member for Buckingham (Mr. Bercow) at the outset of my speech. Those are the sort of safeguards that we want to see in place, especially when, to be frank, we know that the Government sometimes have no concern for people's privacy or civil liberties whatever. This is a Government who regularly smear their opponents—a Goliath who have tried to steamroller Pam Warren from the Paddington Survivors Group, who savaged the 94-year-old pensioner Rose Addis, who spat out the press officer Martin Sixsmith and who rubbished the reputation of David Kelly.

In an ideal world, we would not need identity cards. Sadly, our world is not ideal, but increasingly dangerous. Today we accept that it is necessary to legislate for the possible introduction of ID cards. It is necessary to put the structure in place. Many people believe that they will be a useful weapon in the fight against crime, fraud and international terrorism. It is right that we listen to those people and support the principle that the architecture for their introduction should be put in place, but it is also right that we ensure that the proposals are scrutinised very carefully, so that we achieve the aims of the Bill at minimum cost and minimum incursion on people's liberty and privacy. That is why we will support the Bill—*[Interruption]*—but it is also why I commend the motion to refer the Bill to a Joint Committee of both Houses.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. I remind the House that Mr. Speaker has placed an eight-minute limit on Back Benchers' speeches, which applies from now.

6.19 pm

Mr. John Denham (Southampton, Itchen) (Lab): I welcome the speech made by my right hon. Friend the Home Secretary, and I welcome him to his job. He referred to the report of the Select Committee on Home Affairs. I hope that hon. Members who scrutinise the Bill in Committee will find our report, and the minority reports, a helpful guide to pretty much all the major issues that need to be looked at in detail. I am already grateful to the Government for taking on board at least some of the changes highlighted in the Select Committee's earlier report, particularly in terms of making the aims of the Bill more precise. There have been some changes—not yet enough—to the powers of the commissioner and in the bringing in of the Government's chief scientific officer to advise on the state of development of biometrics. All those are important safeguards.

From the discussion so far, it is fairly clear that not all right hon. and hon. Members have yet read the Bill in any great detail. I hope that will change in the weeks to come, and I should like to highlight a few important issues.

In my view, there is no doubt that introducing a national identity register—that is what we should focus on, rather than the cards themselves—brings a change in the relationship between citizen and state, not least because there is a formal requirement to provide one's biometrics to a state register. Nothing like that exists on citizens at the moment, and there are other, perhaps less intrusive, requirements to provide changes of address and other information.

That, I think, is the only fundamental change in the relationship between the citizen and the state. In the debate so far, it has been hard to understand exactly what it is that the Bill's opponents are seriously worried about. Everyone talks about the Bill as though it were some terrible step into the unknown, but one never hears a precise example of what people are actually worried about, other than the point of principle, which is an arguable one.

[Mr. John Denham]

In truth, even if all the data on the new national identity register became freely available, which will not happen and which is not what is proposed, there would be less intrusive information, less private information and less damaging information available through that than is routinely available today to the police, the security services and a whole variety of private companies from telephone companies, credit card companies, store card companies and the like. The fears behind the civil liberties argument, other than those on the principle itself, are, in my view, greatly overstated.

The question, as the Select Committee said, is whether the potential gains of the system outweigh those fears. To some extent, that depends on individual assessments.

Mr. Marshall-Andrews: As my right hon. Friend asked for a concrete example, may I give him one? If the Bill goes through in its present form, it will undoubtedly be possible for the Secretary of State to initiate not primary but secondary legislation—that being the important thing—to add, for instance, criminal convictions to the data stored. That is one concrete example that is undoubtedly right and that causes me and a lot of other people great concern.

Mr. Denham: That issue can be addressed in Committee. I see no reason to do what my hon. and learned Friend suggests. In fact, all criminal convictions are already immediately accessible on the police national computer. It is hard to see why the Government would wish to do that. If somebody is, for example, taken to a police station and arrested, and if the police identify that individual using the national identity register—that is, after all, what it is there for—it will take a mere matter of seconds to establish whether that person is also on the police national computer. I do not see that as a fundamental objection.

It seems to me that the reason for the card is this: if we believe, as I do, that terrorism is a significant threat; if we believe, as I do, that the facts of illegal immigration, illegal working and abuse of access to public services are not only major issues in their own right but significant social issues for our society, because people perceive all that as being unfair, unchallenged and something that should be dealt with; and if we see criminal identity fraud as a problem, we need to listen to the agencies who tell us, as they told the Select Committee, that having a robust system of personal identity will, in the words of the famous Sir Robert Mark, when talking about motor car tyres, make a "significant contribution" to solving the problem.

That is what the Select Committee was told. It was not told that terrorism would be abolished, nor that identity fraud would disappear, nor that there would be no benefit abuse, nor that there would be no illegal working. It was told that because it would be easier to tackle points of identity, a robust identity system would be desirable. That is why, in principle, the Bill should go ahead.

I will give way very briefly to the hon. Member for North Thanet (Mr. Gale). I realise that it will cost me time.

Mr. Gale: I am most grateful. The hon. Gentleman asks why some of us are concerned about the Bill. The Home Secretary has proposed legislation that, potentially, brings together a failed Child Support Agency system, a failed Inland Revenue tax system, a failed health records system, and a failed police records system. He is talking about spending billions of pounds—

Mr. Denham *indicated dissent.*

Mr. Gale: It is all right; you have injury time.

The Home Secretary is talking about introducing technology that will be outdated by the time it is of any use. As if that is not bad enough, he is asking the House to consider the Bill in six sittings of a Committee. A lot of people on both sides of the House would go with the Bill if the Home Secretary were prepared to submit it to a Joint Committee of both Houses.

Mr. Denham: Having dealt with the point of principle, let me come to procurement, which is important. We do not conclude, as a House, that we should not have a Child Support Agency because we have had problems with the computer, or that we should not have a pensions system because we have had problems with the system. The critical thing is to get it right.

I will say to the Home Secretary that we need to adopt a more open procurement system, with more scrutiny and challenge to each component of that system than is so far apparent. That is what has been done in Italy, and that is why procurement in Italy has been more successful than our track record shows we have been. I hope that my right hon. Friend and his ministerial colleagues will look at the procurement system, which was raised by the Select Committee as a matter of considerable concern.

I want to touch briefly on a few more issues that the Government need to deal with to get things right. On cost, it is important that the Home Secretary, in seeking, understandably, to minimise, or at least not to overstate, the cost of the system to central Government must not assume that others will readily pick up the cost of the card reader system, the infrastructure system and so on. We should listen to the Local Government Association. When it gave evidence to the Home Affairs Committee, it saw the value of having the system but was worried about the costs that it would have to pick up to make use of it.

The infrastructure costs to support the register are critical to the success of the system. Forgery need not be a problem, provided there is an adequate infrastructure of card readers and that they are used regularly enough. There is a cost to that, although it is nothing like the mathematically erroneous £1 billion mentioned earlier. The Government will need to give detailed costings as quickly as possible.

David Taylor: Will my right hon. Friend give way?

Mr. Denham: No, I have given way twice.

One of the areas that we need to consider further is oversight. There has been a welcome broadening of the powers of the commissioner, but he still lacks adequate recourse for an individual who fears that his or her

records have been wrongly accessed or used. That recourse needs to be made clear and explicit in the Bill. I also share the concerns of the hon. Member for Buckingham (Mr. Bercow) about the mechanism for reporting via the Secretary of State rather than through more open reporting.

None the less, issues of procurement, biometrics and oversight are things that we should be able to get right as the Bill passes through Parliament. My basic point is that we have a series of problems in our society with which a robust system of identity would help us enormously. An ID card and national identity register would enable us to do that. The fears expressed are, as we have just seen, vague and ill stated. The Bill should go ahead tonight so that we can work on the detail.

6.29 pm

Mr. Mark Oaten (Winchester) (LD): I shall start, because I did not have a chance to do so at Home Office questions, by welcoming the new Home Secretary. I will not take offence at the woolly liberal comments, although they suggest that it is business at usual at the Home Office in terms of the attitudes towards us. I also acknowledge that the Home Secretary, with the support of the shadow Home Secretary, is about to introduce what will clearly be one of the most popular measures that we have seen in this country.

With 80 per cent. in favour of ID cards, I recognise that it will be a very popular measure. The difficulty is that I do not sense that level of support for ID cards when I talk to people; nor has that level of support come across in this debate. One of the problems is that initially people are attracted to the idea. Nearly everybody whom I speak to about it says at first, "Well, I have nothing to hide. What's wrong with carrying a card?" I happily and freely admit that I also took that view for many years, to such an extent that I supported a private Member's Bill on the issue a couple of years ago. I supported it because at the time I did not have a problem with the issue. I entirely acknowledge that. However, the difficulty arises when one starts to look in more depth at some of the issues. That is why I changed my mind and why I am convinced that by the time the Bill has passed through both Houses, and after proper debate, the Government—with Conservative support—will have introduced one of the most unpopular measures that we have seen in this Parliament.

Mr. Browne: I do not want to rake over old coals, but the hon. Gentleman has got off lightly on this issue for far too long. It cannot be the case that the hon. Gentleman supported ID cards to the point where— *[Interruption.]* As a matter of fact, that assertion is not correct. [HON. MEMBERS: "Which one?"] That I was a member of CND. I never was. The hon. Gentleman cannot have been persuaded not only to support ID cards in principle, but to vote for them in the House on the basis that we had nothing to fear from them. He must have had other reasons for supporting the principle of identity cards. Before we accept that he has properly changed his mind on the issue and has not just fallen in—

Mr. Deputy Speaker: Order. The Minister will have the opportunity to wind up at the end of the debate, provided there is time. Many Back Benchers want to contribute to the debate and he should leave his intervention there.

Mr. Oaten: I will happily rehearse why I have changed my mind. I am concerned about the cost implications and the civil liberty implications. I am not convinced that ID cards will work in relation to terrorism and I do not believe that they will help to tackle benefit or health fraud. It is a completely flawed system and now that I have seen the detail I fundamentally oppose the Bill.

Mr. Salmond: I welcome the hon. Gentleman's change of mind. My goodness me, it is not as though the Minister for Citizenship and Immigration has never taken orders from a higher authority. Be that as it may, did the hon. Gentleman detect from the Conservative spokesman, as I did, a lack of enthusiasm for the Bill? When the hon. Member for South Staffordshire (Sir Patrick Cormack) asked what would happen if the proposal for a Joint Committee was not accepted by the Government, we did not appear to get an answer. Did the hon. Gentleman hear it?

Mr. Oaten: I was fascinated by the shadow Home Secretary's speech. It was an extremely good speech against ID cards, right up to the final line, in which he urged support for the Bill in one sentence only. I say to the Conservatives that I understand why their leader is nervous so close to an election. He wants to show that he is tough on crime and he does not want to be attacked for being soft on those issues. However, every now and then in politics, instead of chasing the 80 per cent., one has a duty to speak up for the 20 per cent. There is also a duty to try to argue one's case and convince the 80 per cent. that they are wrong. The Conservatives might get more respect if they tried to change views rather than following opinion polls all the time—

Martin Linton: Will the hon. Gentleman give way?

Mr. Oaten: No, I have not finished with the Conservatives yet. The five tests are a fig leaf. They are as meaningless as the Chancellor's five tests on the euro. The shadow Home Secretary answered virtually all his tests, yet he concluded that they were still wanting. If the Conservatives end up supporting the Bill, they will have to demonstrate that all the tests have been met. They will struggle to do so as much as the Home Secretary will struggle with the tests.

Martin Linton: Will the hon. Gentleman be more explicit about when he underwent his Damascene conversion? I remind him that he supported a ten-minute Bill on ID cards that went much further than the Government's Bill and would have required that an ID card be carried at all times. Did he change his mind around the time that he accepted a Front Bench job?

Mr. Oaten: I have explained that matter and now I wish to deal with the issues as they stand. I shall take the House through the process I have gone through to reach my position. Sometimes in politics things are wrong because they are wrong in practice—they just

[Mr. Oaten]

cannot be done in practical terms. Sometimes in politics things are wrong in principle. Uniquely, ID cards are wrong in practice and in principle. That is why I have come to the conclusion that they are wrong. I shall address the issues of effectiveness, the implications of the database, the cost and the impact, which we have not discussed so far, that the proposals will have on minority and ethnic minority groups in this country.

The Home Secretary gave several reasons why we must have these cards. I shall start with terrorism, because I acknowledge that there is a serious threat. It is an attractive argument for ID cards because we all want to do what we can to ensure that our country is safe. The Government's argument is that 35 per cent. of terrorists use false or multiple identities. I know that they are not arguing that that means that an ID card system would cut terrorism by a third, but there are problems with the Home Secretary's proposition. The first is that terrorists are capable of carrying out atrocities without changing their identity. The terrorists who hit New York and Madrid all travelled under their own identities. The London nail bomber, David Copeland, made no attempt to disguise his identity, and nor did Richard Reid, the so-called shoe bomber. Sadly, knowing who someone is does not tell us what they are thinking or what they are about to do. Having the information about identity will not stop determined terrorists, because atrocities have been committed by people who have not changed their identity.

What of those individuals who do try to change their identity? I come back to the point I raised in my intervention in the shadow Home Secretary's speech, which is how to ensure that terrorists do not enter the country on a false identity. The problem is that terrorists could arrive in the country with false root or seed documentation. When they register, the false information is used to issue them with an ID card. They can then go around with an identity that they have created specifically in this country. That could be overcome if there was an international system to check whether people were using different identities in different countries, as long as they moved within G8 or EU countries that had the same level of biometric testing. However, the reality is that most such individuals will come from the very countries that will not have such technology. They will be able to dash back and forth between their original country and this country without being caught.

Martin Linton: Does the hon. Gentleman accept that if it were possible for someone to fake an identity and obtain an ID card, the use of biometrics would make it impossible for them to register under any other name? The whole problem of multiple identities would still be addressed, even if what he says were true.

Mr. Oaten: The hon. Gentleman entirely misses my point. I acknowledge that it would be difficult to create multiple or false identities for someone who was moving between England, Germany or France, or other countries that have the ability to test the iris. Such people could not change their identity because the iris would give them away. However, terrorists will not be moving between those countries: they will come from countries that do not have the biometric testing ability, and that is the loophole.

The Government's second reason for introducing the Bill is benefit and health fraud. The Home Secretary advanced some strong arguments about the card's impact on such fraud, but a vast amount of the health and benefit fraud that occurs in the UK has nothing to do with identity. Only about 5 per cent. involves individuals pretending to be somebody whom they are not; most fraud is somebody saying they have a back problem when they do not, or somebody claiming benefits when they are working on the side. That is where the problem lies, and the Government's figures do not stack up to suggest that there is a major problem.

We received no answers from the Home Secretary about how the process would work. Will there have to be reading equipment in every post office, every benefit office, every hospital and every GP practice? Will the equipment be installed throughout the country, or will we target only certain inner-city areas? Who will operate it? Will it be the GP, the practice nurse or the person behind the post office counter? What kind of training will they have to be given to use all that equipment? What will happen if the equipment breaks down? Who will make the choice about who is to be asked to show their card? Making that choice will put pressure on some individuals.

I am a hypochondriac and I visit my GP all the time, so people at the surgery know who I am and would not need to ask for my ID card. However, they will have to decide whose card to ask for, and that kind of choice will put them in the front line. I do not think they want that job. In those circumstances, what will happen to people who do not have their card with them? Will they be turned away from medical treatment?

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): Is it the policy of the hon. Gentleman's party that people who turn up for services—whether for health or something else—should be treated regardless of their entitlement?

Mr. David Heath (Somerton and Frome) (LD): Yes, if they are sick.

Mr. Jones: So that is the policy. I am grateful to learn that. Anyone who comes into the country on a visitor's visa can be treated, regardless of entitlement.

Mr. Oaten: If the hon. Gentleman thinks that I shall go down the *Daily Express* and *Daily Mail* route of trying to pretend that our health service is being burdened by scroungers coming to this country, he is wrong. I will not go down that route.

Mr. Simon Thomas: The hon. Gentleman might be interested to know that, under the Bill, the National Assembly for Wales can make its own decision about whether to ask for ID cards for the health service. What is more, the Labour National Assembly Government have said that they will not do that.

Mr. Oaten: I am delighted to hear that. I am not sure whether it is an invitation to go to Wales for health care.

The Government claim that illegal working is another reason that we need ID cards. I accept that there is a problem: anybody who saw the tragedy at Morecambe bay realises that something must be done about illegal working. There are, however, existing powers to handle illegal working and the problem of immigration. The Government have set up powers whereby the police can check individuals' working papers, although, in 2002, only two individuals were prosecuted for employing an illegal immigrant. The reason that there were only two is not because those individuals did not have documents that could be checked—they must have those documents—but because it was not a policing priority and it was almost impossible for the police to find their whereabouts. How on earth would an ID card make any difference at all?

Mr. Adrian Sanders (Torbay) (LD): On the point made by the hon. Member for Ceredigion (Mr. Thomas), my constituency attracts an enormous number of tourists from Wales. They might come to my constituency without their ID card, not expecting to need medical treatment. If they had an accident, would they have to return to Wales to receive treatment?

Mr. Oaten: Let us hope that the accident is not serious.

Mr. Denham: Has the hon. Gentleman considered the possibility that one reason that enforcement action against those who employ illegal labour is too low—in my view—is the recognition that the limitations of currently available documents make it difficult for employers to be certain? If there was a gold standard of identity, provided by a national identity register, implementation would be much easier for employers and it would be much easier to come down hard on people who continue wrongly to employ illegal labour.

Mr. Oaten: I respect the views of the Chairman of the Select Committee, but I suspect that those who genuinely want to find the documents will find a way forward. The difficulty is that far too many employers do not care one iota and it will not make a blind bit of difference to them whether people have an ID card or a set of documents.

Several hon. Members *rose—*

Mr. Oaten: I want to move on to a second point about illegal working. I have dealt with the practical issues, where I do not think that the card will make a difference. There are also civil liberties concerns about how it will work in practice. The detail of the regulatory impact assessment states:

"As pressures grow on public services, service providers will have to bring in complex procedures for checking a range of documentation as the old assumption that if you are here you are probably here legally is no longer acceptable. There are also cultural problems about getting service providers to ask only certain groups for proof of identity for fear of being accused of discrimination."

That is important: only certain groups will be asked for proof of identity.

That is extraordinary. In their RIA, the Government admit that it is the intention to ask only certain groups for proof of identity. I have to tell the Minister and the Home Secretary that the problems will not just be cultural; there will be serious legal problems if that is indeed what the Government propose to do. Linking illegal working and ID cards will lead—bluntly—to people who do not look British being stopped.

I want to turn to our other concerns about the Bill. The cost of the measure is the most complex thing to debate, because the figures keep changing and we have received little information about the costs from the Home Office. I accept that the Liberal Democrats cannot have it all ways on costs. We support the principle of changes to passports to keep us in line with the requirements of our international obligations. It would be disingenuous for me to lump all the costs together, but what I have tried to do, and will try to do in the debates ahead, is to separate the elements where we believe that the Government are going too far.

The Government are going too far by having three biometric tests on passports, as well as an ID system. They must give us accurate figures on costings. We believe that the additional costs to be incurred will be about £85 million a year, plus £50 million a year to run the identity checking service, yet, according to the figures the Government have given us to date, they have not costed the full implications of their plans to tackle benefit fraud and health access.

According to Home Office figures, each reader will cost between £250 and £750. A crude multiplication—to cover the various routes for access to health and benefits—gives an extremely high figure. For post offices alone—even in relation to the number that are left; I realise that over the last few years the Government have been trying to shut many of them down—the cost would be £11 million. We need more information about the costs. We do not know what is involved, and we cannot do our job of scrutinising the Bill until we know what the total cost will be. The public believe that there is a black hole in the measure, and we share that view.

Mr. Allan: Does my hon. Friend share my disappointment that the Government have failed to publish the Office of Government Commerce gateway review documents? They were produced at public expense and I cannot believe that at this stage they contain anything of a sensitive commercial nature. They should be before the House as we debate this important Bill.

Mr. Oaten: I agree entirely. It is unacceptable that for reasons of commercial confidentiality in the procurement process, we as the politicians deciding these matters cannot be given that information, whereas companies making bids can. That is not an acceptable way to proceed.

Bob Russell (Colchester) (LD): Does my hon. Friend find it amazing that all the efforts of the Home Affairs Committee to get answers to those questions were refused point-blank by the Home Office?

Mr. Oaten: It is extraordinary and unhelpful; we are being asked to support a Bill and to sign a blank cheque. It is also important to note that there are genuine political issues about where we might spend that money. We might all have different priorities for its most effective use. I would have thought that more police and more intelligence officers to support the system might be more effective in dealing with some of the things that the Government are trying to tackle—not least terrorism.

I am conscious of the fact that many other hon. Members want to speak, so I shall conclude by considering the database itself. The Chairman of the Home Affairs Committee was right to identify the fact that although the database is, in many ways, the key issue, there are two issues to consider: the civil liberty implications and, frankly, the Government's inability to run such systems in the first place.

The Government's track record on IT procurement is awful. The projected cost of the Child Support Agency system was £150 million, but the figure ended up at £450 million. The final cost of the Horizon project—an automated Post Office Counters system—ended up at £1 billion and ran three years late. My particular favourite is the NHS IT programme, with expected costs of £6.2 billion. The actual cost was £18 billion, and the figure is still rising. Of course, recently and more seriously, the national automated fingerprint identification system crashed owing to server software difficulties, causing serious problems for the police.

How will the database be kept up to date? An earlier intervention pointed out the churn on the electoral roll, with individuals moving many times, people changing their addresses and new individuals coming on when they are 18 years old and others being taken off when they die. The scope for error is absolutely enormous, and the track record suggests that costs will get out of control.

The more important point, however, relates to the principles of what is held on the data system. What can happen in 15 or 20 years? How can the information be linked, for example, to CCTV systems that can individually scan faces and recognise them? Do we want to move into the kind of society where people know exactly who is walking up and down the high street? Is there even a possibility that a future Home Secretary may decide to tag on DNA information? What would be the implications of adding on the vast amount of DNA information that is already collected?

David Davis: I am listening with interest to the hon. Gentleman. Does he think that such a system is impossible? I do not believe that it is. Surely the introduction of the things that he describes—a rather scary prospect—would all be subject to primary legislation.

Mr. Oaten: On the first point, although I am sure that the Government could get the system up and running, their track record suggests that the failure rate will be very high indeed. For example, last year 400 people were turned down for a job because it was said that they had criminal records when they did not. If the error rates that we have seen with existing systems are multiplied to cover a population of 60 million, even if the failure rate is 0.01 per cent., an awful lot of people will have difficulties. So there are serious concerns about the implications of the system.

Mr. Simon Thomas: Will the hon. Gentleman give way?

Mr. Oaten: I am conscious of the fact that other hon. Members want to speak.

Finally, I want to deal with the most farcical element of the Bill: whether the system is voluntary or compulsory. I cannot understand where the Government are heading. Although I would still oppose the system, intellectually it would be a lot better if it were compulsory. That would stack up, and the Home Secretary would have been able to answer the question asked by my hon. Friend the Member for Southwark, North and Bermondsey (Simon Hughes) because the scheme would have included the powers for which the police might be looking.

In my village, my neighbours will have to carry an identity card in a few years' time. I will not have to do so because my passport is not up for renewal until 2012—lucky me—but that is a two-tier system. *[Interruption.]* The Minister says that people will not have to carry the card, but this is not about whether people have to carry it; it is about whether they must have an ID card in the first place. The problem is that I will not need an ID card, but my neighbours or my wife may have to have one. It will be compulsory for some, but not for others.

We are walking into a system that is, frankly, chaos. Some people must have the card; some must have one at some point in the future; others will never have to have one because they do not have a passport; but, at an unknown point, which the Home Secretary will decide, we will all need a card. That is a complete mess. A two-tier system will be created in relation to the proof of identity that people will have to carry, and the implications of that are wrong.

When the card becomes compulsory—I am sure that that is where we are heading—what will it be like for 80 or 90-year-old pensioners to be told that they have to turn up at registration centres to have their fingerprints taken and their irises and photos scanned because the system has suddenly become compulsory? If the Home Secretary thinks that 80 per cent. of people will still be in favour when the public realise that that will happen, he has got another think coming.

Here we have a £1 billion project that looks set to go over budget, a piece of plastic and a database that will do nothing to tackle terrorism and crime, a system that is neither compulsory nor voluntary and a database that will make the CSA mess up look like a tea party. This is also a debate about changes to our country and to society. If people look like illegal workers or terrorists, they can be stopped. People will have to turn up to centres to have their fingerprints and irises scanned. If they visit a GP or an accident and emergency department, they will have to submit a scan and prove who they are. I urge hon. Members on all sides of the House to reject the Bill. I am afraid that, tonight, a Labour Government, with Conservative support, are turning us from nanny state into a Big Brother state.

6.55 pm

David Winnick (Walsall, North) (Lab): I disagree strongly with my right hon. Friend the Member for Southampton, Itchen (Mr. Denham). He said that he could not understand why there should be such concern and controversy. I serve on the Home Affairs Committee, which he chairs, and he will know that we have had many disagreements on this. I could not agree with the majority report of the Home Affairs Committee. I made my opposition clear and proposed an amendment or minority report.

If it is true that there were serious disagreements in the Cabinet some months previously and in the shadow Cabinet only last week, I would not exploit that; I would be very pleased. I would think it depressing if either the Cabinet or the shadow Cabinet had agreed on such a serious subject without much controversy. If the press reports are true—members of the Cabinet have not told me about this—there was proper consideration, discussion and apparently disagreement, and I see no reason why not.

I want to make it perfectly clear tonight, as I have done previously, that if I was persuaded that identity cards would help to stop terrorism or undermine it substantially, I would support them, whatever reluctance I may have on grounds of civil liberties, because the safety and security of this country must come first and foremost. But I am not so persuaded.

As I and many other hon. Members have often said, the atrocities in Madrid and Istanbul took place despite the existence of identity cards. When the previous Home Secretary came before the Select Committee and I asked him whether ID cards with biometric details—all that he emphasises—would have prevented such atrocities, he said no.

Martin Linton: Will my hon. Friend give way?

David Winnick: I hope that my hon. Friend will forgive me for not giving way. I am putting what is perhaps a minority point of view among Labour Members.

Surely, if identity cards along the lines proposed would help deter terrorism, the argument would be that they should be introduced much sooner. What will happen between now and their introduction in six or seven years? That makes no sense to me, which is why I am not persuaded that ID cards would prevent the sort of terrorism that has taken place elsewhere from happening in this country. I would be the last person to underestimate the threat of terrorism. We have heard a statement today and my view remains that terrorists will cause much death and destruction, in so far as they can get away with it, and this country will certainly be no exception.

As for the other arguments about ID cards—those on illegal immigration and working—it has rightly been pointed out that there is little evidence, if any, that an ID card scheme would have stopped what happened in Morecambe bay or, if the 58 Chinese who tragically suffocated had survived, as we would have wished, that it would have prevented them from working in this country. After all, in the continental countries that have identity cards under the democratic system—and previously under dictatorships—the problems of illegal immigration and working have not disappeared or lessened because of any ID scheme that happens to exist there.

The Home Office should be much tougher in making it far more difficult for certain employers to employ people who have no right to take employment. Those laws already exist. That is already a criminal offence, and I hope that the Government will be tougher in enforcing those laws and regulations.

The point has been made that, since January 2002, asylum seekers have been given application registration cards, which provide a secure means of recording their details and identity. I do not disagree with that, but why should the rest of us require a form of identification along the lines that the Government are keen to introduce because asylum seekers rightly have such cards?

I am also worried about function creep. It is interesting to note that, when the Information Commissioner gave evidence to the Home Affairs Committee, he made the point that, in 1939, there were three stated purposes for bringing in an identity card:

"for conscription, for national security and for rationing."

He went on to say that, by 1950, there were 39 stated purposes to explain why identity cards were considered necessary. He said that in the early 1950s, towards the end of the system of identity cards,

"the main rationale for identity cards was the prevention of bigamous marriages."

If we have identity cards, the first question that people will be asked by the police, a hospital or their general practitioner will inevitably be, "Where is your identity card?" Some of my hon. Friends may ask what is wrong with that, but I believe that there is a lot wrong with it. It is not necessary because we have done without such cards for more than 50 years. Ministers make the point that the police and security authorities want them to be reintroduced, but if it had been left up to the police, I suspect that identity cards would never have been abolished.

I also have considerable worries about the national identity register and its unique identity register number for all of us. Under the Bill, people who move house will have to register their change of address with the authorities. Some might ask what is wrong with that, but there is no reason why we should have to do so without strong and compelling reasons, especially regarding terrorism. I am yet to be persuaded of such reasons.

Although I wish that I could argue otherwise, there is a lot of public support for identity cards. Opinion polls tell us that there is such great support at the moment because people have high expectations of identity cards and believe that they will resolve such problems as illegal working and immigration. However, that will not happen in practice, and people will be disappointed. Additionally, when people consider the cost of getting the cards, I am not sure that such support will exist.

I shall oppose the Bill tonight because I have no alternative. There is no doubt that the Government will have a large majority, especially with the support of the Tories. However, that is all the more reason why the section of opinion in the country that is opposed to identity cards should be reflected in the House of Commons tonight, which is why I will vote as I shall.

7.3 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I beg to move, To leave out from "That" to the end of the Question, and to add instead thereof:

"this House declines to give a Second Reading to the Identity Cards Bill because it would lead to an unreasonable intrusion into the liberties and privacy of the citizen; it would not achieve benefits proportionate to the cost, as the underlying technology is likely to prove unreliable; and the introduction of such cards is likely to lead to a requirement that they be carried at all times and such a requirement would be objectionable in principle and would lead to serious tension between the police and the citizen."

The hon. Member for Walsall, North (David Winnick) has made it plain that he will vote against the Bill and so will I. I acknowledge, of course, that there will be benefits attached to identity cards, but the real question is whether the benefits will be proportionate to the various disadvantages that hon. Members have identified; I do not believe that they will be.

It is worth pointing out, as it has been pointed out before, that most terrorists operate under their true identities, but fail to disclose their intentions. Many countries that have suffered from terrorism—Spain is a good example—have laws that require the carrying and production of ID cards. As my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) said, President Bush, who is surely not a bleeding-heart liberal, has made it plain that ID cards will form no part of his anti-terrorism policy.

John Robertson: The right hon. and learned Gentleman cites the Madrid bombings. Would he be interested to hear that the Spanish police have said that nearly all the terrorists involved in that horrible event have now been arrested thanks to the ID cards in that country?

Mr. Hogg: The hon. Gentleman is not really addressing the point. Spain has suffered for years from Basque terrorism and, of course, the cards did not stop the bombing in the first place.

There is no doubt that identity cards would have an impact on policies to control illegal immigration, but let us remember that the real problem with illegal immigration is due to overstaying, which is caused by the Government's failure to deport, rather than a failure to identify those who should be deported. I am sure that benefits on fraud could be derived from ID cards, but I have never encountered a security document that could not be forged, which was the point made by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody). In any event, most fraud arises not from false identities, but from a misrepresentation of underlying facts and entitlements, so the benefits would not be as great as the proponents of ID cards argue.

May I put forward the counterbalancing arguments to explain why we should not follow the policy?

Mr. Browne: Does the right hon. and learned Gentleman accept the Cabinet Office's estimate—it was published separately from any consideration of ID cards—that identity fraud costs the citizens of this country £1.3 billion a year?

Mr. Hogg: I have no knowledge of whether that is right or wrong, but the overall cost must be balanced against the disadvantages that I shall outline.

The first disadvantage is the nature of the Bill itself. It is an enabling Bill and most of the subsequent requirements will be made by secondary legislation. Of course, I acknowledge that those order-making powers will be subject to affirmative resolution, but that is not a proper way to supervise intrusions into the liberty of the subject of the kind contemplated in the Bill.

Mr. Bercow: Will my right hon. and learned Friend give way?

Mr. Hogg: No, I am afraid that I must make some progress.

A cost of £3 billion has been suggested, but I do not know whether that is right or wrong. However, I do know that almost every public sector budget ever contemplated has been seriously overrun, so I suspect that that will be the case with ID cards as well. Irrespective of whether the figure will be £3 billion, £1 billion or £5 billion, are there not better ways of spending that money to achieve the intended purposes of the Bill?

I do not pretend to be an expert on technology, but I have noticed that all major computer schemes introduced by Governments of all shades have experienced appalling problems. The situation in the Child Support Agency is a specific case in point, but we all remember what happened with the Passport Agency. If there is a failure with the identity card system, it could cause not only inconvenience, but grave injustice, people's disentitlement to benefit and perhaps exposure to criminal penalties.

I shall move on from practicalities to the question of principle; I propose to be brief. There is no doubt that ID cards will tilt the balance away from the citizen towards the state, but we should not do that unless an absolutely compelling case for it can be made. We should be clear about this too: once the possession of cards is mandatory, and perhaps before, the police will use their powers to stop and search in a very vigorous manner. Bearing it in mind that the stated purposes of the scheme are to combat terrorism and illegal immigration, we can also be sure that those powers will be used most vigorously against ethnic minorities. I have been in the House long enough to remember the rows over the stop-and-search powers arising from the Vagrancy Act—the old sus law. The coming rows will be infinitely greater, because these powers will be used to a much greater extent.

I am absolutely certain that, if we give the green light to the Bill and possession of an identity card becomes a requirement, there will also be a duty to carry the card and produce it on demand. The only way to make the cards truly effective is to require people to carry them and to produce them. We should remember that the National Registration Act 1915 was amended in 1918 to make production on demand mandatory.

There is no point in saying, "We will give a potential terrorist or illegal immigrant 48 hours in which to produce the card at the nearest police station." That is nonsense: a potential wrongdoer in that category will simply disappear into the hinterland from which he or she may have come. I do not wish to give officers of the state a right to stop me—or anyone else—and demand that I produce a card. Inevitably, those officers of the

state would be given a power to arrest if the card could not be produced. That seems to me to impose a burden on the citizen and give the officers of the state a power that I do not think the House should give them.

I concede that benefits may attach to ID cards. I accept that the five tests proposed by my right hon. Friend the Member for Haltemprice and Howden (David Davis) are useful, but we must set the Bill in the overall context of what we are about. I do not think that the arguments advanced in favour of it outweigh the disadvantages that I have ventured to present to the House.

7.13 pm

Mr. Jon Owen Jones (Cardiff, Central) (Lab Co-op): I support the Government's proposals and have for some time.

The arguments advanced so far today have tended—rightly—to concentrate on the need to improve security. Massively destructive and indiscriminate terrorism is a new threat in the world and necessitates new precautions. ID cards cannot guarantee security, as we have heard many times—nothing can—but to argue that, because an ID card system did not protect Madrid, it is therefore useless is to argue against any imperfect system, such as a police force. It does not follow that, because we cannot do everything, we should do nothing.

There is another reason for an ID system, however, and I want to concentrate on that. ID cards are needed to protect our welfare state. I grew up in a world very different from the one in which my children are growing up. The mining village in which I was raised had seen and was to see very hard times, but it had a strong sense of community. There was, perhaps, too little opportunity for individuality and diversity, which may be a bad thing, but the cohesiveness of the community was a great support and comfort.

My home village still exists, but the work has gone, and with it the shared experience and much of the community spirit. I realise now—it was a hard realisation—that most of Britain was not like that village even in the 1960s. Certainly very little of Britain is like it now. The architects of the welfare state, such as Aneurin Bevan, came from and served communities like that, where we were all our brothers' keepers, perhaps because our brothers were much the same as us. The reforming Governments of 1906 and 1945 had a majority in favour of welfare because of their shared experiences—because welfare was something that "someone like you" needed, or might need.

Modern Britain is a much more diverse place, and globalisation will continue to make it more diverse. Such trends need not undermine the welfare state, but they alter the basis on which it was built. Welfare in the 21st century must reform to survive and we must ensure that it retains the support of those who pay for it.

In my experience—not an experience that everyone shares—little annoys citizens more than the payments of benefits to those whom they believe to have no entitlement. How do we define entitlement? It is very confusing. I have a long list of examples, but for the benefit of others who wish to speak I will not read it out. I shall confine myself to one or two instances.

A British state pensioner living for more than three months a year in a non-European economic area country who has lived for 10 continuous years in the United Kingdom previously is entitled to free NHS treatment for conditions that arose after his or her arrival in the UK. The same applies to his or her spouse and children under 16, or under 19 if in further education. That is crystal clear—not, I think.

There are huge lists—whole books, indeed—whose aim is to explain whether people are entitled to services, and which services they are or are not entitled to. There are obvious examples of non-entitlement; at least, I thought that they were obvious until I discussed the matter with a Liberal Democrat earlier. I should have thought that most Members would agree that an American tourist benefiting from a £50,000 heart operation on the NHS in a London hospital constituted an obvious abuse. Other cases are not so clear. For example, a foreign student paying £900 for an English language course is entitled to free health care for himself and his family and free education for his children. That is not an abuse, because it is a legal entitlement, but it is sustainable only if such cases are rare exceptions.

Mr. Lilley: The hon. Gentleman seems to be trying to argue in favour of identity cards on the basis of how complicated the procedures for establishing entitlement are. Is he not actually saying that, if the card is to be used as an entitlement, it will contain a vast array of information over and above what the Government have described so that the user's entitlement or otherwise can be established?

Mr. Jones: That is a fair point, but what I am trying to say is that we need clearer and better understood criteria to establish entitlement. Once we have established entitlement, it will require an ID card. We will need to ensure that there is some form of ID system to make that entitlement system work. However, I do not anticipate that the right hon. Gentleman shares my desire to protect the welfare state in the first place. He may find that undermining the welfare state is desirable. I do not share that view.

John Barrett (Edinburgh, West) (LD): Does the hon. Gentleman agree that having an ID card will not affect entitlement if the individual is lying about their circumstances and that that is the problem that exists as regards benefit fraud and attempting to obtain benefits from the health service that one may not be entitled to? It will not be helped by an identity card.

Mr. Jones: Yet again, the system is criticised for not being perfect. No, it will not perfectly remove all abuses, but it will remove some.

Some recent research suggests that there is an inverse relationship between welfare and diversity, pointing out that the most homogeneous countries, such as the Scandinavian countries, have the most extensive welfare systems, while highly diverse countries, such as the USA, have much more individualistic societies. There are many other variables, and I do not believe that we can necessarily show cause and effect, but those who believe the welfare state to be the greatest achievement of reforming government in the 20th century have no room for complacency on these issues. The preservation of an extensive social system will require this Government and future Governments to define entitlement carefully and an ID system will be essential in recognising that entitlement.

7.21 pm

Mr. John Gummer (Suffolk, Coastal) (Con): I am in favour of identity cards and have always been so, and one must take seriously the pressure for them from the police and the security forces. But I have rarely heard a worse definition or defence of identity cards than the one that I heard from the new Home Secretary. Support for identity cards is rushing away simply because there is a huge lack of trust in the Government. If the Government want an identity card system, they must address properly the reason why so many sensible people find the proposals unacceptable.

The Chairman of the Select Committee said that it was hard to understand the opposition. Let me perhaps explain it. In a recent debate—yet another one of those on the subject of the criminal law—my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) ended his speech with a peroration, in which he claimed that the former Home Secretary was the most illiberal Home Secretary for a hundred years. Immediately after, the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) chided my right hon. and learned Friend, saying that he had been very unfair to the Home Secretary, that the Home Secretary was not only the most illiberal Home Secretary for the last hundred years, but would be seen as the most illiberal Home Secretary for the next hundred years as well. So there is a pretty universal view that for a long time the Government have been enacting legislation that has been opposed strongly by any of us who have freedom and liberty as part of the reason why we were elected. This Government have behaved in a way that explains why people are very suspicious of this proposal.

I had to ask Mr. Speaker for support when we did not reach a particular amendment after we had been voting on a range of amendments in the last Criminal Justice Act because it was the only amendment during the whole of the proceedings on that legislation on which I would be voting on the right of the Government. In every other case I had been voting on the left of the Government and my constituents were beginning to be rather confused, as indeed I was, on the position in which the Government were putting me.

So trust is crucial, and when one looks at this motion—one that I have come to support and will vote for—the first thing that I must ask about is the timetable. It is absolutely not possible for the Home Secretary to try to reassure me and my hon. Friends who want to support him that somehow or other there will be a proper debate when we will have a timetable motion that leads us to the end of it before the end of the next month. It is unacceptable. To suggest that we will debate a major change without time for the House to do so properly yet again shows that the Government do not care about the House of Commons, do not care about proper debate, and believe that it is acceptable to have a few perfunctory discussions and then say that the House of Commons has agreed.

That is why I have to say that I do not believe that the Home Secretary will get the legislation through in a form that is anything like the present proposals unless he makes some pretty big changes now. If he thinks that I am being overdramatic, I remind him about the casino Bill, which is now a wholly different Bill and is so pathetic that no one could object to it because it does none of the things that the Government promised in the first place. They discovered that what started off as, they thought, a popular move, they themselves made unpopular.

That is precisely what we have here. We have something that I believe to be right and in the right way could help in dealing with both illegal immigration and terrorism, but if presented in the way that the Government have will be a disaster, and they will find themselves deeply unpopular as a result, in exactly the same way as they have over the casino Bill. They thought that it would be a popular measure, they have managed to make it less popular, and if they go on as they are they will make it totally unpopular.

The way to change this is, first, to have a Joint Committee of both Houses so that the Bill can be properly considered and Parliament can be known to have given its opinion in a sensible and effective way. A change of this size, of this momentum, needs to have such scrutiny. The fact that the Government have cast it aside is yet again an example of the fact that the Government do not care about the House or Parliament as a whole. We have to press that in any such matter.

Secondly, the system cannot be run by the Government; it must be run by an independent commissioner who stands outside the Government and who reports to Parliament. There have been two examples of the successful introduction of information technology, both of them by one of the most independent quasi-Government organisations, the Inland Revenue. The Inland Revenue did both extremely well, effectively and to time, but it did it independently, it did it itself, and it does not report directly as is proposed here.

I want something even more independent than that. I want a body that is clearly independent, which can act only specifically within the terms of the Bill as laid down by the House. I want to remove from the Bill the Government's ability to use affirmative legislation, because people outside think that if a measure is brought before Parliament, there has been a debate. They do not understand our system. They do not know that there is no debate at all and that a measure cannot be defeated because in any circumstances the Government can use their Whip. Therefore, we need a different system.

If those Opposition Members who agree with the principle of having identity cards, who believe that we cannot say that just because there has been fraud we should not have paper money, for example—we cannot have a system which says that we cannot have anything because there might be abuse; we cannot say that because a measure will soon be outdated we had better not do it at all, or we would never buy a computer; nor can something be opposed because one is so opposed to anything that might be used by the EU that one votes against it in any case; that is barmy and we know exactly why some people are making such points— *[Interruption.]* There are some hon. Friends behind me whose whole purpose in life is to say those things, but I do not listen to that kind of argument.

The Government should listen to the fundamental argument, which is that the people who are friends of passing this legislation cannot agree with it unless it is changed fundamentally during its passage through the House. Although we may vote for it in the first place, we

cannot vote for it later unless it is independently scrutinised, is subject to parliamentary decision making, and is clearly restricted to the purposes for which the Government claim that it is introduced. A timetable motion such as this is abhorrent and completely unacceptable in a democratic society. The Government must think again, or they will have the same dog's breakfast with this as they had on the casino Bill and they will have turned a popular measure into a disaster.

7.29 pm

Andrew Bennett (Denton and Reddish) (Lab): Sadly, I shall not be supporting my hon. Friend the Minister in the Lobby tonight. I warn him that, from my long experience in the House, I know that it is always a sign that something is going wrong when those on the two Front Benches support each other. There is also something seriously wrong when as many voices on both sides of the House are questioning their views.

The first objection is that, if politics is about priorities, we are earmarking far too many resources for the Bill, when we have not got enough resources for many other things that I would like as a socialist. Whether the amount spent is £3 billion, £5 billion or more, I believe that the money would be far better spent on eliminating child poverty, providing affordable housing, ensuring that our cities have good public transport systems or care for the elderly.

We also have to question the cost to the individual. I have no difficulty if the amount is £70 to £100 for an individual; if a family want to go abroad, they will have to get passports, and if the cost is between £300 and £400, that is perfectly all right. We must, however, face up to the fact that if the Bill is to cut benefit fraud, we will have to deal with families on very low incomes. For them, acquiring identity cards for the whole family will be a considerable expense, and it is certainly not something that we should push them into.

On technology, almost everyone in the House has questioned whether we can introduce the technology for such a scheme. The Child Support Agency, family credits, pensioner credits and all the disasters have been mentioned. The problem with that new technology is not that it fails to deal with 90 or 95 per cent. of cases, but the small 2 or 3 per cent. where a disaster is created. That small percentage will be the problem with ID card technology, whether the difficulties arise in working out the biometrics or other areas. Until we can build into any technological system some way of dealing with those hard cases, we will have a problem. The sad thing is that common sense is not all that common anyway, but as far as computers are concerned, it is absolutely non-existent. I say to my hon. Friend the Minister that the crucial thing is how we find a way around those hard cases so that we do not cause a great deal of misery and hardship for people who find it very difficult to get their ID card when people around them are getting cards without any difficulty at all.

I accept that crime and terrorism can be very effectively dealt with by ID cards, but that can happen only if the cards are compulsory and it is compulsory that everybody carries them all the time. I went to the Soviet Union as a student in 1958, and I was very impressed with a lot of what I saw. One day when I was coming up from the tube, two or three people pushed down the escalator past me going the wrong way. Why were they coming down? At the top, people coming out of the station were being stopped by the police and having their ID checked. If they did not have their ID, they were taken away. If we are prepared to argue for a society in which we have regular police checks at which the ID is demanded and verified, fair enough, but I certainly do not want that sort of society. I am not convinced that the new system will have any impact at all on crime and terrorism unless we travel a distance that I believe is completely unacceptable in this country.

We must also work out what happens in respect of people who lose their ID card. Constituents come regularly to my advice bureau having lost some crucial piece of paper, and it is often very difficult for them to get a replacement. We cannot make it easy for people to get replacement ID cards, or it will become less and less important for them to look for cards that they have mislaid. Penalties will be needed for people who lose their cards, but those penalties should not be so great as to mean that the ID card becomes another problem for somebody with a chaotic lifestyle.

Martin Linton: Does my hon. Friend not appreciate that, with the advent of biometric cards, for the first time in history, it will not matter if people lose their card, because a new one can be issued only to somebody with the same biometrics? That will overcome the problem of people having to track down pieces of paper, shuffle them up to the post office and worry if they lose one of them. For the first time, they will have a secure identity.

Andrew Bennett: The theory is that, if somebody lost their card, they would simply go and demand another, their biometrics would be checked and they would get another. There would then be a spare card.

Martin Linton: Nobody else can use it.

Andrew Bennett: It is not true that nobody else can use the card. That is one of the problems. People can be caught for illegally using a card only if someone is going to check it. That is the difficulty: false security, which is my next point. We all have House of Commons passes. There was a time at which, when an hon. Member entered the House of Commons, a policeman looked at them and their card, but that does not happen any longer; we can simply push our card into one of the machines. That creates a false security.

I have seen youngsters in pubs with so-called ID cards, and they can pass them around when someone goes to the bar. It is perfectly all right if there is a reader at that point, but we will not have readers on every street corner to check the cards. That is the problem – a false sense of security.

Mr. Browne: My hon. Friend is advancing an argument against identification full stop.

Andrew Bennett: We have to be very careful with ID cards, and the sensible solution is to let people have the peripheral cards that they currently have, not to insist that they have a national card.

[Andrew Bennett]

I intended to be brief, and I come to my last point: the desire to make changes by secondary legislation and the great number of powers in the Bill in respect of which the Government can come back to the House for an order under the affirmative procedure. There is a huge difference between trying to get primary legislation through the House and introducing secondary legislation. Primary legislation takes several months at the quickest and more often than not takes nine months. There is not only the debate in the Chamber and the argument in Committee; it is the debate in the country that is important. That happens on primary legislation, but regulation can be announced one day, and with a big Government majority, it can be introduced within 48 hours or so of publication.

That is a change in the nature of legislation, and I argue very strongly that we should not have the ID cards legislation at all, and that we should certainly not be introducing in that legislation powers for Governments fundamentally to change it and drift towards what will in effect become a police state. I am totally opposed to the legislation.

7.38 pm

Sir Brian Mawhinney (North-West Cambridgeshire) (Con): The hon. Member for Winchester (Mr. Oaten) told us that he had changed his mind and that he was now against both the principle and the practice. He voted for the principle earlier in his short parliamentary career, but he did not choose to explain to us why his views on it had changed, although that change appears to have coincided with his appointment to his present responsibilities.

I, too, have changed my mind, albeit over a longer period. When I came to this House, I would not have supported the legislation, but I do this evening. I argue that I have changed my mind because the world around me has changed. It has changed in two respects. 9/11, about which much is said and whose trauma is real and far reaching, told us all that we had a new breed of criminal. The subsequent rash of suicide bombers simply reinforces the message that the world of terrorism and criminality has changed.

However, the other thing that has changed, for better or for worse—I had some reservations as we progressed down this road—is that the state and society in general intrude into my life to a far greater extent than when I first entered this House. My passage down the street is monitored by cameras and my pocket is full of bank cards. The other day, my bank helpfully called me to query what it thought might have been the fraudulent use of one of my credit cards. If the weekend press is to be believed, all hon. Members will soon have to wear their passes in this place for the first time ever. I am inundated by unsolicited commercial mail from people who know about my life, my quality of life and my habits, and who try to turn that information into a commercial project.

Two and half weeks ago, I went to the United States for my mother-in-law's funeral. In the process, my iris was photographed and my fingerprints were taken. It would be bizarre to argue against this legislation, when I have submitted myself to it in the United States in the past month. The world has changed.

I had the privilege of being one of five right hon. Members—Privy Councillors—who served on the Select Committee that reviewed the Anti-terrorism, Crime and Security Act 2001 and that reported to the Home Secretary some months ago. We were all impressed by the growth of identity theft in not only this country, but on a much wider scale. We made recommendations about the need to tighten the fight against identity theft. As we were a Committee of Privy Councillors and had had access to the security services and to the police, we could not publish the evidence, but I assure the House that it was real and significant. We should look for new and additional measures to address that problem over and above the more traditional approaches.

I respect the opposition to the Bill because, as I have said, I might have been part of it. One of the inadequacies of the argument against the Bill is that the excellent must be the enemy of the good. Nobody whom I know—I remind the House that I was a security Minister—ever argues that because a proposal is not perfect, it should not be implemented, although it would provide an additional benefit.

I listened carefully to the Home Secretary, who made it clear that he is introducing the legislation not as a panacea or cure, but as an additional benefit in a changed and more threatening world. Having said that, I join my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) and other hon. Members in saying that the Bill must be amended.

The Bill must be strengthened as a protection against function creep. I have had the privilege of being in government, so I am not making a partisan point when I say that function creep is an inherent temptation to all Governments. In that regard, strengthening the Bill is important. Each one of us should have guaranteed access to whatever information the system holds about us. The Freedom of Information Act 2000 may not be sufficient in that regard, and that matter must be debated.

I also agree with my right hon. Friend the Member for Suffolk, Coastal that the commissioner should be responsible to Parliament, not to Government. My right hon. Friend the shadow Home Secretary made that point, and I reiterate it because I believe in it so strongly. I also agree with those who have said that given the sensitive nature of the Bill, which goes to the heart of who we are and how we see ourselves as a nation, any changes should be by primary legislation, not secondary legislation.

When we debate a matter of principle in this House, it tends to polarise views and the language tends to shift to the ends of the political spectrum. We would do the nation a service if we resisted that temptation tonight and recognised that a serious benefit may derive from the Bill. Although the Bill is not a panacea for the future, it is an opportunity to do good in a changed and more threatening world.

7.46 pm

Martin Linton (Battersea) (Lab): This week, a number of journalists—and indeed my Whip—asked me whether I support the Government proposals on ID cards. I told them that they do not need to ask me whether I support ID cards, because I was the MP who

suggested that the Government should introduce them in the first place, when I was a member of the Home Affairs Committee.

My idea was called "entitlement cards", and it was suggested by the Home Affairs Committee report on border controls, which was published in January 2000. I suggested that one would not need to carry the entitlement card and that one would not be asked for it on the street, but that one would need it to establish one's entitlement to a public service, such as registering with a GP or school or applying for a benefit or student loan.

Nearly five years down the line, what is essentially the same idea has gone through all the possible parliamentary stages that one can imagine—White Paper, public consultation, draft Bill, Select Committee report and Government response—and it has finally reached the Floor of the House of Commons as a Bill, which I warmly welcome and support.

Practically the only change to the original proposal that we discussed five years ago is that the Home Office, having launched the card as an "entitlement card", has decided to revert to "identity card", because it found from focus groups that people preferred it. I am not sure whether it is right, because I called it an "entitlement card" to emphasise that it is not a must-carry-at-all-times identity card and that it does not confer any powers on the police, unlike the South African pass laws or before them the Nazi pass laws.

Calling the card an "entitlement card" emphasises two things that resonate with the British voter. First, that the card concerns what we, as individuals, are entitled to. Secondly, that it concerns fairness, everyone getting their due and not jumping queues. Those reassurances are still needed.

David Taylor: The use of public services, especially the NHS, by non-UK residents has never been costed or assessed, and it has been left to the poison pens of right-wing scribes to throw around figures of obscure origin to feed insecurity and injustice among the British electorate.

Martin Linton: Indeed; that is a good argument in favour of entitlement cards. The point has been made a number of times that people might be refused emergency treatment if they do not have their card. That is wrong; the health service never asks for identification for accident and emergency treatment. It is only when treatment becomes longer term that the issue of identity is raised.

Hospital authorities already raise the question of identity for long-term treatment. Since April this year, longer procedures have been introduced to ensure that all health authorities check the identity of people who receive long-term treatment, and particularly whether they are holidaymakers or have residence status. It will be simpler to establish that fact because people will not need to produce so many pieces of paper.

Mr. Allan: Does the hon. Gentleman really envisage every health service outpost in the land, including those that cannot afford scanners for medical purposes, buying scanners for ID purposes and installing them at huge expense? Is that what he wants to happen?

Martin Linton: That is no more and no less than what happens at present. It is already the duty of health authorities to check the residence status of people who have long-term treatment.

Mr. Allan: What about scanners?

Martin Linton: They will use scanners if they want to or if it is simpler for them. It is up to public services what use they make of ID cards and scanners.

John Mann (Bassetlaw) (Lab): Does not my hon. Friend agree that my daughter, who is extremely allergic to penicillin, should have the right to an identity card that is linked to a database so that if she were taken into accident and emergency it would be possible to check whether to treat her with penicillin?

Martin Linton: As I said, accident and emergency departments do not require proof of identity. When people who are on holiday are taken to A and E, their entitlement is not checked because it is an emergency—it is checked only when they need longer treatment. I cannot see how identity cards will do anything other than make the process simpler.

As I have pursued this issue over the past few years, I have seen a sea change in attitudes; indeed, my own attitude has changed. The number of people arguing against identity cards on principle has continued to dwindle. However, it is clear from the early-day motions that have been signed that there are still Members on both sides of the House who are very unhappy about the issue, and I want briefly to discuss some of their arguments.

The Bill makes it clear that there will be no compulsion to carry ID cards. There are no new powers for the police. There is no change in entitlement to public services, and emergency health care will still be free. There is no more information on the ID card than is already collected by Government; indeed, it will relate only to one's identity—name, date of birth and possibly address—and residence entitlement.

Mr. Marshall-Andrews: That is the position now. However, does not my hon. Friend agree that under the Bill as it stands, any Secretary of State will be able through secondary legislation to increase the amount of information? For instance, he could add everything that is held on the national police computer, including a person's associates, what they are suspected of, and the number of times that they have been arrested, and that information would be available to every Government Department that he designated. Does my hon. Friend agree with that, and if so what has he to say about it?

Martin Linton: I am conscious of the time, Mr. Deputy Speaker. That argument—the thin end of the wedge, or function creep argument—is used all the time. I understand that it will appeal to libertarians, but

[Martin Linton]

it is a strange argument for parliamentarians to use, given that it will be under our control whether any decisions are taken by future Parliaments on Bills that extend the effect. This Bill specifically rules out any must-carry card. If people are worried by that argument, it should be used not as an excuse for sitting back and doing nothing but for strengthening parliamentary scrutiny.

Another argument, which was alluded to by the right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney), is the perfectionist argument—that because ID cards will not stop all international terrorism overnight or end all crime they are wrong and we should do nothing. The fallaciousness of that argument should be immediately apparent to every Member of this House. The mere fact that something will not do everything is no argument against doing something.

A further argument mentioned by the right hon. Member for North-West Cambridgeshire is, "I'm against ID cards because they would only work if they were made compulsory and you had to carry them at all times. I am against that, so I'm against the whole idea." That is just another form of the perfectionist argument, but it is completely fallacious because nobody is suggesting must-carry cards. The argument for the effectiveness of entitlement cards was based on their use in relation to public services. Those who say that they will not completely solve international terrorism miss the point completely, because nobody claimed that they would in the first place.

We have to deal with the fact that several new types of crime have arisen in this country almost entirely because of the lack of any kind of internal checks. There is identity fraud, a fair amount of which is to do with multiple applications for benefits and the use of multiple identities in different ways. Health tourism may not involve a huge loss of money, but the fact that it does not cost billions of pounds should not be an argument against making it more difficult for people who are on holiday to claim medical treatment without paying. As for illegal working, an ID card would make it much easier for employers to check the residence status of potential employees; equally, it would be easier for the authorities to enforce sanctions against employers who are caught using people who have no work status.

People trafficking is another, particularly pernicious, form of crime that has been called into being by the fact that once people enter this country we have no internal checks. When my colleagues on the Home Affairs Committee went over to Sangatte to ask people why they chose to come to this country rather than stay in France, they were often told that it was simply because of the lack of any internal checks.

Where I do criticise the Government is in their presentation of this important policy almost entirely in terms of its convenience for Government. It should be explained and defended in terms of its convenience for the individual. At the moment, we have wallets bulging with a host of different identity cards, and the new cards could be used to replace travel passes, library cards, driving licences, passports, benefits cards, proof of age cards, electoral registration cards, organ donor cards, Connexions cards, and application and registration cards. Ultimately, we have to understand that the individual would be the greatest beneficiary of a move towards identity cards. I strongly support the Bill.

7.57 pm

Mr. David Trimble (Upper Bann) (UUP): Time is limited, and there are only a limited number of points that can be made. Given the time limit on speeches, many hon. Members will be unable to speak, and those who do will not be able to say very much, yet this is a huge subject and this debate has been truncated by the earlier statements and other matters. That in itself is not satisfactory.

Another unsatisfactory matter is the programme motion, which aims to get the Bill out of Committee by 27 January. That is simply ludicrous when one considers all the issues involved. When the Home Secretary spoke, there was such a rush of interventions on a broad range of issues that my impression was that he often had to abandon his text or truncate it hugely. Even so, he took up a very large slice of the time that is available.

As other hon. Members have pointed out, many of the provisions in the Bill will be spelled out in delegated legislation, which means that they will not be subject to proper parliamentary scrutiny. This is a very important issue, but it is clear that it will not be given proper scrutiny in this House. I should say in passing that that is partly due to this terrible thing called modernisation, which has done more damage to this House and to parliamentary democracy than anything else that has happened in my time. The Government need to reflect on that. The right hon. Member for Suffolk, Coastal (Mr. Gummer) made good points on that and the Government should reflect on them.

The Home Secretary clearly did not understand what I meant when I referred to a common travel area in an intervention. The Minister for Citizenship and Immigration subsequently responded to the point but I do not believe that he covered it. I meant the common travel area that exists in the British Isles between the United Kingdom and the Republic of Ireland. If identity cards were introduced for UK citizens yet the position continued whereby all citizens of the Republic of Ireland or people who might legally be able to reside there can travel to and through the United Kingdom with no travel documents—they do not need a passport or any other travel document—there would be a huge problem and loophole.

It is not sufficient for the Minister to claim that the European Union will introduce common travel documents when travel documents are not required. If the proposal reaches its final stage of being a compulsory identity card system, it will be necessary to have persuaded the Irish Republic to introduce an almost identical system. A common or shared database will probably be needed for it to operate. I do not know whether any of those matters have been considered, and that was the reason for my intervention. I hope that they will be considered.

There was some discussion about the form that the hon. Member for Winchester (Mr. Oaten) has; I have even more form on the subject. I must tell the hon. Member for Battersea (Martin Linton) that my form dates back to 1992. From then onwards, I tabled amendments and proposals in Committee and on the

Floor of the House for the introduction of identity cards. I did that for the simple reason that the then Chief Constable of the Royal Ulster Constabulary, Ronnie Flanagan, put it at the top of the list of measures that he wanted for strengthening his operations to deal with terrorism. He wanted that despite the fact, which the hon. Member for Vauxhall (Kate Hoey) pointed out, that we had had photo ID driving licences in Northern Ireland since the early 1980s that were used as the basis of a database, by reference to which the security forces—the police and the Army—stopped people. Although that had been the position since the early 1980s, the Chief Constable considered it inadequate. He needed more and I therefore supported the concept, to which I am consequently tied.

I believe that the concept is right and that the point about civil liberties is overdone. The right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney) made the point that so many things currently happen that enable records to be kept. I wish we had time to show that, but if we only consider the way in which possession of a mobile phone exposes one to huge surveillance and provides a tremendous amount of information, that makes the point. Supermarket loyalty cards have also been mentioned. Again, they enable a tremendous amount of information to be gathered.

The problem is not the information but the way in which it might be handled. The points about the need for the commissioner to be independent were well made. I hope that the Government will consider those matters because the provisions in the Bill are not sufficient. There is a host of practical issues to consider—for example, what information to include, how it is accessed and so on. However, I remain attached in principle to identity cards and especially to a national identity register. That is important for many reasons.

In Northern Ireland, we found that there was good reason to believe that many people on the electoral register did not exist and that there were bogus registrations. I suspect that that applies in England. The measures, based on national insurance numbers, that were introduced in Northern Ireland have had a significant effect. If we had a national identity register, there would be no need for them and there would be greater confidence in, for example, the electoral register. I fear that hon. Members are sometimes unwilling to face up to the extent of the problem. I believe that a similar problem of electoral abuse, which existed in Northern Ireland, applies in cities here. That is an additional reason for ID cards.

I want to pick up the point about devolution. We were teased earlier about what the Labour Administration in Cardiff would do and given some hints about the actions of the Labour Administration in Edinburgh. They are both old Labour Administrations and the Government may need to act to get them into line. However, if recent negotiations proved successful and a Democratic Unionist party-Sinn Fein coalition took over the devolved Administration in Northern Ireland, what might happen? Although old Labour may be slightly foreign or detached from the Government Front Bench, a DUP-Sinn Fein coalition would be from a totally different planet. The idea that it would have some of the powers for which the Bill provides beggars belief. I suspect that the Government will have to find methods of extending measures to the devolved Administrations, just as I believe that the scheme will eventually be introduced.

I understand why the scheme will be voluntary at the beginning. Much work is required to build up a system and ensure that it works effectively. It will take years, and it will also be years before we are in a position to move to an automatic identity system that is effective throughout the United Kingdom and marries up with actions elsewhere in Europe. However, we need proper scrutiny now, and we need the Government to be more flexible in the succeeding weeks than they currently appear to be.

8.6 pm

Mr. Gwyn Prosser (Dover) (Lab): The earliest form of identity documents in this country were probably the letters of introduction that travellers used in the time of William the Conqueror. However, those early papers contained no description of the holder and certainly no image. They were written in French, the language of diplomacy. Some speeches in the debate lead me to believe that some hon. Members would like to revert to that standard of identity, but without the French, of course. However, I believe that we should move towards a more succinct and more reliable system and that the majority of us want to improve standards of security.

I am another convert. Until 1999, like most of my colleagues in the parliamentary Labour party, the wider Labour party and probably the general population, I had no strong views on identity cards. On balance, I was probably unpersuaded of the need for their introduction. However, events in my Dover constituency in that year forced me to examine the question afresh.

By 1999, many asylum seekers and illegal immigrants had arrived in Dover by hiding in the channel tunnel freight trains and in the backs of lorries on the cross-channel ferries. Consequently, we were accommodating an ever-increasing number of asylum seekers and overseas visitors, who caused us problems and posed important questions.

There was much speculation, to which my hon. Friend the Member for Battersea (Martin Linton) alluded, about why those people had travelled, sometimes through three continents, taken huge risks and then risked life and limb to travel the extra 20 miles from the safe havens of France and Belgium to Britain. Many theories and reasons have been offered. The Home Affairs Committee considered the matter and discussed the "pull" and "push" factors. It examined the lack of identity cards in this country as a pull factor. I accept that that was only one of many theories that were presented. However, when I asked individual police officers and immigration officers in Calais and Dover—people on the ground who meet asylum seekers when they depart and when they arrive—they put lack of identity cards and the consequent easy access to illegal working at the top of their list of pull factors.

Mr. Gibb: There are many advantages to living in this country. Does the hon. Gentleman propose to abolish all of them?

Mr. Prosser: I said that the Home Affairs Committee examined many important reasons, including access to the English language and to friends. I am focusing on the reason that, anecdotally, is strongest in my local experience.

Jeremy Corbyn: Will my hon. Friend give way on that point?

Mr. Prosser: Let me make some progress.

Although most immigrants are law abiding and peaceful, a small number of asylum seekers in that part of east Kent sought fraudulent ways to make multiple claims for benefit. Some succeeded in picking up large amounts of money by making more than one application for asylum and using the false identity to double their money. That was not difficult to do at the time, because the authority to claim such benefits was simply a letter from the Home Office, which could easily be forged with a little Tippex and a photocopier. But that is just the lower end of the forgery scale. At the higher end is criminals' ability to make very passable copies of British and foreign passports and ID cards.

Hon. Members may remember a BBC documentary film maker posing as an asylum seeker in Dover. He was put in contact with a gang in London who, at a cost, manufactured a complete set of false identity documents within a few days. To tackle that abuse, the Government introduced identity cards for all asylum seekers—that has already been mentioned—as part of the Nationality, Immigration and Asylum Act 2002. Those asylum registration cards—ARCs as they are called—are also biometric. They hold the electronic imprint of the holder's fingerprints in digital form.

The new system was implemented speedily and without problems. As well as being highly effective in combating fraud, the new cards are welcomed by asylum seekers because they help clearly to define their status and ensure that they get speedy access to their legitimate benefits. I have heard of no instance of an ARC being successfully forged, and my experience of seeing the real benefits of this card, as well as my view that the lack of identity cards in this country was a big pull factor for economic migrants and asylum seekers, persuaded me to support and promote the introduction of secure biometric ID cards for the rest of the population.

The creation of multiple identities is by no means limited to asylum seekers and illegal immigrants. A large proportion of criminals use false and multiple identities to defraud and to escape detection. Stolen identities are the stock-in-trade of some villains. When police tracked down the evil people smugglers who allowed 58 young Chinese to perish in the back of a container in my constituency of Dover, one of the criminals had no fewer than 51 separate identities, all supported by false documentation.

Owing to the flow of immigrants to Dover, the volume of illegal working in Kent increased and the activities of the illicit gangmasters flourished. That is another area of criminality where the ability to define identity by the production of a secure biometric card would help to crack down on illegal working and on the people who smuggle others into Britain and profit from their human misery.

I believe that those reasons alone are probably sufficient for the introduction of identity cards, but the massive escalation in the threat to our citizens and to our communities represented by the attack on the twin towers in 2001 has added a new dimension to the debate, as well as another important reason for ensuring that our police, our border control officers and our security services know with a degree of certainty who is in the country and who is who.

I do not think that anyone believes that the threat that organisations such as al-Qaeda pose to our communities will diminish in the foreseeable future, and there is every probability that, with the passage of time, international terrorists will become more threatening and more sophisticated in their planning. This means that it is even more important than ever that the state knows who is in the country and has reliable population statistics, which is why I would welcome the reintroduction of embarkation controls in Britain to run alongside secure compulsory ID cards.

David Taylor: My hon. Friend has a deservedly high reputation for improving race relations in his constituency, so is he not uneasy at the proposals to phase in identity cards such that non-EU nationals living in the UK for more than three months will be the first ones to have to carry them? Might that lead to a stop-and-search culture, which would damage race relations in a way that he has been trying to combat locally for five or six years?

Mr. Prosser: I am grateful to my hon. Friend for his generous remarks, but the issue of the three-month delay was dealt with adequately from the Front Bench during the opening speeches.

The critics of ID cards keep wheeling out the old chestnut that ID cards did not or would not stop any of the notorious terrorist attacks—we have heard that any number of times tonight—but that argument ignores the enormous amount of preparation involved in and the enormous number of people who prepare the ground for such attacks. It is well known that a significant proportion of those people lie dormant by hiding behind false identities. We have already heard that about 30 per cent. of terrorists use false identities to get by.

Our security and police chiefs—the people with the awesome responsibility of protecting us from the destructive outrages of terrorists—all say that ID cards would help them in their task. The same people tell us that, although they have already successfully disrupted and prevented more than one major terrorist attack in Britain in recent months, a further attack on the capital is inevitable rather than just likely.

So to those who argue that identity cards did not prevent 9/11 and Madrid, the security chiefs of those countries are entitled to say that although, sadly and tragically, their anti-terrorist units did not prevent the attacks, that is not to say that those units have no use or that they should never have been established in the first place.

I know from taking soundings in my area that the vast majority of my constituents want ID cards to be introduced. We know from our consultations that about 80 per cent. of the British people want ID cards to be introduced. We know that all the security people want

ID cards. We know that nearly all our European partners already have some form of ID card in place. There is a rising tide of support for these timely new measures; I am happy to add my support for this important Bill tonight.

8.16 pm

Mrs. Patsy Calton (Cheadle) (LD): The Government argue that identity cards and the national register will protect us from terrorists, stop benefit fraud and prevent illegal immigration—their effect will be to provide an answer to all our problems. The Conservatives appear to agree. "Appear" is the operative word: why else would so many of them, we understand, have been told to take the day off rather than reveal the extent to which they oppose identity cards?

I am very dubious about the first claim of ID cards protecting us from terrorism. We all want our constituents to be protected from terrorist attacks, which are made more likely by this country's involvement in the war in Iraq. The Government dragged the country into that war—again, with the full backing of the official Opposition. Then, as now, it was left to the Liberal Democrats to lead the opposition in the House. However, I see no evidence that identity cards have prevented terrorist attacks in Europe. Over recent years, hardly a European state has not had its citizens murdered by terrorists, as in Madrid in the train bombings, despite Spain's citizens having been compelled for many years to have identity cards.

The amount of taxpayers' money needed to start up this system is huge—an estimated £3 billion or more for the computer system. We should watch for the announcement that that has doubled or trebled, as the costs of so many such schemes do. Then there will be the as yet unknown ongoing costs for the army of people to maintain the system and constantly to update individuals' records as their addresses and situations change. How many more people will have to be put on the payroll to do that, and at what cost? We simply do not know.

I have seen various initial estimates of the cost to each of us of an identity card. No one seems to know the true figure, but whatever it is, how long will it be before it rockets? How will that affect those who were not forced to register for an ID card when renewing their passport, but who are given notice that the Secretary of State requires them to register under threat of a £2,500 fine for non-registration?

Martin Linton: Has the hon. Lady not reached the page in the explanatory notes that points out that the cost will be £70 for a biometric passport and another £15 for the ID card?

Mrs. Calton: I understand that no guarantees are given for that. Indeed, the cost could be a lot more.

The dangers to civil liberties and traditional freedoms are well known and have been well rehearsed today, and they are greater when we have no confidence that what is being proposed will produce a reliable system.

The balance between the civil liberties of the individual and the benefits to the state has been discussed several times. My constituents tell me that they are worried that the Government appear more and more authoritarian, and that this proposal is just another facet of that authoritarianism, with the Government wishing to be present at every move that people make and in every service in which they wish to take part.

When I talk to people about large-scale Government computer projects, they laugh. They remind me of the recent chaos at the Child Support Agency because of major failures of its computer systems. I am reminded of the even more recent computer crash at the Department for Work and Pensions, with all the inconvenience and genuine hardship that that caused. The track record of those huge IT projects is disturbingly unreliable. This IT project will be bigger than anything so far, much more complex, and much more liable to error. I do not share the Government's confidence that identity cards cannot be forged, or the systems hacked into, by clever criminals with sufficient resources. What assurances can the Minister give that these systems cannot be tampered with? Unless he can give such assurances, an awful lot of money will be wasted.

When our access is impeded or denied because the computers are down, or because our information has been wrongly entered, how will we feel? When our elderly neighbour or relative cannot get their pension because their details are wrong, how will that affect any enthusiasm that we might have for the idea? How long will it be before our DNA profile is added to the register?

I want the billions proposed for this project to be put into the police, immigration and other security services: for example, more intelligence officers for MI5 and the new Serious Organised Crime Agency. Vast sums are being diverted from forces that desperately need more resources. Only recently, chief police officers complained that they face a £350 million shortfall for fighting crime next year. A sum of £3 billion could pay for 10,000 extra police officers for the next six years.

By this proposal, the Government show clearly that they have the money to spend. Let them spend it on effective means to keep us safe and to prevent fraud. The Conservatives often say that they want to do away with big government. Big government does not get much bigger than this.

8.22 pm

Jeremy Corbyn (Islington, North) (Lab): I am pleased that we are at last debating this issue, because it seems that we are being asked to accept some kind of illusion of security. We are told that there are problems in society of high levels of crime, illegal immigration, illegal working, benefit fraud and terrorism, all of which may or may not be true. Nobody from the Home Office or anywhere else, however, has managed to explain how any of those problems will be solved by the introduction of compulsory identity cards, voluntary identity cards, or voluntary identity cards that later become compulsory. Let us start to examine the arguments and how the scheme would operate, and let us think it through.

If one wants to come into this country to create terrorist mayhem or commit major fraud, one does not come in through an airport or sea port with "Terrorist" written across one's forehead, or "Criminal" written across one's breast, and say, "I'm here to cause mayhem". What is the first thing that one does? One gets

[Jeremy Corbyn]

some form of credible identity—a stack of bank cards and all those bits of information that will get access to society—one dresses the part, and one gets away it. With all the technology available, and the enormous expense of computer programmes for this system, who is to say that the fraudsters will not already be ahead of the game? As my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) has pointed out, the fraudulent use of bank cards is already rife. Those who wish to commit fraud on bank cards are well ahead of the game and are well capable of doing it. Who is to say that there is not a possibility in the future either of fiddling forms of iris recognition or hacking into the computer and issuing multiple cards that people can use fraudulently?

Martin Linton: Will not my hon. Friend accept that bank card fraud is so easy precisely because of the lack of biometric identification? With biometrics, and identity anchored firmly to a biometric card, many of the avenues for bank fraud and fraud against public services would be closed.

Jeremy Corbyn: That is a fascinating argument, based on the comfort and love of technology, which solves all problems. If we were to take my hon. Friend's argument at face value, that would mean having a biometric reader in every branch of every bank in this country and, I presume, alongside every cash machine. I presume that somebody will staff the cash machine to check that the person is using the biometric reader. What kind of society are we heading towards if we cannot go anywhere without checking in with a biometric reader to confirm that we are who we say we are? What kind of society will such a scenario create?

I am proud to represent a very multicultural inner-city community. It contains people who have come from all over the world, who have either migrated to this country, migrated from other parts of the United Kingdom, or sought and received asylum here. After a great deal of work over many years, relations between the local communities and the police are pretty good. There is a good working relationship. Who is to say whether, with the development of these ID cards, we will not return to all the past horrors of stop and search, the use of earlier vagrancy legislation, and the profiling of individuals to decide whether they should be stopped and searched?

I suspect that "voluntary" cards will be introduced, and that various agencies will decide to check whether people with certain ethnic attributes have a card. We will end up with racial profiling. In relation to health care and examination, one hopes that emergency services will always deal with emergencies, but are we to assume that hospital staff will ask everyone who wants to make an appointment for a non-emergency service for their identity card, or will it just be those with a west African-sounding name, a Turkish-sounding name, a Somali-sounding name or a south Asian-sounding name? I suspect the latter. I suspect that we will end up with an unpleasant society, biometric readers in certain places, a large degree of stop and search going on as a result, and people living at the margins excluded.

For example, we are supposed to register every time we change address—but I know of many people who lead entirely chaotic lives, who would never in a million years get round to registering a change of address, particularly when they change address every three or four weeks, or at least every three or four months. Will they be fined £1,000 every time they do not register? What will we do when they cannot or will not pay the fine, or other penalty? What kind of criminalisation will result from that?

What about Travellers, who lead an itinerant existence? I would have thought that in a modern, democratic, tolerant society we could and should be able to accept different lifestyles. What will we do with people who refuse to, or simply cannot, register? Will we create a group living on the margins, for ever exploited as illegal workers, because their employers can get away with it and it suits society?

The House should think very carefully before passing the Bill, if for no other reason, then for the following two reasons. First, this is not about identity cards; it is about a national identity register. That is what clause 1 says. Secondly, this is enabling legislation, which is being rushed through tonight, and will have to be out of Committee by the end of January. Presumably there will also be pressure to get it out of the House of Lords so that it will appear on the statute book quickly. It will then be law, and although the public as a whole may not understand the concepts of primary and secondary legislation, the fact is that tonight is the major opportunity that MPs will have to vote on this material, except for Report and Third Reading. After that there will be only secondary legislation, which is impossible to amend and difficult to vote against—difficult, indeed, to influence in any way.

I ask Members to think carefully about the kind of society that we are creating with the Bill, and about what kind of society we want to live in. The Bill will not solve crime, fraud or terrorism; it represents the comfort zone of the high-technology security industry, which will be easily hacked into. A much better form of security is protection of the individual and respect for that individual's liberties, independence and right to justice. That, rather than going down the road of examination, interference and control, will lead to a fairer, more just and more co-operative society.

8.30 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I shall join the hon. Member for Islington, North (Jeremy Corbyn) in the Lobby tonight to vote against a bad idea in a worse Bill, introduced for the worst possible motives. This idea has always been a solution looking for problems. When the Government were under attack for waste in the public services, they said that this would be an entitlement Bill, frankly admitting that it would have little role to play in combating terrorism. When they were under attack for their failure to control immigration, they said that the Bill's prime purpose would be to control illegal immigration. When the focus groups told them that they were lagging behind the Conservatives on crime, they said that the primary issue was to control crime. Now, because they want to frighten us with the threat of terrorism ahead of the election, they have again raised the issue of controlling terrorism.

The Bill is a solution looking for problems, and when we examine the problems, it turns out to be a pretty illusory solution to them. The police rarely have a problem in identifying suspects, only in proving that they did what they are suspected of. Terrorists rarely conceal their identity, only their motives. Benefit fraudsters rarely adopt a false identity, they merely misrepresent their circumstances. All illegal immigrants can, and most do, claim asylum. They are then automatically given an identity card without which they cannot claim benefits, and such cards already show their fingerprints and their photo.

The Government have managed to come up with some helpful comments from Departments suggesting general support for the scheme, and saying that it might be beneficial to them. It is always possible to get civil servants to say that sort of thing; their job is to support the Government. It was not too difficult to persuade the security services to come up with evidence that there were weapons of mass destruction in Iraq.

Departments are saying that the Bill would be useful to them—but the acid test of whether a Department really thinks that a proposal will be useful to it is to ask whether it is prepared to contribute a slice of its budget towards the costs. My first question to Ministers is: has any Department indicated a willingness to contribute to the costs of the scheme?

We know that the scheme originally proposed, for a voluntary card, was going to cost £1 billion. When that became an entitlement card, the cost went up to £3 billion. When the first draft Bill appeared, the scheme was going to cost £4 billion. Now it is supposed to cost about £5 billion. I know of no experience that does not suggest, and no outside expert who does not expect, that the eventual cost will be at least twice what the Government now say.

The Government say that a card will cost £85 a head, and that the cost will be borne not by Departments but by individuals. Everybody will have to pay that sum, even the 20 per cent. who never travel abroad and cannot afford a car. I ask the Minister: if the cost is double the present estimate, are we going to charge double that amount—a sum greater than the poll tax—to every inhabitant of this country, simply to prove their existence and justify their presence here?

The problem is that the system almost certainly will not work. We have heard about the difficulties of getting IT systems to work, but what about the biometrics on which this system is intended to rely, which have never been tried out on any scale? Indeed, the Government's own small-scale pilot trials had to be postponed because, as the Passport and Records Agency says,

"a series of hardware, software and ergonomic problems"

caused delays. It continues:

"Remedial actions to cure these problems continued for several weeks when, after further tests, the system was given back to the suppliers for further development and reconfiguration".

If these problems occurred during a small-scale trial, what possibility is there that the Government can get the system to work for 60 million people? A Cabinet Office study concluded that biometric tests will wrongly conclude that between 10 and 15 per cent. of those tested are not who they actually are. Are the Government really happy with that level of misidentification?

My next question for the Government is: why has no bank, supermarket or credit card company introduced this technology? Could it be that they believe the costs too great, the benefits too small and the danger of alienating their customers too high to risk undertaking a project of this nature? But the arguments against ID cards are not just practical. They would increase the power of the state and change the relationship between it and the individual. Does it not give Labour Members some pause for thought that compulsory ID cards have never been introduced in peacetime in any country other than a fascist, communist or totalitarian state? They were introduced by those countries precisely to increase their Governments' power to control their citizens. I am not accusing Ministers of sharing the malign nature of those states—at least, I do not think that I am—but they are creating an apparatus that could be misused. Does it not give Ministers pause for thought that no common law country has ever introduced such a system, and that those that started to do so—such as Australia and New Zealand—were persuaded by the reaction of their populations to back off and withdraw the proposal?

A number of Members have made it clear—I share their view—that the system will serve practically no purpose unless carrying the card, as well as having it, is made compulsory. Ministers say that that can be done only through further primary legislation. Given that this Government introduce three or four police Bills every year, the fact that such an initiative would require further primary legislation will be precious little defence once the apparatus is in place. We may take it for granted that once the system is in place, it will be compulsory to carry the card and to present it when required. Indeed, most of the services and most of the public think that carrying such a card ought to be compulsory. So every time that we leave home without it, we will be liable to a penalty. Even under this Bill, every time that we fail to notify the authorities of a change of address, we will be liable to a penalty of up to £1,000. Every time that we fail to report a lost or stolen card, we will not only be unable, so they say, to access all the services; we will also be liable to a penalty.

This project will cost huge sums and it may not work. It will damage our liberties, and I hope that this House rejects it.

8.38 pm

Mrs. Janet Dean (Burton) (Lab): Twenty years ago, and perhaps even 10 years ago, many of us may have held strong views against the idea of identity cards. However, we have become used to carrying a range of cards in our purses and wallets. As other hon. Members have said, we can be tracked around the country through our bank cards and, if anyone were sufficiently interested, they could discover from where we draw cash, where we choose to eat and how much we spend at the local supermarket. Indeed, loyalty cards can tell the supermarkets all that there is to know about our shopping habits, as well as whether we have a cat or dog, or even a baby. We have also grown accustomed to CCTV in our high streets and shops, to the point where most of us hardly ever think about the cameras. In recent years, the threat of terrorism and crimes associated with identity fraud has increased the need for security—both for the nation and for the individual citizen.

[Mrs. Janet Dean]

I recognise that there are those who hold very strong views against the development of ID cards. They oppose them in principle and nothing is likely to change their minds. What I can say is that, in my constituency, a survey that I have just conducted shows an overwhelming majority of the general public in favour of the introduction of identity cards.

I sent a questionnaire to about half the households in my Burton constituency and the rate of return is already about 20 per cent. with further replies being received daily. I have yet to complete a final analysis of the results, but a random sample shows that support for a card, and for it being compulsory, is 83 per cent. with 12 per cent. against both the card and compulsion. About 3 per cent. believe that we should have an ID card, but that it should not be compulsory, and 2 per cent. are neither for nor against.

Mr. Simon Thomas: Did the hon. Lady ask her constituents what price they would be prepared to pay for an ID card? In a much quoted survey that we have heard about this afternoon, 80 per cent. of the UK population as a whole support the ID card proposals, but when asked whether they would be prepared to pay £35 for the card, only 20 per cent. of people said that they would. What sum did the hon. Lady ask her constituents to pay for the card and how much were they prepared to pay for it?

Mrs. Dean: I was just about to come to that point. Some of my constituents are indeed concerned about the cost of the card to individuals, especially regarding the price that will be charged to the least well off in society, such as pensioners, who might not have any wish or need to purchase a passport. In that respect, I am pleased that the Government have already made a commitment to issuing cards at a reduced fee for vulnerable groups such as those on low incomes and to looking further into arrangements for the elderly, including consideration of some non-biometric cards for those who are frail and cannot be expected to have biometric measurements taken.

Although there is widespread acceptance of the principle of ID cards, the introduction of a system will bring benefits only if we can be sure that the national identity register is secure, with up-to-date information and accurate biometric identity markers. The report of the Home Affairs Committee states:

> "We believe there is a danger that in many day-to-day situations the presentation alone of an identity card will be assumed to prove the identity of the holder without the card itself or the biometrics being checked, thus making possession of a stolen or forged identity card an easier way to carry out identity fraud than is currently the case. The availability of readers of cards and biometrics, including to the private sector, is therefore a crucial factor."

I know from the Government response to that Select Committee report that some Departments have begun to assess their need for identity card readers. It would seem that there is still much work to be done to establish the true requirements of both the public and the private sector.

We should recognise that the Government's proposals for identity cards go much further than those in other countries, but also that we do not have a history of requiring as strict a registration system as many other countries do. Sweden has had a personal number system from birth for many years, but we found when we met people there that the country is yet to decide whether to have biometric measurements. The Swedish cards will be mainly for travel within Europe. In Germany, people are used to having to notify the authorities immediately of any change of address, yet the country has not gone as far with identity cards as we are proposing.

I believe that a system that does not involve biometrics would not be worth introducing. The use of biometrics should enable us to have a secure system, but to ensure that, it is vital to use accurate technology, to protect the system when data are inputted and to check the information rigorously. Providing the system is secure, it should not be possible for people to register more than once.

One of the concerns of the Home Affairs Committee was that we should avoid so-called function creep. For example, the development of the national identity register could establish a national fingerprint register, posing the question whether it should be used for solving crime as well as proving identity. We thought it highly likely that there would be public pressure for the information to be used to detect offenders, especially in the case of serious crime. The Home Affairs Committee report also stated that the benefits must not be entirely, or even predominantly, to the state. I am glad that the Government recognised that in their response.

Combating identity fraud will protect the individual as well as tackling crime. It will be useful for young people to be able to identify themselves when making age-related purchases. It will also be helpful if individuals no longer have to notify many different Departments of a change of address.

As long as the Government proceed with care, there is everything to be gained from having ID cards for the security of the country and the safety and protection of individual members of our society.

8.45 pm

Mr. David Curry (Skipton and Ripon) (Con): I am not a member of the libertarian right. Rather, I am what I suppose the Home Secretary would describe as a liberal, although to set one's face against authoritarian measures undertaken in the name of the public interest perhaps requires a tough liberalism, and I would describe myself as a tough rather than a soggy liberal.

Tonight, however, I make common cause with those who might more comfortably think of themselves as members of the libertarian right, because I believe that the Bill is a step too far, and I shall be in the Lobby against it. In any democracy, there is an implicit contract between the citizen and the state about the way in which freedom is to be exercised. Some freedom is exercised individually. I choose to exercise it individually because I believe that that is what is best both for myself and for the wider society. Some freedom I choose to be vested in a collective will because I believe that that is better for the broader community and, ultimately, in my interest as well.

There is not a frozen formula: political treatises have been written in every century about where the balance lies between the authority of the state and the authority of the individual. It is undoubtedly true that 9/11 seems

to have changed the balance, both in psychological and in political terms, but that does not mean that the question does not have to be asked. We ought constantly to question whether those measures that have been taken by the state, no doubt in good will and out of a spirit of paternalism rather than one of authoritarianism, are necessary.

I have come to the conclusion that we are seeing an encroachment of paternalism, invading the space occupied by liberalism and the role of the individual. Under this Government, in particular, the power of the intrusion of the state has increased and is increasing, and it ought to be halted. Under Labour, ironically, we have seen a sort of creeping Bonapartism in government. I am a well-known Francophile—it is one of the problems I have. I would not start from the assumption that French practices are wrong, but I find it ironic that, over the past decade or so, Bonapartism has, at last, been on the retreat in France, just when it has been on the increase in the United Kingdom. I do not wish to be counted one of les administrés, identifying myself as a subject of the state and being given my identity in terms of what the state endows me with.

I do not believe in the analogies that people have drawn with bank cards, supermarket cards and even national insurance numbers. Those are specific, limited and often voluntary things. The accumulation of information and power in one instrument is materially and substantively different from the dispersal of powers through separate instruments.

The Home Secretary says that we will not have to carry the card and the police will not be able to ask to see it. That makes me wonder why it will exist at all. As my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley) explained, we have seen a curious accumulation of the purposes of the Bill, and if one of the card's purposes is to combat terrorism, it is difficult to explain why it should be treated rather like my driving licence. With that, if I commit an offence, I can produce the licence at a police station of my choice within, I think, seven days. By that time, if I had terrorist intent, I doubt whether I would choose to present my card to my local police station in Skipton or Ripon at the appointed hour.

The trouble is that the Government are proceeding, in this as in so many things, by assertion, not by explanation or persuasion. I am always concerned about how things work in practice and I believe that this Bill will end up in a compulsory scheme. People will have to have an obligation to carry the cards or I cannot see the point of it.

I remember that, when I was the correspondent for the *Financial Times* in Paris, I used to see the police waiting outside the metro stations. They did not stop the whites, but those with a Maghreb complexion—those from north Africa. If one were white, one could have paraded through Paris wearing a bathing costume in the middle of winter and nobody would have taken any interest. The Bill, therefore, poses more than one problem with regard to the ethnic minority communities in Britain. It is a problem if the police decide to focus on members of the ethnic minority community, but it is equally a problem if the police take a softly, softly approach. In that case, other members of the community complain, as those of us who canvassed in recent by-elections have noted. People object when they think that the police are less rigorous in their approach to certain matters of ordinary law enforcement in ethnic minority areas than in other areas, because they do not wish to disturb community relationships or community equilibrium. In either case, it is a problem.

My fundamental problem is that the Bill is an empty vessel into which the Home Secretary can pour powers. The procedures for secondary legislation in this Parliament, which have been used by all Governments, amount—for all intents and purposes—to government by decree. If we are to have a commissioner, he should be analogous to the National Audit Office and answerable to this House to give us some measure of reassurance.

Another problem is the technical aspect and whether the proposals will work. Cost is another issue, and I was astonished that the Home Secretary in a long speech—admittedly, he took many interventions—did not mention the word. If there are reasons to vote against the Bill, that is one of them. He uttered not a single phrase related to the cost of the project. The Chairman of the Public Accounts Committee is seeking to catch your eye later, Madam Deputy Speaker, and he will know that the Government's record on the escalation of costs of public contracts, especially in IT, is catastrophic. That money could be spent elsewhere to buy a great deal of security and common or garden policing. It could even be spent to keep some of the police stations in my constituency open for 24 hours, rather than office hours as they are at present, which causes considerable resentment among ordinary people.

The timetable is monstrous. Is this a serious attempt to produce legislation or is it to provide an item for an election manifesto? To propose determining something as complex as this Bill in a matter of three weeks is an insult to the House. The implications are enormous and we know from experience that scrutiny is poor in such circumstances. That is why the House of Lords is so necessary, although no doubt that will change, if this Government are returned.

Finally, I say to my Front-Bench colleagues that we do not need to compete with Labour. We stand for individual liberty and a free and open society, in which there is a price for responsibility. We should have small government and big people. This Bill makes the Government too big and me too small.

8.53 pm

Mr. Neil Gerrard (Walthamstow) (Lab): I oppose the Bill. I am sorry that the amendment that I tabled was not selected, but as it was not, I shall support the amendment moved by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), which is similar in intent.

I have three reasons for opposing the Bill. First, I do not believe that it will do what is claimed. It certainly will not deliver benefits proportional to the cost. Whatever benefits it may deliver, they should be proportional to the cost of implementing it. Secondly, I have concerns about the technology and, thirdly, about the impact on personal privacy. It is incumbent on those who support the Bill to justify its cost, especially in comparison with the benefits of spending the money on other ways of dealing with some of the problems.

I do not want to labour points that have already been made about some of the claims that have been made, such as those on terrorism or crime. However, I have

[Mr. Neil Gerrard]

never found that the police say that one of their major problems in dealing with crime is identifying people. The problem is producing evidence to connect the person whom they have identified with the crime. Furthermore, illegal working takes two: the employer and the employee. Employers who knowingly employ people who are in the country illegally and do not bother to make the checks that they are supposed to make about whether the person is entitled to work in the UK will be no more likely to carry out a check if the form it takes is an ID card.

As the right hon. Member for Skipton and Ripon (Mr. Curry) said, although the main arguments about ID cards change from time to time, in the end they all depend on compulsion to have a card. Without compulsion, none of the benefits could be obtained.

A massive database is proposed and a massive infrastructure will be necessary, because there is no point in having cards that include biometrics without the infrastructure, including readers in a huge variety of places, to read and check them. A large number of people will have access to the database.

To some degree, we are being mesmerised by technology; we think that technology is perfect. It will not be perfect. There will be false positives and false negatives from the readers and their rate will depend very much on how the readers are set up and the algorithms used to compare images from them. People will attempt to break into the database and they will probably be successful. The prize will be huge: the information in the database will make breaking into it extremely tempting.

We have not paid much attention to a further point about the database, although the hon. Member for Winchester (Mr. Oaten) raised it earlier. The database will not appear from thin air, but will need to be created. How will it be set up? If the data that are input are not wholly accurate and not verified perfectly, the database will be fundamentally flawed from day one. I have heard nothing from the Government about how that verification will actually happen. It seems inevitable that it must be based on people's existing documents and evidence about themselves, so if a person already has a false identity, or ensures that they acquire one before they register, it will be transferred to the database. A person may also have other identities in countries that are not linked to the database.

It is inevitable that there will be human error when inputting data. Records will get mixed up and one person's biometrics will be attached to someone else's record. That has already happened in databases that contain biometrics, with devastating consequences for some of the people whose data have been mixed up. Like other Members, I have dealt with constituents affected by false information from criminal record checks, including, recently, someone who lost his job for that reason.

Mr. Michael Weir (Angus) (SNP): Does the hon. Gentleman agree that the more complex the information, the more likely there is to be confusion? For example, at the Child Support Agency names and addresses have been mixed up, causing chaos. Those are simple things. Will it not be much worse with biometric information?

Mr. Gerrard: That is absolutely true. Millions of entries will go on to the database each year as it is created, so the potential for error will be enormous.

Let me turn to privacy and the relationship between the individual and the state that the database will give rise to. Once a database of this nature has been created—the Bill contains powers for the Secretary of State to add more information to the database by order—it is absolutely inevitable that there will be function creep. There is no question about that. The Home Secretary more or less admitted earlier in the debate today that compulsion will be necessary. Without compulsion, the people who will not be on the database will be exactly the sort of the people whom the Home Office and Ministers say that they want to keep track of using the database. Being on the database and having an ID card must be compulsory; otherwise the whole structure will fall apart. Of course, the people who will be last to register will be those who want to keep their names off it, plus people who are elderly or infirm and so on.

Who will have access to the database? We know from the debate and the regulatory impact assessment that banks and retailers, not just Departments, may have access to it. The Home Secretary even suggested that someone might check the database when people rent a video. Every time that someone's details are checked on the database—perhaps for a financial transaction, travel or whatever—all that information will be recorded. There will be an audit trail of every piece of information, every time that the database is accessed to check someone's particulars. I do not believe that the state should be collecting that sort of information about individuals.

If I choose to have a Sainsbury's loyalty card and the company collects information about me and sends a Christmas card to my cat, or something like that, I am not really worried about it. It is my choice to have that card, and I know what the consequences are. I do not believe that the state should collect such information.

If people start to realise what is implied and to think about the possible uses of those audit trails and the information that is held on the database, I believe that public opinion will change very rapidly. At the moment, a lot of people say, "Oh well, if I've done nothing wrong, I've got nothing to worry about." That is the wrong answer to the wrong question. People need to ask themselves what benefits will accrue from this vast expenditure. The one saving grace is that this will turn into a hugely expensive fiasco.

9.3 pm

Mr. Michael Mates (East Hampshire) (Con): Those on the Conservative Front Bench might be relieved to know that I am in favour of the principle of an identity card system. I shall vote with the Government tonight, but I understand and respect the principles of those of my hon. Friends and other hon. Members on both sides of the House who take the opposite view. I must add that, although I am in favour of the principle, the way in which the Government are acting and some of the measures that they propose to take are absolutely unacceptable.

Comments on those measures have been repeated around the House. I will not bore the House by saying it all again, except to say that they were most forcefully and persuasively articulated by my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer). The way in which the issues of the commissioner, the Joint Committee and, above all, the timetable have been handled is an absolute insult to the House of Commons on a Bill that is, whatever one's view, as important as this, given the consequences that it will have for our people.

I have been consistent in my support for identity cards almost as long as the right hon. Member for Upper Bann (Mr. Trimble). In fact, the House may be surprised to know that, on 28 November 1974, I made my maiden speech on this subject, just after the Guildford and Birmingham bombings. We were taking the Prevention of Terrorism Act through the House for the first time. I said then that I thought that such a system would help in the fight against terrorism and crime, and I still believe that. The Home Secretary of the day, Roy Jenkins, said that the suggestion was interesting, but that although identity cards might be helpful, they would be eminently forgeable. That was probably the case then, but technology has moved on over the past 30 years and we now have the chance to introduce a secure system with cards that would be more difficult to forge or replicate.

I discussed the subject yesterday evening with a friend who is over here from the United States. He showed me his New Jersey driving licence, which is an amazingly high-tech piece of plastic. It tells the police who he is and includes his photograph and a hologram. To respond to what several hon. Members have said, an identity card system is not necessary in the United States because such cards exist.

The Government are right not to make the scheme compulsory. People say that we are on a slippery slope, but I do not think that the scheme will ever be made compulsory because that would make martyrs. People would refuse cards on principle and there would be chaos. We need to prove that identity cards are so useful that everyone will want to carry them, which is the state of affairs in the United States. No one in the United States leaves their house without a form of identification. That is normally their driving licence, but it can be their health card. They always have adequate means to persuade people of who they are.

Mr. Damian Green (Ashford) (Con): Surely the group of people for whom identity cards will not be useful, and who will thus not volunteer to carry them, will be terrorists and criminals. The effectiveness of the scheme will be markedly, if not completely, reduced if it remains voluntary.

Mr. Mates: That will not be the case if it becomes such a habit for people to carry cards to show who they are that those without them are the odd ones out. As in the United States, if we have nothing to fear, I believe that we will all carry the cards in time, which seems to be a good way of going about things.

It is, however, outrageous that the Government will make us pay for the cards if they demand that we possess them. Citizens should not be charged for something that it is compulsory to possess. I know that there are huge costs involved—it is another matter when the cards are tied up to passports—but an ordinary person who does not need a passport yet must possess an identity card should not be made to pay for it.

As many hon. Members have said, a job must be done to persuade people of the benefits that the cards can bring them. To that end, I repeat a plea that I made all those years ago. If any citizen who is to have an identity card wants additional information to be included on it, that should be allowed. We have the technology to achieve that. Some people might think it important to have their blood group detailed on the cards, and some might want the fact that they wish to donate their organs if they are killed in an accident to be included. Other people might want their allergies or other conditions to appear on their cards so that if they are involved in an accident or caught short in extremis, someone can read such useful information.

Mr. Gibb: Has not my right hon. Friend given an example of function creep? In due course there will be pressure to include such medical information on the cards, although the Government currently assure us that that will not be included.

Mr. Mates: My hon. Friend misunderstands me. I am not advocating that the Government should say that such information should appear on a card, but that individuals should be allowed to choose whether information should be included to show that they are asthmatic, epileptic or of a rare blood group. That is quite different from function creep. It would give added benefits to people who may think that that would be helpful. Such people usually carry such information on another card, a chain or something around their neck. If we introduce an identity card system that gives all information required and citizens want more information to be included, that should be allowed. Some people may want their religion to be detailed because they would want the last rites to be given, but that should be a person's individual choice, not the diktat of the Government.

Mr. Bercow: Surely we should proceed on the basis of the existing evidence. Given that my right hon. Friend genuinely believes that benefits would accrue from the introduction of identity cards, does he not find it extraordinary that there is no evidence that can be cited—or has been this evening—that countries with identity card systems have lower crime rates than those without them?

Mr. Mates: I do not believe that it is a question of crime rates. It is, I think, a question of how useful the scheme is to authorities trying to battle the problems that we are discussing. I will give my hon. Friend some evidence—well, it is not exactly evidence. It is what the Chief Constable of the Police Service of Northern Ireland told me during a conversation that I had with him. As the right hon. Member for Upper Bann said, photographic driving licences were introduced in Northern Ireland in the 1980s. The Chief Constable said "It is the most helpful thing that has happened to me in terms of my ability to find out who people are when they are stopped for doing whatever they have been doing."

[Mr. Mates]

As the incidence of car crime is far higher in Northern Ireland than it is anywhere else, that is evidence that being able to identify people is enormously helpful. I am not suggesting that it is conclusive, and my hon. Friend clearly takes a different view; but where such schemes have been introduced they have helped, although they may not be a universal panacea.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The right hon. Gentleman has mentioned the additional information that someone might choose to put on a card. Surely the functionality of that would be very limited unless the institutions involved were aware that the cards would carry the information, and also had machines that could decode it.

Mr. Mates: Such information would have to be visible. Information about a person's blood group—O, B or whatever—could be visible to the naked eye. Such information would not have to be hidden away in some high-tech piece of plastic. *[Interruption.]* It would be perfectly possible to make the information visible, but the hon. Gentleman obviously has his own point of view.

On balance, this is a good thing to do. It is, alas, a necessary thing to do, because of the different world in which we now live. I hope, however, that the Government are listening to the real objections enunciated throughout the House about the way in which they are introducing the scheme, so that it can be introduced with as much consensus as possible.

9.12 pm

John Robertson (Glasgow, Anniesland) (Lab): Much of what I wanted to say has already been said, but I have been taking notes, and I may be able to shed some light on the comments of others.

My hon. Friend the Member for Walthamstow (Mr. Gerrard) made great play of what would happen in the event of corrupt information or input errors. In effect, he said "Don't do it: there should not be any kind of ID card." If we followed his argument to its logical conclusion, however, we would not do anything about anything.

John Barrett: Surely it is not a question of not doing anything; it is a question of using the expected £3 billion cost of the scheme more effectively by improving security services and policing, for instance.

John Robertson: The hon. Gentleman seems to assume that someone can be picked up from the street and put on the beat tomorrow. That is not going to happen. The Government have brought the country to a point at which unemployment is at its lowest for 30 years, and we have almost full employment. Now the hon. Gentleman wants to put 10,000 or 20,000 policemen on the beat tomorrow. He must get real, and start to come down to planet earth from wherever he is at the moment.

The hon. Member for Cheadle (Mrs. Calton) made a great case about how my right hon. Friend the Home Secretary had said that the ID card would be the panacea for all ills, but not only did she misquote him, she deliberately misinterpreted what my right hon. Friend said. He was trying to say that ID cards will help, and that anything that can help to solve security problems or the problem of people with a lack of identity will go a long way to making people feel a lot safer.

We had a similar debate years ago on CCTV. It was said that that would be an infringement of people's rights and that people would be spied upon while walking down the street. Now we are hearing the same arguments about ID cards. A year ago I took part in a radio discussion on CCTV, during which people demanded CCTV for their communities, and people will be demanding ID cards as well.

Andrew Bennett: Could my hon. Friend, with his enthusiasm for CCTV, just remind us how often we hear that, when a particular crime has been committed, the CCTV was not working?

John Robertson: My hon. Friend obviously has more information than I do on such matters. I can talk only of Glasgow whose city centre is the safest place to go on a Friday or Saturday night. Could that be because people feel that it is safe to walk about there? That is a city that was once known as "No mean city". One can now walk about safely and enjoy a night's revelling, or whatever else one might want to do.

Richard Younger-Ross (Teignbridge) (LD): The hon. Gentleman makes a good point about CCTV being very effective in reducing crime in city centres, but one of the problems that I have in my constituency is that there is not enough money to put CCTV in some of the other towns, such as Teignmouth and Dawlish. Would this £3 billion not be better spent on expanding the CCTV scheme?

John Robertson: The hon. Gentleman makes a valid point, with which I am inclined to have sympathy. But if we are considering the general good of the nation, not just England as the Opposition Front-Bench spokesman did earlier, and what will make people feel secure, ID cards will go a long way to doing that.

Great play has been made of the fact that having an ID card will not stop a terrorist, and that is a fair point. But there are people who committed terrorist acts in Spain who will not be able to do so again, because, thanks to ID cards, they are now in prison there. If that is the case, and we are under increasing threat here, what is the problem with ID cards?

I took part in a radio discussion on ID cards with the hon. Member for Angus (Mr. Weir), and a lady from the west of Scotland asked what was the problem with them. The compère started to tell her about their infringement of her rights, and that they would carry a lot of information about her, some of which she might not want others to know. She replied that she had a bus pass in her hand with her picture and name on, so those issuing the pass knew all about her, and they also knew when she took the bus because the pass told them so.

My hon. Friend the Member for Walthamstow (Mr. Gerrard) and the hon. Member for Edinburgh, West (John Barrett) were worried about the state

knowing too much about them, but if my hon. Friend completes a form to obtain a loyalty card or a credit card, he will find that he will start to receive unsolicited e-mails because the information that he has provided will have been shared with others. There is more known about us than we think, and I would much rather the state had that information and was working for me instead of against me.

Several hon. Members *rose—*

John Robertson: I have given way enough.

ID cards will help to tackle illegal working. Abuse of the immigration system is something that colleagues who encounter many asylum seekers, as I do, will know about. Glasgow is the only city in Scotland that hosts asylum seekers, so we know quite a bit about them up our way. While I try to help every single asylum seeker who comes to my surgery—I can assure the House that I see quite a lot of them—I can tell which ones are trying to pull the wool over my eyes. An ID card from wherever they entered the European Union might not be a bad thing. Indeed, when the Immigration and Asylum Act 1999 was introduced, some of us talked about having to introduce tests whose results could be included on cards when people enter a country.

I hope that the whole of Europe will take on what we are going to start to do here today, and in a big way. I hope that we will show the way to other countries. In that way, there will be a proper ID system. Not taking such action just because somebody else does not take it, however, is not the answer. It has to start somewhere, so why should it not start in this country? Why should we not protect our people to the best of our ability?

I do not think that that should depend on the money, although I still have my fears as a champion of my pensioners, of whom I represent more than my fair share—about 18,000 in an electorate of 52,000. These people cannot afford to pay £84 for a card. My right hon. Friend the Home Secretary said that he was willing to listen, and my plea to him is that he should ensure that pensioners do not pay that sort of money.

I say to my hon. Friend the Minister that I have some sympathy with what has been said by some Opposition Members about the amount of time that is being given to the Bill. Will he take a look at the Committee stage and feel free to increase the time by as much as he wants?

I hope that the House will support identity cards.

9.20 pm

Mr. Simon Thomas (Ceredigion) (PC): My Plaid Cymru and Scottish National party colleagues and I will be voting against the Bill tonight and for the amendment tabled by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg). I look forward to joining him in the Lobby, as this is an important opportunity for us to voice our deep discontent with the Bill. It is also an opportunity for all parts of the House to express their concern, as the interesting thing about the debate is that there is a sense in all parties of a Government who are over-reaching themselves and taking too much power away from the citizen. I think that we can join together on a United Kingdom basis in opposing that.

We have heard a lot today about identity fraud. We have certainly seen it from the two Front Benches, as the Government have taken it upon themselves fraudulently to identify themselves as the party of civil liberties, and they have used doublespeak throughout the debate to try to persuade us that taking more powers to the Government is somehow enriching us as individual members of society. I am afraid that Conservative Front Benchers have tried to defraud us that they are in opposition with regard to this matter. Surely, it is the job of an Opposition to test the Government and never to trust them. We should never trust the Government when they say that they are trying to achieve something, because we always have to watch what framework they are seeking to build.

The Bill may be a small step, but as has been pointed out, it is an empty vessel into which any future Government can pour any type of legislation that they wish and any type of additional control and restraint of the population. Let us ask ourselves what would happen if ID cards were already in place and were, say, 10 years old in this country. Do we seriously think that there would not be pressure for those cards to include everyone who is on the sex offenders register, who has a criminal record or who has been bankrupt? Perhaps the cards would include blood group, HIV status, insurance status—I have been refused insurance several times in the past—or failure to pay the television licence fee. If one appeared on television and criticised the Government, perhaps that would feature on the card. Who knows? We do not know what Governments will seek to do when they have the ability to do it. Governments always take the maximum amount of power for themselves. The job of citizens is to fight for the individual rights of citizens, and the job of Members of Parliament is to fight for the individual rights of citizens, too.

John Mann: What is wrong with identifying convicted paedophiles on a national database? Who should have greater rights: a convicted paedophile or a potential innocent victim of that paedophile?

Mr. Thomas: That is a good point, because convicted paedophiles are already on a national database and are already known to the police. The question is: who has access to that information? What if somebody walks into their local post office or Blockbuster and puts their card into the reader, which states that they are a convicted paedophile? What will happen to that man when he walks out of Blockbuster? */Interruption./* Will he be a safe man on the street? */Interruption./* That would mean more crime, not less crime.

Mr. Bercow *rose—*

Madam Deputy Speaker (Sylvia Heal): Order.

Mr. Bercow: The hon. Gentleman will probably recall that the biscuit was taken by the right hon. Member for Sheffield, Brightside (Mr. Blunkett), when he asserted in November 2003 that ID cards would enhance our sense of identity and feeling of belonging. In my constituency, there are many sources of alienation, but I have yet to meet a single constituent who says, "I feel alienated from the community, and I don't know who I am because I haven't got an identity card."

Mr. Thomas: The hon. Gentleman is right.

[Mr. Thomas]

I oppose ID cards on principle, but I also oppose them on practical grounds. We have heard a lot of practical reasons why we should oppose ID cards, but let us be clear about the principle. In a democracy, privilege is balanced with responsibility, and that is especially true in a democracy that does not have a written constitution and that is based on the rule of law and common law—what we say here goes. It is a privilege to drive a car, but it is a responsibility to pass a test, get a licence, and tax and insure the car. That is the balance between responsibility and privilege, and the Bill tips that balance and turns the citizen into a cipher.

Worse than that, the Bill also turns the citizen into an address, because you cannot be a citizen unless you have an address. If you do not have the wherewithal to be on the database, you do not exist. That is a strange and curious measure if we are trying to be a free country. It is strange that Welsh and Scottish nationalists are speaking up for the rights of free-thinking and free-living Englishmen, but while we are needed, we will certainly do it.

Mr. Allan: Did the hon. Gentleman notice this startling phrase in the regulatory impact assessment:

"the old assumption that if you are here you are probably here legally is no longer acceptable",

in the context of public services? In other words, the burden of proof has reversed, so you must prove that you are a citizen rather than the state having to prove that your claim is dodgy.

Mr. Thomas: The hon. Gentleman is right, and I want to discuss that point. What about the idea that ID cards entitle us to something that we pay for and that we vote Governments in to run in the first place? We entitle Governments; Governments do not entitle us. ID cards fundamentally reverse that approach to democracy and government. Every MP should oppose ID cards on that basis.

The hon. Member for Sheffield, Hallam knows that the real issue is not ID cards, but the running of, and trust that we can place in, the national database. We have heard a lot about identity fraud, but we have not heard about the deliberate misuse of the database. For example, animal rights terrorists have used the Driver and Vehicle Licensing Agency database to access the names and addresses of people who are involved in animal research. That information has been passed to terrorists in order to target those individuals. When there are 60 million records—the figure will increase, because the dead will remain on the database, as the Bill does not mention their being struck off—what happens if those records are deliberately misused by those who have accessed the information for their own pernicious ends? That might include the Government or it might include individuals—I am not sure which is worse.

If we examine the Bill in terms of entitlement to things that we take for granted and which either the Government run for us or we have joined together in commonality as a society to run for ourselves, that is an entitlement for all. It is a fundamental tenet of civilisation to extend to everyone the entitlement that we seek and take for granted. If the occasional asylum seeker has a denture repaired as a result, that is a price that I am prepared to pay if the alternative is a system of control and regulation that I find fundamentally unacceptable.

Mr. Jon Owen Jones: Will the hon. Gentleman give way?

Mr. Thomas: I am afraid that I cannot, because I have only three minutes left. I apologise to the hon. Gentleman, but we have had this debate before.

We are told that this is the answer to the international terrorist threat. There is something strange about that. We know from what the Government say that the scheme can really work only when it is compulsory throughout. We also know from what we have heard here today that it will not be compulsory throughout until 2012 or 2015. If the terrorist threat now, post-9/11, is the reason for the ID card system, but it will not work for another 10 years, that is a recipe for continuing to face the same terrorist threat. That shows the Government's lack of imagination and lack of willingness to find other ways of tackling the threat that we undoubtedly face, but in a way that does not fundamentally undermine the basic tenets of existence in this society.

I want to end with a story about what happened to me shortly after 11 September when I went into my local bank and tried to open a new bank account. I was greeted by the cashier, who knew me and said, "Shwd mae, Mr. Thomas? Dewch i mewn. Eisteddwch i lawr"—"How are you? Come in. Nice to see you again." I said, "I'd like to open a new account." They said, "That's very good. Have you got proof of identity?" I said, "Well, you know who I am, but if you need it I've got my parliamentary pass card." I was told that that was not good enough, so I had to go back to the bank next day and wave what I was asked for as proof of identity.

One might say that that shows that the system is working. The Government's answer to the problem of identity is another technological fix on top of that system because it is not good enough. My answer would be intelligence. If one knows that somebody is who they say they are, that is fine, but how does one check? The answer is not to take it as read simply because somebody can fix the system to prove that they are who they say they are, which is the basic problem with fraud, but to use intelligence to examine it. It may be that the £6 billion could be better spent on extra police, extra training and extra security services; even phone-tapping may be necessary—who knows? All those are preferable to an automatic and universal system of compulsory ID cards.

I urge the Government, and all hon. Members, to pull back and rethink this, because we are about to throw out one of the central safeguards of our democracy, and we are doing it without getting anything back from the Government in terms of protecting people's rights.

9.32 pm

Mr. Marsha Singh (Bradford, West) (Lab): I do not have much time, but I start by saying that Labour Members do not need Welsh nationalists to defend English liberties—we can defend them for ourselves.

There are two issues here—principle and practicalities. In principle, I support identity cards, but in the context that they must eventually be compulsory. If they are not compulsory, they will not work. I have not been impressed by the arguments of those who are opposed to identity cards, because they would oppose them even if the system was cheap and was going to work perfectly. In many cases, they have confused principle and practicalities.

Some Members have mentioned ethnic minorities. It does not help community relations, when there is great support for identity cards in the country, to say, "We didn't support the identity card legislation because it might have upset the sensitivities of ethnic minorities." Many people in ethnic minority communities are as happy with identity cards as the general population. In many situations, whether it is right or wrong that the situation occurred, an identity card might help to solve a misunderstanding and to stop the problem before it goes any further.

On civil liberties—although I did not hear many arguments about the subject—given that many democratic countries, especially in Europe, have identity cards, are we claiming that their standards of civil liberties are worse than ours? [HON. MEMBERS: "Yes, they are."] They are not. I have never heard any hon. Member complain about the standard of civil liberties in our European partner countries that have ID cards.

I could go through a long list of subjects that the Select Committee considered in the context of Government aims on ID cards, but if one issue clinches it for me, it is identity fraud. On 21 November 2004, the *Evening Standard* ran a story that was headlined, "Identity Fraudsters Swamp Capital". The story stated:

"An explosion in identity fraud has hit one in five Londoners, a survey found . . . Experts said the more serious cases, where entire identities are cloned, had jumped six-fold in four years".

On 25 November, the *Evening Standard* included a story headlined, "Conman Stole Dead Child's Identity".

Mr. Cash: Will the hon. Gentleman give way?

Mr. Singh: I have not got time.

It transpired that the fraudster had used the birth certificate of a four-year-old child, who died in the 1960s, to obtain a national insurance number and driving licence to gain thousands of pounds in loans and credit cards.

On 9 December, another story appeared in the *Evening Standard*, headed, "London is Biggest Target for ID Thieves". It stated:

"Londoners are being ruthlessly targeted by gangs behind Britain's identity fraud crime wave . . . Around a quarter of the 120,000 people who fall victim to ID crime each year live in and around the capital".

Only today, I received information from CIFAS, the organisation that calls itself the UK's fraud prevention service. It states that there were

"900,000 fraud records from our 240 Member companies encompassing banking, credit cards, asset finance, retail credit, mail order, insurance, investment management, telecommunications, factoring, and share dealing."

Fraud occurred because identities were stolen from dead people. The figures are serious. We must either take the issue seriously by embracing ID cards or simply ignore the crime wave.

I must ask the Minister a few questions about practicalities. If we need ID cards, surely they should be compulsory. How satisfied is my hon. Friend that they will be fraud proof? Can he satisfy the House about that? How satisfied is he that the database will be tamper proof? Given recent embarrassments with new technology, how satisfied is he that he will not be left with egg on his face? Can we afford the system? How can we be satisfied that costs will not spiral out of control? How can we be satisfied that the benefits of identity cards outweigh the cost?

Although a majority of the British public support ID cards, they do not want to pay for them. How will the Home Secretary bridge that gap? Can he give any assurances to people on low incomes or benefits that they will not have to pay? Will he exempt pensioners from any charges? Will he consider exempting them completely from the need to have ID cards?

Like the majority of my colleagues on the Home Affairs Committee and with all the caveats that we expressed, I welcome the Bill.

9.38 pm

Patrick Mercer (Newark) (Con): It is a pleasure to follow the hon. Member for Bradford, West (Mr. Singh), who boldly made the point that ID cards, perhaps illiberally but realistically, will have to be introduced on a compulsory basis. He was preceded by the hon. Member for Ceredigion (Mr. Thomas), who, in an articulate speech, made the case clearly against ID cards.

It is interesting that the debate has veered for and against, with so many factors being mentioned both for and against the proposal. That was expressed nowhere more clearly than in the speech of the hon. Member for Glasgow, Anniesland (John Robertson), who spoke for the cards, advocated the use of CCTV and said that pensioners should be spared. Yet the hon. Member for Walthamstow (Mr. Gerrard) made a similar speech and called the whole project an expensive fiasco.

The debate started in tempestuous fashion with the Home Secretary being given a rough time on his first outing but taking a huge number of interventions and, frankly, dealing with them with one or two reservations. I have to say that the right hon. Member for Southampton, Itchen (Mr. Denham) made a very much better case for introducing ID cards. I found his case much more convincing and I wonder why the articulate nature of that speech has so far not been recognised by those on the Government Front Bench.

Most clearly, my right hon. Friend the Member for Haltemprice and Howden (David Davis), the shadow Home Secretary, laid out the five tests that Conservative Front Benchers have put forward. Whichever way we look at the issue, everybody—for or against—acknowledges the fact that the five tests must be considered for their value.

We heard a curious speech against identity cards from the hon. Member for Winchester (Mr. Oaten), who performed a U-turn and gave us an extraordinary monologue on not chasing the 80 per cent. in favour but standing on principle. Well, every man to his own, but I thought his most telling point came at the end of his articulate speech, when he said that the public's perception of the cards would evolve as the whole case

[Patrick Mercer]

developed. That point was clearly emphasised by the hon. Member for Walsall, North (David Winnick), who was also speaking against.

My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) also made that point, speaking for identity cards. He added, however, that although he approves of the notion, the Government have lost the trust of the public, and therefore the issue will need the closest of scrutiny as the Bill goes through the House.

My right hon. Friend the Member for North-West Cambridgeshire (Sir Brian Mawhinney) and the right hon. Member for Upper Bann (Mr. Trimble) argued for the use of identity cards. My right hon. Friend made the point that the cards need to be heavily amended, particularly in respect of the need for the commissioner to be accountable directly to Parliament, while the right hon. Gentleman again made the point about the need for proper scrutiny. However, he and a number of other Members referred to the fact that driving licences were used in Northern Ireland as a form of identity card. I shall return to that in a moment.

Powerful speeches were made by my right hon. Friends the Members for Hitchin and Harpenden (Mr. Lilley) and for Skipton and Ripon (Mr. Curry). Both are against. My right hon. Friend the Member for Hitchin and Harpenden spoke of a solution looking for problems, while my right hon. Friend the Member for Skipton and Ripon referred to the whole issue being an empty vessel and secondary legislation being needed to deal with the thing properly.

My right hon. Friend the Member for East Hampshire (Mr. Mates) spoke clearly in favour of identity cards, saying that this was the subject of his maiden speech probably more years ago than we would care to mention. *[Interruption.]* Thirty years ago, I am told from the rear.

Identity cards have been used before, albeit not quite in such a way, in Northern Ireland. This was mentioned by the hon. Member for Vauxhall (Kate Hoey) and the hon. and learned Member for Medway (Mr. Marshall-Andrews). Speaking from personal experience, I know that when the identity card in the shape of a driving licence with a photograph was introduced in Northern Ireland, we were told—I was on duty over there—that this would be a clear case of our being helped significantly in the fight against terrorism.

I have to say that I take a different view, as the measure did not seem to make any difference at all. The cards were used only by drivers. I acknowledge that that was a long time ago and that the biometric capabilities of the new cards might make a difference. The fact remains that this country is not ignorant about the use of ID cards against terrorism. Similarly, a number of right hon. and hon. Members—*[Interruption.]*

Mr. Speaker: Order. Too many private conversations are taking place in the House. The hon. Gentleman is addressing the House, and he should be heard.

Patrick Mercer: Similarly, a number of right hon. and hon. Members made the point that cards would not have helped in Madrid. It is worth bearing in mind, though, the fact that the Spanish authorities had used such cards at some length against identified terrorist organisations such as ETA. The events of 11 March this year had been rehearsed by ETA at Christmas last year, and the use of such cards had made a considerable impact on ETA, and had in part caused that incident to be called off.

Later, when Islamist fundamentalists picked up the same style of attack, it was clear that identity cards were not going to help against a new style of terrorism. The whole element of using cards against "clean skins", to use the vernacular, will be very much more difficult. In introducing these cards, will the Government make clear the sort of terrorism against which cards have been useful in the past? Such cards are less likely to be useful in future unless the biometrics prove capable of being used.

This scheme will take years to implement. I am concerned that, as the hon. and learned Member for Medway pointed out, ID cards will act as a pass rather than as identification—that once the card is shown to a soldier, policeman or security worker, any individual will be able to get past that checkpoint and into a building. The fact remains, above and beyond everything else, that to help the Home Secretary with this business, he needs a Minister for homeland security. This will be the most enormous burden on him, and I am sure that the introduction of such a post would be hugely helpful.

While supporting the Bill, I want to iterate the words of many right hon. and hon. Members: if the Bill is to make any sense whatever, the five tests that we have identified will have to be examined. Above and beyond everything else, the Bill will have to be subject to the scrutiny of a Joint Committee of both Houses.

9.47 pm

The Minister for Citizenship and Immigration (Mr. Desmond Browne): Like the curate's egg, this debate has been good in parts. I do not want to be too ungracious—I welcome the Conservative party's support, but on occasions tonight I would have much preferred its Front Benchers not to have spoken in support of the measure. Otherwise, this has been a good debate.

The debate has had its memorable moments. Apart from my right hon. Friend the Home Secretary's "maiden" speech, in which he took a significant number of interventions, with eminent skill, across the broad waterfront of policies, we heard a balanced contribution from my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), in which, in a comparatively short period and showing the benefits of brevity, he set out the case for identity cards. The right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney), in another balanced contribution, did exactly the same.

Among other memorable moments was the admission by the hon. Member for Winchester (Mr. Oaten) that we need to spend money to put biometrics into passports. We now have the Liberal Democrats' support for that. Will he therefore now explain why he and his colleagues

have been making an arithmetical calculation that takes all that money out—*[Interruption.]* He says from a sedentary position that his calculation is on top of that. I can do the arithmetic as well as he can. The Liberal Democrats took the £450 million, which he now says must be spent on passports, added to that the £85 million, and the £50 million for verification, multiplied it by 10, and went around television and radio studios saying that the proposal will cost £5 billion, plus, in some cases, the £85 for each individual. Perhaps now we shall hear some honesty about the arithmetic of that policy from the Liberal Democrats, so that we can have a proper debate.

Mr. Heath: Unaccountably, in his speech the Secretary of State forgot to return to the issue of costs, as he said he would. Perhaps the Minister for Citizenship and Immigration will now tell us the exact cost of the readers that will be required for identity cards to have any functionality across the country.

Mr. Browne: The sort of readers that the hon. Gentleman suggests will be needed are not the test as to whether identity cards will have any functionality—*[Interruption.]* If the hon. Gentleman stops baying like a child and waits for the full answer, he will get his answer. The functionality of an identity system, as we debated in great detail in the context of the identity card for the electoral system in Northern Ireland, depends on a number of layers, and can be used in different ways. Of course there will need to be readers, and if we are to use cards for access to public services that will need readers too, but each decision will need to be made on a case-by-case basis for the purposes of those public services, according to a cost-benefit analysis of what investment we need to put in to get the best benefit out—*[Interruption.]* That is the proper answer, and the hon. Gentleman knows fine well that it is.

Another highlight of the debate was the comparison drawn by my hon. Friend the Member for Denton and Reddish (Andrew Bennett) between the Bill and his experience in the Soviet Union. That was stretching things a little, but otherwise he made some good points. The right hon. Member for Skipton and Ripon (Mr. Curry) made a bilingual speech that contained some important points, although the argument, which is often trotted out in this context, about there being an accumulation of power by the Government, was misjudged. We are not doing that at all, as I shall explain in more detail later.

Mr. Cash: Does the Minister accept that the history of such powers has been confined to times of emergency? In 1952 the courts disallowed identity cards on the grounds that there was no emergency at that time. That issue has not been examined in the debate, to my knowledge. Will the Minister tell me what specific emergency there is now?

Mr. Browne: I am grateful to the hon. Gentleman for his intervention. He is right to say that—as other hon. Members and the excellent Library briefing papers for the debate have pointed out—the only history of identity cards in this country dates from wartime emergencies. However, as the right hon. Member for North-West Cambridgeshire coherently pointed out, we live in different times now, and we face a different threat. We have to adjust the way in which we develop our public policies to respond to that environment.

I am not arguing that this is an emergency. I am arguing that, for a number of reasons—most of which I hope to cover in the short time available—the time has come for identity cards in the United Kingdom.

Sir Patrick Cormack: Will the Minister tell us, very simply, why the Government are not prepared to submit the Bill to the scrutiny of a Joint Committee?

Mr. Browne: Why is submitting the Bill to the scrutiny of a Joint Committee so important? With all due respect to the hon. Gentleman, for whom I have enormous respect as a parliamentarian, the idea strikes me as some sort of device. We can have the appropriate scrutiny of the Bill in the normal way. My right hon. Friend the Secretary of State made that clear, and it is very unlikely that I would give an answer different from the one that he has already given.

Mr. Gummer *rose—*

Mr. Browne: No, I shall not give way.

The other highlight of the debate was the contribution by the right hon. Member for Hitchin and Harpenden (Mr. Lilley), whom I heard give an almost identical speech in the Queen's Speech debate, not long ago. I am not saying that it was not a good speech: it was; indeed, it was worth listening to twice. However, the difference between the speech that he gave then and the one that he gave today is that—I hope that I recollect this correctly—he said that this policy had been hawked around by civil servants for years, and that when he was in government it was rejected. I am really sorry that his memory is so poor. He was a member of John Major's Government, who announced plans for an identity card scheme in August 1996. *[Interruption.]* Of course it was a voluntary scheme. They announced their scheme in that year's Queen's Speech and a draft identity card Bill was then announced, but they were unable to introduce it because the general election overtook them. The right hon. Gentleman says that their scheme was voluntary, as though that were a defence of his change of mind, which he has never admitted to in any previous debate. Of course, part of the criticism that he offered in the recent Queen's Speech debate was that a voluntary scheme would not work.

In the time available, I shall be able to deal with only one or two of the major issues raised. First, let me deal with function creep, which is actually a convenient argument for those who oppose this Bill, because it allows them to debate the future rather than the present. They say, "This is what the process will lead to, so let us debate what the situation will be like in 10 years' time." Indeed, that is precisely what the hon. Member for Ceredigion (Mr. Thomas) did. He went forward in time by 10 years in order to have the debate that he wanted to have, rather than discuss the Bill.

The Government have gone to significant lengths to ensure that, in so far as any legislation can prevent function creep, the Bill will not result in it. The right hon. Member for North-West Cambridgeshire invited me to reinforce that principle in Committee, and I will

[Mr. Browne]

be happy to listen to any suggestions. But I will not allow people to creep the Bill's functions by misrepresenting its provisions. With all due respect to my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews), that is exactly what he did when he said that criminal convictions could be added to the proposed register through secondary legislation. That cannot happen; only the information in schedule 1 can be recorded, which does not include criminal record information. He argued that such information can be added by amending the schedule through an order, but it cannot. Only registrable facts can be recorded, and as the definition in clause 1(5) shows, criminal records are not registrable.

We have heard the same debate for months from the Opposition, who have set up a false prospectus. For a long time, the argument was that people will be required to carry ID cards. When we pointed out that the Government have made it clear throughout this debate that there would be no compulsion to carry ID cards, we were told that the system will not work unless there is compulsion. As a result, the basis of the debate was entirely misunderstood and misrepresented.

This is a debate about identity cards, not about police functions or police powers. If there is to be a debate about terrorism, or about the powers of the police or any other agency to interdict terrorism, serious crime or any other criminal activity—or, indeed, about any other aspect of public life—we ought to have it in a straightforward and honest fashion. It ought not to be included in a debate on identity cards. This debate is about our ability to give the citizens of this country the opportunity of the gold standard of identification that they are crying out for. They have in their wallets bits and pieces of identification that criminals throughout the country have the facility to copy and forge. Identity fraud alone is costing £1.3 billion; that is to say nothing of the cost to this and other countries of the use of false identities in terrorist activities.

Independent measures of public opinion show that the longer the debate goes on, the greater the support for such a system. Indeed, a more recent public opinion poll than that used by some in this House—it was published in December—shows that 81 per cent. of the public support the use of ID cards. Indeed, 68 per cent. continue to support their use, even when it was explained that, in the context of a passport, the cost to them would be £85.

This is a policy whose time has come, and I have absolutely no difficulty in commending it to the House.

Question put, That the amendment be made:—

The House divided: Ayes 93, Noes 306.

Division No. 23] **[9.59 pm**

AYES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Bercow, John
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chidgey, David
Clapham, Michael
Corbyn, Jeremy
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Doughty, Sue
Dunwoody, Mrs Gwyneth
Ewing, Annabelle
Foster, Don *(Bath)*
Galloway, George
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hopkins, Kelvin
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Terry *(Worsley)*
Lilley, rh Peter
Llwyd, Elfyn
McDonnell, John
Mahon, Mrs Alice
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Opik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Shepherd, Richard
Short, rh Clare
Skinner, Dennis
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Stunell, Andrew
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Wareing, Robert N.
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Wishart, Pete
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Bennett and
Mr. Douglas Hogg

NOES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Beard, Nigel
Begg, Miss Anne
Bellingham, Henry
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corston, rh Jean
Cousins, Jim

Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Doran, Frank
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
George, rh Bruce *(Walsall S)*
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Shaw, Jonathan
Sheridan, Jim
Singh, Marsha
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smyth, Rev. Martin *(Belfast S)*
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Trimble, rh David
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Ward, Claire
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Wilson, Brian
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wyatt, Derek

Tellers for the Noes:
James Purnell and
Mr. Nick Ainger

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on Second or Third Reading):—

The House divided: Ayes 385, Noes 93.

Division No. 24] **[10.12 pm**

AYES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Amess, David
Ancram, rh Michael
Anderson, rh Donald *(Swansea E)*
Arbuthnot, rh James
Atkins, Charlotte
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bailey, Adrian
Banks, Tony
Barker, Gregory
Barnes, Harry
Barron, rh Kevin
Battle, rh John

Beard, Nigel
Begg, Miss Anne
Bellingham, Henry
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blunkett, rh David
Blunt, Crispin
Boateng, rh Paul
Borrow, David
Boswell, Tim
Bottomley, rh Virginia *(SW Surrey)*
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brazier, Julian
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Simon
Burt, Alistair
Butterfill, Sir John
Byrne, Liam *(B'ham Hodge H)*
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chapman, Sir Sydney *(Chipping Barnet)*
Clappison, James
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clifton-Brown, Geoffrey
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Collins, Tim
Colman, Tony
Conway, Derek
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Doran, Frank
Drew, David *(Stroud)*
Duncan Smith, rh Iain
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Fox, Dr. Liam
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
George, rh Bruce *(Walsall S)*
Gilroy, Linda
Goggins, Paul
Grayling, Chris
Greenway, John
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Gummer, rh John
Hague, rh William
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hammond, Philip
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Hayes, John *(S Holland)*
Heald, Oliver
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hendry, Charles
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howard, rh Michael
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jack, rh Michael
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Key, Robert *(Salisbury)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lammy, David
Lansley, Andrew
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Linton, Martin
Loughton, Tim
Love, Andrew
Lucas, Ian *(Wrexham)*
Luff, Peter *(M-Worcs)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
McFall, rh John
McGuire, Mrs Anne
McIntosh, Miss Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
Maclean, rh David
McLoughlin, Patrick
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Malins, Humfrey
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Mates, Michael
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Moss, Malcolm
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norman, Archie
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Ottaway, Richard
Page, Richard
Paice, James
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prisk, Mark *(Hertford)*
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, John *(Glasgow Anniesland)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion

Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Ruffley, David
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Selous, Andrew
Shaw, Jonathan
Sheridan, Jim
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Singh, Marsha
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smyth, Rev. Martin *(Belfast S)*
Southworth, Helen
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Tredinnick, David
Trickett, Jon
Trimble, rh David
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Viggers, Peter
Walter, Robert
Ward, Claire
Waterson, Nigel
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Whittingdale, John
Wicks, Malcolm
Widdecombe, rh Miss Ann
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Wilshire, David
Wilson, Brian
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Young, rh Sir George

Tellers for the Ayes:
James Purnell and
Mr. Nick Ainger

NOES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Bennett, Andrew
Bercow, John
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chidgey, David
Clapham, Michael
Corbyn, Jeremy
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Doughty, Sue
Dunwoody, Mrs Gwyneth
Ewing, Annabelle
Foster, Don *(Bath)*
Galloway, George
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hoey, Kate *(Vauxhall)*
Hogg, rh Douglas
Holmes, Paul
Hopkins, Kelvin
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Terry *(Worsley)*
Lilley, rh Peter
Llwyd, Elfyn
McDonnell, John
Mahon, Mrs Alice
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Opik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Salmond, Alex
Sanders, Adrian
Shepherd, Richard
Short, rh Clare
Skinner, Dennis
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Stunell, Andrew
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Wareing, Robert N.
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Wishart, Pete

Tellers for the Noes:
Bob Russell and
Richard Younger-Ross

Question accordingly agreed to.

Bill read a Second time.

IDENTITY CARDS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6).

That the following provisions shall apply to the Identity Cards Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 27th January 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Paul Clark.]*

The House divided: Ayes 298, Noes 163.

Division No. 25] **[10.26 pm**

AYES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Atkins, Charlotte
Bailey, Adrian
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Beard, Nigel
Begg, Miss Anne
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Doran, Frank
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Shaw, Jonathan
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Watson, Tom
Watts, David
Whitehead, Dr. Alan

Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Wilson, Brian
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
James Purnell and
Mr. Nick Ainger

NOES

Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Baker, Norman
Barker, Gregory
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan Smith, rh Iain
Ewing, Annabelle
Fisher, Mark
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gill, Parmjit Singh
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Hendry, Charles
Hermon, Lady
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McDonnell, John
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Mates, Michael
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Norman, Archie
Oaten, Mark *(Winchester)*
Opik, Lembit
Ottaway, Richard
Paice, James
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Selous, Andrew
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tredinnick, David
Trimble, rh David
Tyler, Paul *(N Cornwall)*
Viggers, Peter
Walter, Robert
Waterson, Nigel
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Willis, Phil
Wilshire, David
Wishart, Pete
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Roger Williams and
Mr. Geoffrey Clifton-Brown

Question accordingly agreed to.

IDENTITY CARDS BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (1)(a)(Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Identity Cards Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) such allowances to be paid to the National Identity Scheme Commissioner as the Treasury may determine;

(b) any sums authorised or required to be paid by the Secretary of State for or in connection with the carrying out of his functions under that Act; and

(c) any increase attributable to that Act in the sums which are payable out of money so provided under any other Act.—*[Paul Clark.]*

The House divided: Ayes 276, Noes 64.

Division No. 26] **[10.39 pm**

AYES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Anderson, rh Donald *(Swansea E)*
Atkins, Charlotte
Bailey, Adrian
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Beard, Nigel
Begg, Miss Anne
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*

Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Doran, Frank
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McDonagh, Siobhain
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Sarwar, Mohammad
Savidge, Malcolm
Shaw, Jonathan
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Southworth, Helen
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Wilson, Brian
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes: Gillian Merron and Mr. John Heppell

NOES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Bruce, Malcolm
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Chidgey, David
Cotter, Brian
Davey, Edward *(Kingston)*
Doughty, Sue
Ewing, Annabelle
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hermon, Lady
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Leigh, Edward
Llwyd, Elfyn
Marsden, Paul *(Shrewsbury & Atcham)*

Moore, Michael
Oaten, Mark *(Winchester)*
Opik, Lembit
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Salmond, Alex
Sanders, Adrian
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Stunell, Andrew
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Trimble, rh David
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete

Tellers for the Noes:
Richard Younger-Ross and
Bob Russell

Question accordingly agreed to.

IDENTITY CARDS BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills).

That, for the purposes of any Act resulting from the Identity Cards Bill, it is expedient to authorise—

(a) the charging of fees in respect of functions carried out under that Act;

(b) the charging of fees in respect of consular functions within the meaning of section 1 of the Consular Fees Act 1980; and

(c) the payment of sums into the Consolidated Fund.—*[Paul Clark.]*

Question agreed to.

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith, pursuant to Standing Order No. 15 (Exempted business).

That, at this day's sitting, the Second Reading of the Income Tax (Trading and Other Income) Bill may be proceeded with, though opposed, until any hour.—*[Paul Clark.]*

Question agreed to.

INCOME TAX (TRADING AND OTHER INCOME) BILL

Order for Second Reading read.

Motion made, and Question put forthwith, pursuant to Standing Order No. 90(6) (Second reading committees).
That the Bill be now read a Second time.

Question agreed to.

Bill accordingly read a Second time, and committed to the Joint Committee on Tax Law Rewrite Bills, pursuant to Standing Order No. 60 (Tax law rewrite bills).

INCOME TAX (TRADING AND OTHER INCOME) BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a), (Money resolutions and ways and means resolutions in connection with bills).

That, for the purposes of any Act resulting from the Income Tax (Trading and Other Income) Bill, it is expedient to authorise any incidental or consequential charges to tax which may arise from provisions restating, with minor changes, certain enactments relating to income tax on trading income, property income, savings and investment income and certain other income.—*[Paul Clark.]*

Question agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Terms And Conditions Of Employment

That the draft Information and Consultation of Employees Regulations 2004, which were laid before this House on 8th December, be approved.—*[Paul Clark.]*

Question agreed to.

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

Common Agricultural Policy: Reform Of The Sugar Sector

That this House takes note of European Union Document No.11491/04, Commission Communication on accomplishing a sustainable agricultural model for Europe through the reformed Common Agricultural Policy—sugar sector reform; and supports the Government's objective of achieving a more sustainable, market-based approach, in line with the reforms already agreed in June 2003 and April 2004 in other sectors, and consistent with the EU's wider trade and development objectives.—*Paul Clark.]*

Question agreed to.

COMMITTEE OF SELECTION

Ordered,

That Dawn Primarolo be discharged from the Joint Committee on Tax Law Rewrite Bills and John Healey be added.—*[Mr. McWilliam, on behalf of the Committee of Selection.]*

PETITION

Carers

10.51 pm

Jane Griffiths (Reading, East) (Lab): I am pleased to have been asked by the organisation Carers Unite to present a petition on its behalf to Parliament. It contains the signatures of 4,876 people and states:

To the House of Commons

The petition of June Tagg and the organisation Carers Unite

Declares that carers do not cease caring at retirement age yet lose their carers allowance at the age of 60. This may lead to hardship to people who have spent up to 30 or 40 years caring. The petitioners further declare that carers lose the opportunity for a career and the possibility of earning significant amounts of money. The petitioners also declare that carers in the UK save the Government £57 billion per annum.

The petitioners therefore request that the House of Commons urge the Government to bring in legislation to increase the invalid care allowance to a minimum of £65 and ensure that all carers are entitled to the carers premium regardless of whether they are on income support.

And the petitioners remain etc.

To lie upon the Table.

Hydrogen Technology

Motion made, and Question proposed, That this House do now adjourn. —*[Paul Clark.]*

10.52 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I am pleased to have secured this Adjournment debate on what is, from my constituency perspective, a very important topic. In the course of the next half hour, we will bandy around a lot of talk about renewable and sustainable energy. From the point of view of my health tonight, this has taken on a more personal nature than I anticipated when I applied for the debate.

Much has been said about the emergence of the hydrogen economy. That term describes the use of hydrogen as an alternative fuel or energy carrier, typically into three main applications: first, as a replacement for petrol or diesel for powering vehicles; secondly, in a stationary fuel cell to provide electricity for buildings or remote power applications; and, thirdly, for portable power applications, where the fuel cell provides an alternative power source to batteries for laptop computers or mobile phones.

One of the attractions of hydrogen as an energy carrier to the oil and automotive industries is that it can be produced from nuclear power and renewable sources through electrolysis or from hydrocarbons through reformation. The obvious synergy with the existing oil and gas industries makes the concept of a hydrogen economy compatible with all existing and emerging forms of energy production and applications, from nuclear and hydrocarbons to renewables.

The Promoting Unst Renewable Energy—PURE—project in Shetland in my constituency uses renewable energy to produce hydrogen by electrolysis to provide a direct fossil fuel substitute. It has shown that it is technically possible to produce the island's energy needs locally, without any carbon emissions, and for the local community to own that means of production. That is why there is a growing sense of excitement in communities such as Shetland about the potential for others from the development of hydrogen technology. It has the potential to revolutionise and empower some of our most economically fragile and peripheral communities.

When the draft report on hydrogen technology in the United Kingdom was presented in January 2004, the point was made that energy security is regarded as an even greater political priority than the reduction of carbon emissions and the production of clean energy. The report highlighted several weaknesses in the Government's approach. Interviews with 14 senior civil servants involved in hydrogen policy revealed a need for a

"clear, credible strategic framework for hydrogen energy in the United Kingdom, with Government facilitating the development of the strategy".

However, it was also made clear that United Kingdom resource availability is a limiting factor and that

"fragmentation and poor communication currently hinder Government action".

Although it is acknowledged that hydrogen technology cuts across many Departments, it was also stated that there was no clear framework for leadership and communication. Officials admitted that there was no champion Department for hydrogen and that they did not know what other Departments were doing. They also acknowledged that there are too many funding streams with not enough resources and that there is no single point of contact for external stakeholders.

Mr. Alex Salmond (Banff and Buchan) (SNP): I suspect that I am one of the few hon. Members who has driven a hydrogen fuel cell car, thanks to siGEN Ltd, which is based near Aberdeen airport.

Does the hon. Gentleman agree that many companies that are involved in such technology argue that the Government require a clear strategy for deployment? Although a massive amount of research is taking place elsewhere in the world, especially in the United States, the opportunity that rural Scotland offers, with massive energy resources but an inability to get them to the point of use, could be addressed by a Government strategy on deployment.

Mr. Carmichael: The hon. Gentleman makes a powerful point with which I would not argue. The potential exists for the development of commercial applications of hydrogen technology. The simple truth is that if we do not do it, we will end up buying in work that has been done elsewhere in the world because, as I shall explain, other people are pushing the agenda. If we do not get our act together soon, we will miss the opportunity.

I caution the hon. Gentleman against boasting about being the only hon. Member to have driven a hydrogen fuel cell car. He would be astonished by the number of people who told me in the past half hour that they must be one of the few in the House to have driven hydrogen cars.

About €100 million of EU funding, matched by an equivalent amount of private investment, is being awarded to research and hydrogen and fuel cell demonstration projects after the first call for proposals by the sixth EU research framework programme. That will be reinforced via further calls for research and development proposals worth a public and private investment of €300 million, of which EU funding is €150 million.

Those projects represent the initial phase and form a basis for the large-scale "Quick Start" initiative for hydrogen production and use, which is being launched jointly by Vice-President de Palacio and Commissioner Busquin. The European growth initiative earmarks an indicative €2.8 billion public and private funding for those partnerships over the next 10 years.

The Government of Iceland, whose electricity is almost entirely derived from geothermal and hydro power, aim to become the world's first hydrogen economy, through a multi-million dollar partnership to convert Iceland's buses, cars and boats to the fuel over the next 30 years, exporting the rest to Europe. Following Iceland's lead, the Pacific island of Vanuatu has outlined its vision for a 100 per cent. hydrogen economy by 2010, based on renewable energy. Hawaii, rich in both solar and geothermal resources, recently established a public-private partnership to promote hydrogen in the island's energy economy, possibly

exporting the excess to California. Surely, somewhere between Vanuatu and Hawaii on the one hand and Iceland on the other, there must be opportunities for Orkney and Shetland to find a place to fit in.

Compared with countries such as the United States, Canada, Germany and Japan, the UK Government's commitment to developing a hydrogen economy has so far been lukewarm and public investment has been minimal. Quite simply, we are behind other countries in developing a hydrogen economy

Over the next 20 years, the world's largest economies—the USA, Japan and Europe—are committed to investing billions of pounds of public and private finance in hydrogen development. The Minister will be aware that BMW, for example, has already invested hundreds of millions of euros in the development of hydrogen cars and said recently that it would focus further support on parts of Europe where there has been a demonstrable commitment to providing the infrastructure to fuel its cars. All players in the public and private sectors agree that it is vital to establish demonstration projects and

"supportive, appropriate environments for piloting the hydrogen economy."

A coherent Government strategy is vital to my constituency. The Minister is, I hope, aware of the vast potential for renewable energy production in the northern isles. We feel that there is a genuine opportunity for the peripheral parts of the UK to be at the forefront of a new way of developing and distributing energy.

The PURE project, of which I have already spoken, has shown a great deal of dynamism. Its recently published feasibility report on a hydrogen test energy study centre in Shetland shows just how carefully local people are assessing how we can best maximise these opportunities. If the Department could show the same dynamism as a community the size of Unst, our hydrogen economy would be in a much healthier state.

The Minister has no doubt heard me speak before on the problems caused by the lack of an interconnector to the national grid from Shetland. At best, that situation will not change for at least a further eight years, but that constraint provides the rationale during this time for focusing on developing renewables-to-hydrogen pilot, demonstration and research schemes, which can create a significant number of quality jobs.

Hydrogen technology can also help to overcome the intermittency of some renewable energy sources. It is often argued that wind turbines cannot be relied on to provide a significant proportion of our energy because it is not always windy. Some in my constituency might dispute that assertion, but hydrogen technology none the less enables energy to be stored and released when renewable energy supplies are lower.

The development of the PURE project has been the subject of considerable public consultation and public awareness raising in Unst and Shetland as a whole. Generally, the reaction has been favourable. The project demonstrates the production of hydrogen from wind power, the storage of wind power in the form of hydrogen, the conversion of stored hydrogen back to electricity available on demand and the use of hydrogen as an automotive fuel for a car converted to run on hydrogen by a Shetland graduate.

Lembit Öpik (Montgomeryshire) (LD): I applaud my hon. Friend for taking such an insightful look into the future of energy production, but does he agree that this could solve many of our problems with aviation pollution? Although the technology may not yet be fully developed, it seems likely that we will be able to power aircraft with hydrogen technology, which would bring benefits to the Orkneys, as well as to other places, which could be leading on this.

Mr. Carmichael: My hon. Friend will be aware of the impact of the increased use of aviation fuel in recent years on our ability to meet carbon dioxide targets. His point about using hydrogen for aviation is perhaps real blue-skies work, in every sense of the term, but every journey starts with the smallest step and we will never get there if we do not do the work on the other aspects that I have referred to.

On the commercial front, Shetland Composites collaborated with BOC, BP and siGEN, to which the hon. Member for Banff and Buchan (Mr. Salmond) referred, to design and build an eco-marathon car fitted with a fuel cell installed by Ross Gazey. This project was largely privately financed.

At the same time, two intermediate-sized commercial projects, involving the establishment of renewable energy-powered hydrogen production systems, sized at several megawatts, are currently being discussed by Shetland Islands council. Those are large, well-resourced projects. Over the past year, young Shetland graduates Ross Gazey and David Sutherland have been involved in most of the principal hydrogen fuel cell installations in the UK: Tees valley, HARI at Loughborough, AMEC in Aberdeen, and most recently, the Trafalgar square Christmas tree lights.

I have dwelt at some length on the various local projects in Shetland. I have done so because I wish to highlight to the Minister the enthusiasm in the communities. His predecessor was good at visiting Shetland, and I hope that he will find time to visit the constituency, too. Energy, be it hydrocarbons or renewables through wind and wave generation, is of supreme importance to us, and the role of the Energy Minister is keenly followed in the northern isles.

For us and other rural areas to take full advantage of the investment opportunities arising out of local hydrogen projects, there is a need for a clear political commitment in the United Kingdom and a corresponding commitment to public investment in it. The reason that we seek the UK Government's commitment now to the future development of a hydrogen economy is that, in combination with their existing commitment to renewable energy, they can acquire ownership over the production and supply of all their future energy needs.

The potential for community ownership is perhaps most potent, particularly in the isles. The Minister will have heard me speak previously on the subject of petrol prices in the isles, where we routinely pay 10p to 15p per litre more than the rest of the country for petrol and diesel. If we can produce hydrogen as an automotive

[Mr. Carmichael]

fuel, and if we do that from our renewable resources, we will no longer be at the mercy of oil companies, distributors and others who take their cut, resulting in us paying so much extra.

I hope that the Government have given serious consideration to the January report. There is still a need for the Department of Trade and Industry to raise its game in this area. The exceptional work being done by the Unst partnership has the potential to produce a secure supply of clean energy, but that will be realised only if the Government establish a clear and effective framework in which the industry can flourish.

11.7 pm

The Minister for Energy and E-Commerce (Mr. Mike O'Brien): I congratulate the hon. Member for Orkney and Shetland (Mr. Carmichael) on securing this debate. During the coming new year, I hope to be able to visit the Shetland Islands and perhaps see some of the developments taking place there.

Let us imagine a world in which energy can be produced without using fossil fuels, where cars can run cleanly and quietly, emitting only a stream of water vapour, and where every country has access to clean and sustainable energy supplies—and islands, too, on a local basis. That is the long-term goal of the so-called hydrogen economy. It is not difficult to see why.

Existing sources of fossil fuels are finite, and some are in politically unstable countries and regions of the world. Moreover, fossil fuels are contributing to climate change because of the emissions of carbon dioxide that are a by-product of their use. Hydrogen can be burned to produce energy, without tailpipe CO_2 emissions and with very low or even no emissions of atmospheric pollutants such as particulates. Even better, it can be converted into electricity using a novel technology—fuel cells, with water vapour as the only by-product. Many now believe that for transport, fuel cells running on hydrogen will be the long-term replacement for the internal combustion engine.

There are, however, some major difficulties. The first major issue is hydrogen production. Hydrogen, like electricity, requires a source of energy to make it. Fortunately, hydrogen can be produced via a number of routes, thereby contributing to security of energy supply. Unfortunately, all those routes currently result in hydrogen being more expensive than the fuels that it is intended to replace—in some cases, much more expensive.

Depending on the method, there may also be significant emissions of CO_2. Hydrogen is also difficult to store, especially on board a vehicle. A breakthrough in storage, perhaps using solid-state methods, would certainly give a major boost to the deployment of fuel cell vehicles. Storage limitations also add to the costs of distribution. Transporting large quantities of hydrogen may one day be possible through dedicated pipelines—we shall have to see. It is done on a small scale at the moment, but doing it on a large scale will require a lot of research to ensure that there is the right amount of pressure and capacity, and such investments will not be made until there is a prospect of sufficient demand to justify them.

Fuel cells are at present the best technology for converting hydrogen to electric power. They offer high efficiencies and zero emissions at the point of use, and many believe that they are the only technology with the potential to replace the internal combustion engine in buses, trucks, lorries and cars. Fuel cells using a range of fuels also have potential applications for stationary power, including combined heat and power, and—in the long term, perhaps—for portable power in devices such as power tools. However, they are currently too expensive, particularly for transport applications, and durability needs to be improved.

For those reasons, commercialisation of exclusively fuel cell-driven vehicles is unlikely to occur on any significant scale before 2020. We can see prototypes, and even now we can see how partially hydrogen-powered vehicles can be used in our cities, as the hon. Gentleman said. None the less, we need quite a lot of scientific development to achieve the sort of breakthrough we need for real commercialisation.

The Government have had a programme to support fuel cell technology for many years. More specifically on hydrogen, the Department of Trade and Industry recently commissioned a study to develop a strategic framework for hydrogen energy activities in the UK. That was undertaken by E4tech, Element Energy and Eoin Lees Energy, and has just reported. A report of the analysis is being placed on the DTI's sustainable energy policy network website. We will consider the specific recommendations carefully, and hope to publish them, with our response, by the end of February 2005. As the hon. Gentleman can see, we are taking this matter seriously, and we are moving forward with recommendations such as those suggested.

The key energy priorities beyond 2020 are cost-competitive CO_2 reduction and improved upstream energy security. By 2030, hydrogen energy could provide cost-competitive CO_2 reductions in transport via six routes, all involving fuel cell vehicles. They also offer energy security, and the routes feature low-CO_2 energy from sources such as renewable or nuclear electricity, or fossil fuels with carbon capture and storage.

No single chain will be sufficient to meet all the UK's needs, and some chains may subsequently be ruled out, for various reasons.

Mr. Salmond: I am listening to what the Minister is saying, but bearing in mind what the hon. Member for Orkney and Shetland (Mr. Carmichael) has advocated, is it not possible that the economics of fuel cell use, particularly for transport, might be very different, and viable much earlier, in remote rural areas with ample supplies of renewable generation of power, if there were a Government strategy to help with deployment? Is it not possible that the economics in areas such as islands and rural areas might be different, and viability might be earlier, than in the broader picture?

Mr. O'Brien: What is possible and what is likely may be two different things, and it is important not to make false promises. People must know that the promises being made to them are deliverable, and the Government believe that ours are. Others may take the view that they can make promises and not deliver them, but we do not.

We are looking at the report that has just come out. We will examine the recommendations, but we believe that hydrogen has the potential to provide greater energy security in the longer term for the islands and various other parts of the UK that are more difficult to access. However, we have to be realistic about time scales. We must make only those commitments that we can really deliver on, rather than holding out ephemeral images that might take a very long time indeed to deliver on. We need to be very careful about making false promises.

Mr. Carmichael: I fully accept all that the Minister says about the long time scales involved, but can he give me some assurance that there will be a Government strategy aimed at driving this process forward? Does he accept that the Government have a role to play, and that their strategy could serve to lengthen, as well as to shorten, these time scales?

Mr. O'Brien: I certainly believe that an international strategy to develop this technology, as opposed to the strategy of a single Government, can shorten time scales. Indeed, as the hon. Gentleman well knows, the US Government have embarked on a significant programme and we are working with them very closely. A few weeks ago, I spoke to the then acting US Deputy Secretary of Energy, who, even during the presidential election campaign, came to London to speak at a conference because of the importance of driving through the hydrogen agenda. We both agreed that such technology needs to be developed and that we would work closely to do so. So it is important that we have not just a Government strategy but an international one, in order to drive forward this broad-based scientific knowledge. The potential for its future long-term development could be quite significant.

I believe that, as the hon. Gentleman says, the UK can play a significant role in developing the options for the hydrogen economy. In some cases, this will be on a go-it-alone basis, but as I said, it will increasingly involve international co-operation. I am pleased that the UK is already participating in the main international forums: the European Hydrogen and Fuel Cell Technology Platform, the International Energy Agency's Implementing Agreement, the IEA's Hydrogen Coordination Group, and the US-led International Partnership for the Hydrogen Economy. We have excellent wind and marine energy resources, which we are dedicated to exploiting for the purposes of carbon emissions reduction. We have the potential to build on this, making use of the skills of the UK oil and gas industry to develop experimental hydrogen infrastructures, which could lead to products and services for export in the long term.

Hydrogen is of course of particular relevance to remote areas of the UK with strong renewable energy resources. Areas such as the highlands and islands are already facing the challenge of exploiting these resources when the electricity grid's capacity to carry electricity to mainland UK markets is severely strained. The PURE project in Unst, to which the hon. Gentleman referred, uses renewable energy to produce hydrogen by electrolysis, and it shows that it is technically possible to produce all energy needs locally, without creating carbon emissions. It is possible that in a future in which hydrogen is used for transport, hydrogen pipelines might offer a different means of carrying renewable energy to markets where it is needed. In addition, hydrogen production offers developers of renewables a second, potentially high-value revenue stream.

All these issues require much more analysis and work. A small number of leading-edge developers of fuel cell stacks and components and energy and industrial gas companies are already participating in hydrogen energy projects around the world. I recently helped to launch the new headquarters of a company that has only recently entered the market. I shall not name it, but it has managed almost overnight to double its value because of the serious interest in the UK and abroad in the development of hydrogen fuel cells.

The UK Sustainable Hydrogen Energy Consortium, established under the Supergen programme, is undertaking research on solid state hydrogen storage methods and also techno-socio-economic analysis on the hydrogen economy and all the implications that it will have for our society. Those implications are indeed potentially quite significant, particularly in areas such as the hon. Gentleman's constituency. It is obvious that there are potentials that need to be explored. I can therefore assure him that the Government are alive to the issues of the hydrogen economy. We are committed to making sure that Britain and the whole of the UK plays a significant role in developing it.

May I say that the champion Department for hydrogen is the Department of Trade and Industry. The hydrogen highway is, I believe, opening up before us and I want to see the UK playing a leading role in taking forward the development of hydrogen energy. It will be a long haul. We have to be realistic about that, but the scale of the environmental and energy challenges that we face means that we cannot duck the issue. With the hydrogen highway opening up before us, we need to be ambitious about its potential, but we also need to recognise that we must be realistic on the time scales. We are starting to move down that road at an increasing rate. The rate of change will pick up and the potential is enormous, so we must realise it. I am very much in agreement with the hon. Gentleman as to the spirit of what he says, but I want to be sure that we are delivering something that we can realistically promise to deliver. We need to work through the science with care.

Finally, I offer you, Mr. Deputy Speaker, and all Members the season's greetings.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes past Eleven o'clock.

House of Commons

Tuesday 21 December 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

INDEFINITE LEAVE TO REMAIN

Resolved,

That an Humble Address be presented to Her Majesty, That she will be graciously pleased to give directions that there be laid before this House a Return of the Report of an inquiry into an application for Indefinite Leave to Remain.—*[Mr. Browne.]*

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Cycling

1. **Bob Russell** (Colchester) (LD): If he will make a statement on his Department's strategy for increasing the number of people using cycles. [206090]

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): Our strategy for increasing the number of cycling trips was set out in July's White Paper, "The Future of Transport". We are committed to making cycling a more attractive choice through initiatives to improve the physical environment, raise standards of training and improve safety and facilities for cyclists.

Bob Russell: I am grateful to the Minister for what will be an encouraging response if it is delivered. But, in the spirit of joined-up government, with obesity as a major worry and the cost to the public purse of a road fatality now exceeding £1 million, does she agree that an excellent way of trying to fulfil the Government's 2012 target of quadrupling the number of cycle journeys is to persuade the Treasury that investing in local cycle networks represents excellent value for money?

Charlotte Atkins: We are working across Departments on the cycling strategy. If the hon. Gentleman looked at the health White Paper, he would find some very encouraging remarks about improving the opportunities to cycle. Colchester has benefited from small cycling grants: £1.5 million was spent on cycling schemes in his area in 2003–04 and another £1 million in 2004–05. In addition, we are involved in a range of other ways. For example, £10 million has been invested to link hundreds of schools to the national cycle network. That has come about through match funding by local authorities of nearly £27 million.

Chris Bryant (Rhondda) (Lab): It is delightful to hear about so many people cycling and how good it is for people's health, but does the Minister agree that cyclists sometimes can be a complete and utter nuisance? *[Interruption.]* They behave worse on the roads than many others—cycling straight through red lights, for example. Is it not time to ensure that a proper safety process is in place so that people learn to obey the rules of the road when they start cycling?

Charlotte Atkins: That is why we are revitalising cycle training to ensure that people know how to cycle safely. Clearly, cyclists must obey the rules of the road, including not using their mobile phones while on a cycle.

Mr. Greg Knight (East Yorkshire) (Con): Will the Minister reflect again on the point just made by the hon. Member for Rhondda (Chris Bryant)? Does she not accept that far too many cyclists ignore traffic lights and that an increasing number of them are prepared to use mobile phones while on the move? Will she continue the Government's trend in that direction, which we welcome, and embrace yet another Conservative policy initiative by banning cyclists from using mobile phones?

Charlotte Atkins: It is already an offence to be in charge of a cycle while not properly in control of it. I would argue that using a mobile phone while cycling demonstrates that the cyclist is not cycling safely. I understand that Conservative Members occasionally use mobile phones while cycling. I consulted my local community police officer, who informed me that he certainly considers cycling while using a mobile phone an unsafe practice.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Secretary of State is to be congratulated on the £10 million given to Sustrans for the links to schools programme. What other resources will be made available within the scheme to help the other 99 per cent. of English schools and will Sustrans receive any more generalised funding on account of the superb work that it does in many parts of the country? I have used some of the long-distance routes, which are helpful for tourism and for health.

Charlotte Atkins: Sustrans has certainly done a very good job in using Government money and has done a marvellous job on cycle routes. Obviously, another way we can help to fund cycling initiatives is by supporting local authorities. In 2001–02, local authorities spent £30 million on cycling projects. By 2005–06, that will have risen to £45 million, which demonstrates how we are making progress on cycling. Additionally, we are providing £500,000 for improved cycle storage at targeted stations and are funding the national cycling internet portal to help new and existing cyclists to access information across the whole range of cycling issues, including buying bikes and accessing training.

Northampton Loop Line

2. **Ms Sally Keeble** (Northampton, North) (Lab): What plans he has for train services to stations on the Northampton loop line off the west coast main line. [206091]

The Minister of State, Department for Transport (Mr. Tony McNulty): Current services on the Northampton loop have been affected by the large-scale renewals planned for the Rugby station area, including the provision of capacity for growth in traffic and better performance. It is now planned to undertake the work with significantly less disruption than previously expected, and the Strategic Rail Authority is considering a number of options to improve service frequencies between Northampton and Rugby during 2005.

Ms Keeble: I thank my hon. Friend for that answer, but Northampton is a Government growth area and there are major concerns that its rail services are not up to scratch. The fast Virgin trains that have been introduced are extremely welcome but we need more of them. We also need more frequent services between Northampton and Birmingham, given the rise in the number of commuters and the fact that more people go to Birmingham for shopping and leisure purposes. Will my hon. Friend take that on board, and ensure that Northampton's train services expand as the town grows?

Mr. McNulty: I am aware that Northampton and the surrounding region is a growth area as defined by the sustainable communities plan. There will be additional links with Rugby and the west midlands, probably after the completion of the major reconstruction of the Rugby complex in 2006–07. In addition, there will be some small changes to train services to Rugby as soon as it is practical. There will also be more off-peak faster services to and from London Euston, with a few extra services from London in the mid-evening period. Those services probably will be available from the end of 2005. There also will be some additional links in non-peak periods to and from Crewe, via the Trent valley route. Finally, the new Desiro trains will be introduced on a range of services from June 2005. I know that my hon. Friend is an assiduous campaigner for transport in her area, not least in her capacity as chair of the Northampton rail user group. If she wants to meet me to discuss these matters further in the new year—and perhaps to bring along some others from Northampton—I should be more than happy to accommodate her.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The Minister will be aware that similar problems affect Milton Keynes. What discussions has he had with the SRA about its plans to provide an additional platform at Milton Keynes Central station to increase rail capacity? Is he involving the Office of the Deputy Prime Minister in those discussions, given that Milton Keynes is a housing growth area and that rail capacity must keep pace with that growth?

Mr. McNulty: I do have discussions with the ODPM on this matter, as I do in connection with the question raised by my hon. Friend the Member for Northampton, North (Ms Keeble). The two regions involved are very important growth areas. My hon. Friend will know that, at a meeting in early November, one of the topics of discussion was the plan to enlarge Milton Keynes Central. The aim behind the plan is to allow more fast commuter and long-distance services to call at Milton Keynes. I have asked the SRA to take the plan forward as fast as possible, and the improvements should be completed by 2008. However, I want to emphasise what colleagues in the ODPM have already made clear. We are keenly aware that provision of the pertinent transport infrastructure must go alongside commitments to growth and increased housing. That is true in the east midlands as it is in the other growth areas surrounding London, such as the Thames gateway.

Spending Allocations (North-West)

3. **Andy Burnham** (Leigh) (Lab): If he will make a statement on the priorities for the north-west outlined in his announcement of 2 December on 2005–06 local transport spending allocations. [206092]

The Secretary of State for Transport (Mr. Alistair Darling): Decisions on which schemes should receive funding were based on the progress of each scheme, the transport and wider benefits that would be delivered, as well as the effects of existing commitments.

Andy Burnham: May I urge my right hon. Friend, in his discussions on the Metrolink scheme, to bear in mind the transport needs of the whole of Greater Manchester? Links west to Leigh are poor, and the Department for Transport has rightly given the Leigh guided busway provisional funding approval. As part of any bid to the transport innovation fund in respect of the Metrolink scheme, may I urge him to look favourably on the Leigh guided busway? Does he agree that congestion charging in Greater Manchester is a non-starter until my constituents get fair access to public transport?

Mr. Darling: I know of the importance of the Leigh guided busway and I know from my discussions with my hon. Friend that he has done a great deal to ensure that the Department has it very much at the front of its mind, which will continue to be the case. I have said to Greater Manchester passenger transport executive that we want a comprehensive approach to transport, which will include guided busways as well as Metrolink and other measures. Greater Manchester has a superb opportunity, building on what it has already done, to establish itself as a leader in this country in tackling transport problems. I very much hope that it will do that. We can then consider any proposals that it makes in the context of the transport innovation fund.

Mrs. Patsy Calton (Cheadle) (LD): Can the Secretary of State explain why, with worsening road traffic congestion in Greater Manchester, he has cancelled the procurement of Metrolink phase 3 from Manchester to Ashton-under-Lyne, Oldham, Rochdale and Manchester airport, so delaying investment in new light rail lines by at least two years, failed to find funding for the implementation of the south-east Manchester multi-modal study's recommendations for transport

investment, and failed to recognise that an estimated £60 million of investment is required in signalling and track on the Manchester-Oldham-Rochdale railway line, which would not have been needed if Metrolink phase 3 had been approved? *[Interruption.]* Is it because so much has—

Mr. Speaker: Order. That is a lot for the Secretary of State to take in.

Mr. Darling: I think, Mr. Speaker, that I have got the long and the short of it. The hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) can feel confident that his position as principal spokesman for the Liberals is not under threat. [HON. MEMBERS: Shame!] I am about to give the hon. Lady a Christmas present, which is the latest Liberal party policy: it is to call a halt to all new road building. Everything she said about road plans in Greater Manchester rings rather hollow, given her own party's policy.

On Metrolink, the more serious point, the costs on the project to build three additional lines went from £280 million in 2000 to £520 million a year later, and it is now agreed that it would cost at least £900 million. No Government—not even a Liberal Democrat one—could simply nod through a proposal that had trebled in cost in just four years. If the hon. Lady reflects on that, she, too, will surely agree that it is quite right that Greater Manchester and ourselves should sit down and ask how better to control costs. I have made it clear that I want Metrolink to be expanded, and I have made a proposal to Greater Manchester that will, I think, enable that to happen. It must be clear, however, not just in Manchester but across the rest of the country, that costs have to be kept under control, even in Liberal Democrat-land.

Mr. Graham Stringer (Manchester, Blackley) (Lab): Does my right hon. Friend accept that local authorities drawing up local transport plans often have urban regeneration as their prime objective? The Government's priorities of reducing accidents and congestion and increasing accessibility and air quality do not hit that point. Will my right hon. Friend consider extending the objectives for local transport plans to include urban regeneration, and can he assure people in Greater Manchester that he will not rule out a comprehensive transport plan for the whole of the area if it does not include a congestion charge?

Mr. Darling: We have made it clear to local authorities that they need to consider the option of congestion charging, but it will not necessarily be the right solution in every place. I would strongly encourage Greater Manchester to look at every possibility for managing traffic in future. What precisely it comes up with is a matter for Greater Manchester, and the Government will, of course, consider it.

On the wider point, regeneration is often an important part of a transport proposal, but we should reflect on the value of any proposal in relation to its transport terms first and foremost. Other things may need to be considered, but just having regeneration opportunities does not necessarily convert a project into a good one. As far as Greater Manchester as a whole is concerned, the PTE has a big opportunity and I hope it will seize it.

Mr. George Osborne (Tatton) (Con): Will the Secretary of State confirm that he has pulled the plug on the A34 Alderley Edge bypass scheme, which was part of the south-east Manchester multi-modal study, and that the person who passes himself off as the director of spatial development for the Government office for the north-west has just said that, while the bypass was provisionally approved by the Government,

"Ministers have been reviewing the priority of major local transport schemes"?

Will the Secretary of State at least give me a chance to come and see him with local councillors to put the case for the A34 scheme, which is important to my constituents? The A34 is a major transport link, and is important to the whole of the north-west.

Mr. Darling: The A34 is important. Perhaps I should explain to the hon. Gentleman, and for the benefit of the House, that we were able to approve in the last month or so substantial investment in the north-west—something like £870 million over the next three years. Other proposals are still in the pipeline and will be considered. They are not being cancelled or scrapped. They are still there, but under any system, we have to prioritise. Of course the hon. Gentleman can come and see one of my ministerial colleagues, but I say to him, in the nicest possible way, that he might want to reflect that his party is signed up to cutting transport spending by £1.8 billion. If it did so, not just the A34 but a few other projects would fall by the wayside permanently.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): Further to the point raised by my hon. Friend the Member for Leigh (Andy Burnham), will the Transport Secretary confirm that the unsuccessful local transport plan bid for a Rochdale interchange could be part of a successful bid to the transport innovation fund? Will my right hon. Friend remember that the Labour authorities made sure that the Oldham and Rochdale metro scheme remained a priority—no thanks to the Liberals, who kept trying to shunt it off to Hazel Grove?

Mr. Darling: My hon. Friends played a prominent role in ensuring that the metro remained on track and that we tried to face up to the difficulties. My hon. Friend has played a substantial part in making sure that the Rochdale interchange remained on the Department's books. I expect it to be one of the many considerations taken into account by Greater Manchester PTE. What I want from the PTE and other local authorities is a comprehensive package of measures to tackle congestion and to make transport better. I know that the Rochdale interchange is an important part of that and my hon. Friend is right to raise it.

Mr. Tim Yeo (South Suffolk) (Con): Is the Secretary of State aware how much damage his decision on Metrolink is causing in the north-west? Now that it is clear from today's borrowing figures that Government borrowing is out of control, is the real reason for his refusal to stump up any more money for the north-west the fact that he fears that his Department's budget will be cut substantially in response to the growing

borrowing crisis, over and above the cut of £800 million that he has already made to the Department's spending in the current year?

Mr. Darling: I notice that the hon. Gentleman committed himself to fund the Manchester metro whatever the cost. It does not bode well for the future if that is his attitude to public spending. He may be telling us that if a project trebles in price, it is all right and he does not mind. If so, he may want to have a word with the shadow Chancellor, who on one of his more sensible days may caution him against such a view. As for the Government's position generally, I remind the hon. Gentleman that for the past seven years we have seen substantial, continued and strong economic growth, which has allowed us to fund public services—not just transport but other services. That is something that the Conservatives did not manage to do during the 18 years that they were in power. They produced two of the deepest recessions and savage spending cuts for transport. Perhaps he can tell us what would go as a result of the £1.8 billion of cuts to which his party is signed up.

Mr. Lindsay Hoyle (Chorley) (Lab): I wonder whether my right hon. Friend is aware of the benefits of the metro, but also aware of the benefits of investment in the west coast main line. He could add to that benefit by reopening the station at Coppull on that line, which is a priority for people in Lancashire.

Mr. Darling: I am certainly aware of the potential benefits of the metro extension, which is why I should like to work with Greater Manchester PTE to make that possible. The west coast main line is another example of substantial investment made possible by this Government that did not happen in the 18 years the Conservatives were in power. Of course we will look at the possibility of opening stations on the west coast main line, but the more stations that are opened, the more trains will have to stop and the greater the disruption to the longer distance services. I cannot promise my hon. Friend anything on that, but he is right to point to the importance of continued high levels of investment.

M25

4. **Mr. Andrew Rosindell** (Romford) (Con): What steps the Government is taking to improve safety on the M25. [206093]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): The M25 is one of the busiest routes in Europe, with a good safety record. The Government remain committed to continuing to deliver further improvements to that important motorway and have an investment programme of £1.7 billion over the next decade to improve both safety and congestion. We continue to work in partnership with the police, the media and industry to find and implement safer ways of operating the motorway.

Mr. Rosindell: Is the Minister aware that large numbers of my constituents use the M25 regularly? I welcome any improvements to safety, but will he consider increasing the speed limit by at least 10 mph? As he will be aware, much evidence suggests that that would improve safety and reduce accidents, as well as alleviating congestion.

Mr. Jamieson: I appreciate that that motorway is important, not only to the hon. Gentleman's constituents but to many constituencies in and around London and to people travelling from other parts of the country to the ports and other places. The controlled motorway pilot scheme between junctions 10 and 16, which applies a variable speed limit, has improved safety by about 10 per cent. However, I do not think that increasing the speed limit on the motorway would add anything to road safety. If anybody wished to make such a case, they would have to demonstrate clearly that road safety improvements could be achieved by the increase.

Mr. Brian Wilson (Cunninghame, North) (Lab): Does my hon. Friend agree that congestion is a major factor in road safety and that it makes no sense to spew millions more heavy vehicles on to a crowded motorway as a result of non-joined-up policy making? Is he aware that the effect of a go-ahead for the Shellhaven ports project would be a further 3 million heavy units on the M25 every year? Does not that re-emphasise the need to treat ports policy as a single national entity and to develop ports to the north, especially Hunterston, which is the finest deep water port in Europe, rather than causing further congestion in the south-east and more overcrowding on the M25?

Mr. Jamieson: I admire my right hon. Friend's ingenuity—and his testing of your patience, Mr. Speaker—in asking about ports on a roads question, but he will know that we are presently reviewing ports policy. The needs of ports are integral to our thinking on roads and rail. My right hon. Friend is right that congestion is a major factor in road safety, and the variable speed limit has improved both congestion and safety.

Road Improvements

5. **Gregory Barker** (Bexhill and Battle) (Con): How much funding was allocated to the Highways Agency for road improvement schemes in *(a)* Kent, East Sussex and West Sussex and *(b)* England in each year since 2002. [206094]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): Funding for road improvement schemes is neither allocated nor recorded on a county by county basis. The total funding allocated for road improvement schemes—including small schemes and technology improvements, but excluding maintenance—in England in each year since 2002 is as follows: for 2002–03, it was £940 million; for 2003–04, £922 million; and for 2004–05, £899 million. The figure for 2004–05 has been reduced by about £50 million to allow for the de-trunking programme, for which money has been passed to local authorities. Over that three-year period, £300 million was spent on major improvements in the south-east region.

Gregory Barker: In light of that picture of static or falling investment in our road network, it is especially distressing for my constituents that the funding for the improvements to the A21 between Robertsbridge and Flimwell has now been kicked back to 2006. That action by the Government will severely blight that community and leave several of my constituents in real distress, because they will not be able to move or sell their houses. Will the Minister agree to meet me and representatives from that community to try to reach a solution? The solution my constituents want is for the Government to drop the scheme until they are ready to fund it properly.

Mr. Jamieson: I know that Conservative Members want us to take part in a great act of national amnesia. I remind the hon. Gentleman that in the last year of spending plans under their Government there was only £714 million in the budget, whereas in 2003–04, the amount was £922 million, a considerable increase.

The A21 is important and, as the hon. Gentleman knows from our discussions, the Highways Agency has a long-term strategy for the route, all the way from the M25 to Hastings, and the Flimwell to Robertsbridge road is one part of the scheme. The scheme is important and the Highways Agency will report on it in the new year, but it will, in the end, be remitted for local decisions.

Mr. Dennis Skinner (Bolsover) (Lab): Does the Minister recall that, a few years ago, he went to Bolsover, taking with him a cheque for £15 million to start a road scheme to develop the old pit areas just off the M1 at Markham and Bolsover? That was welcome news and I have even better news today. Junction 29A, which I have campaigned for—to release all that land and create 5,000 jobs for ex-miners and others, covering four constituencies in north Derbyshire—has been granted and will go ahead. Labour has kept its promise. Don't let the Tories in, or they'll ruin it.

Mr. Jamieson: I thank my hon. Friend for his characteristically non-partisan question. I remember visiting his constituency two and a half years ago, when he and his local councillors impressed on me the importance of a junction between junctions 29 and 30. I am delighted that it has been announced because it will release some of that land and create jobs in an area where many jobs were lost under the last Government through the closure of the pits. I will give careful consideration to naming the junction Skinner's junction.

Mr. Roger Gale (North Thanet) (Con): May I take the Minister back to road funding for Kent? The east Kent approach road is vital to the development of Manston airport, the continued commercial development of Pfizer—a major employer at Sandwich—the development of Westwood cross and the whole economic development of east Kent. Will he explain why his Department does not consider phase 2 of the road a priority? Will he also explain the logic in allowing Kent county council to commence the road, but then pulling the plug on the funding for the rest of it?

Mr. Jamieson: All our road programmes are a matter of priorities, and the airport was considered among those priorities. All I can say to the hon. Gentleman is that local authorities have received considerably more money from the Government. Great increases in funding for local transport plans have been available to local authorities. I would ask the people he represents to reflect on what would happen if his hon. Friends were in power, with their proposals for huge cuts in transport funding.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): I thank my hon. Friend for reminding us of the near-desert of funding in the Sussex area until the Labour Government came to power. I especially thank him for the generosity in funding the link road between Hastings and Bexhill. As some delays are likely in the funding of new schemes, I ask my hon. Friend that nothing be done to slow down traffic on the A21, for example on the Flimwell bypass, until other schemes come into effect.

Mr. Jamieson: I congratulate my hon. Friend on being a persistent and consistent campaigner for that road, which is so important to his constituency. I can assure him that the road safety improvements that we propose at Flimwell will not take place until at least the Lamberhurst bypass has been opened. As he knows, I am carefully considering the road safety implications on that stretch of road; we have to balance those against traffic flow and the need for vehicles to overtake.

Mr. Tim Yeo (South Suffolk) (Con): Does the Minister agree that the best way to fund some increases in road capacity is through user charges? As new roads have such long lead times, why does he not get on with some of the projects identified in this year's joint study from the CBI, the Freight Transport Association and the Automobile Association, instead of simply embarking on another round of consultations on road pricing?

Mr. Jamieson: Well, this is interesting: the hon. Gentleman now shows himself more committed to user charging. On the ground, some of his party's members and councils have opposed things such as congestion charging. That seems rather inconsistent. As he knows, and as has been said from the Dispatch Box on several occasions, road user charging can come in only when we have the technology in the cars and in the sky, and that is probably 10 years away. However, we are certainly talking about it and consulting, and we shall be pleased to have the hon. Gentleman's support.

Speed Awareness

6. **Mr. Peter Pike** (Burnley) (Lab): How many local authorities and road safety partnerships run speed awareness courses. [206095]

The Secretary of State for Transport (Mr. Alistair Darling): Speed awareness courses are currently running in eight police force areas. The Association of Chief Police Officers will launch a national programme of courses in the New Year.

Mr. Pike: I thank the Secretary of State for that answer. He knows that I am a strong supporter of the Government's policy on reducing speed, recognising that it does reduce the number of accidents and injuries. Having recently taken a speed awareness course in Lancashire, I can assure my right hon. Friend that they are excellent on both the theoretical and the practical side. They could be an option available to all motorists instead of three points and a fine; I think that a course can do more to make motorists realise why they are going above the 30 mph limit.

Mr. Darling: I agree with my hon. Friend. Courses are an important part of educating drivers about the dangers of going too fast. I do not think that they could ever be a complete substitute for other penalties, because the message that speeding can cause serious injury and kill people must be reinforced, but the experience so far is that speed awareness courses are working.

Mr. Christopher Chope (Christchurch) (Con): The Secretary of State is rather damning with faint praise; the success of the course in Norfolk that had its 500th client last week is renowned. Why does not the Secretary of State ensure that access to those courses is available throughout the country, particularly to those who have nine penalty points on their licence already? Why does he not agree that driver improvement courses are the thinking man's alternative to greed camera enforcement?

Mr. Darling: The hon. Gentleman is rather, to quote back at him, "damning with faint praise" his courage in introducing speed cameras when he was a transport Minister 10 years ago. It is thanks to the hon. Gentleman that we have speed cameras.

Perhaps I might also say to the hon. Gentleman, without wishing to upset him too much, that had he listened to what I said just a few moments ago, he would have known that I actually said, "The Association of Chief Police Officers will launch a national programme of courses in the new year." In other words, these courses will be extended in the new year, and had the hon. Gentleman listened to all of my answer before he wrote down his supplementary, he might have been better informed.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will my right hon. Friend have urgent talks with the Department for Education and Skills to see whether these courses can be extended to young people? As he knows, it is young drivers who are more likely to speed, and at this time of year, when unfortunately we are looking ahead to a period when deaths will rise, it may be a moment to pause and consider that if we can convince drivers that speed does kill, we shall save many, many lives.

Mr. Darling: My hon. Friend makes an extremely good point. At this time of year especially, when we know that a number of people will be killed or seriously injured on our roads, not just through speeding but as a result of people drinking too much, it is exactly the right time to get home to people—young and older people alike—that if they drive too fast or drink and drive, they can end up killing themselves or somebody else. I take the point that my hon. Friend makes about educating people while they are still at school, because the best time to get safety across to people is when they start driving, so that they understand from the moment they get behind the wheel that they are in charge of something as potentially deadly as any weapon that they might use.

Mr. Peter Luff (Mid-Worcestershire) (Con): Will the Secretary of State send an appropriately seasonal message to the idiots who tailgated me on icy roads through Broughton Hackett, Upton Snodsbury, Flyford Flavell and Gooms Hill on my way down here yesterday, simply because I had the temerity to obey the speed limit? Does he agree that if we are to win the hearts and minds of drivers in this case, speed limits must be enforced with a degree of sensitivity, speed limits must be appropriate to the road in question, and speed cameras must be located only where they obviously contribute to road safety, rather than acting as cash generators?

Mr. Darling: The hon. Gentleman makes a fair point that people who drive too close to the car or lorry in front can cause accidents and can end up killing themselves or being seriously injured.

On speed cameras, the hon. Gentleman will no doubt recall that in June the Government published an analysis of the safety impact of speed cameras throughout the country, and it is pretty clear that they save lives. I have said that if there are cases where the presence of cameras cannot be justified, they need to be looked at—but they do save lives. We do not want people's cash; we want to save their lives. That is why speed cameras are there. It is interesting that, since June, much of the coverage, inside the House and elsewhere, in relation to speed cameras has been carried out in a rather more mature way, because people realise their potential benefits.

North Luton Bypass

7. **Mr. Kelvin Hopkins** (Luton, North) (Lab): If he will make representations to the relevant local authority and the Highways Agency to bring forward plans for the early construction of a north Luton bypass. [206096]

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): In July 2003, we asked Luton borough council and Bedfordshire county council to examine alternative options for a Luton northern bypass. Consultants have been appointed to undertake a detailed study, and they are expected to report next year.

Mr. Hopkins: I thank my hon. Friend for her answer. Indeed, this very morning, I have been in touch with Luton borough council myself. She will know that east-west transport links in the eastern region are very poor indeed, especially around the Luton and Dunstable conurbation. East-west traffic through Luton, including heavy goods vehicles, currently uses wholly inappropriate roads in residential areas. Will she do everything that she possibly can to ensure that that road is built as soon as possible?

Charlotte Atkins: I understand my hon. Friend's concern about the east-west links in his constituency; he spoke eloquently about them in an Adjournment debate in June. The northern bypass is a local scheme, not a Highways Agency scheme—it is up to the local authorities to submit proposals for the bypass through the local transport plan—but the feasibility study, which is funded by the Office of the Deputy Prime Minister, will provide some useful help in assessing the scheme.

Road Building (South-East)

8. **Bob Spink** (Castle Point) (Con): What assessment he has made of future requirements for road building in the south-east. [206097]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): Following extensive consultation, we published the regional transport strategy for the south-east last July.

Bob Spink: As I keep telling the House, we need an additional access road for Canvey Island, even without the additional thousands of houses that the Government are forcing on the island. The new road should go from the Northwick road area to the Manorway. The next time that the Minister visits south Essex, will he meet me and local borough councillors—such as the excellent councillor, Ray Howard—and councillors from Basildon and Thurrock, so that we can discuss the possibilities for that new road? If he manages to get there before Christmas, we will provide him with a mince pie and a glass of milk.

Mr. Jamieson: Tempting as that may sound, in the first instance, it would probably be a good idea for the hon. Gentleman to meet his local councillors and Essex county council. Although I appreciate that the A130 and the A1014 are difficult roads, particularly where they meet, and that the access is poor, such schemes must be worked up locally. Happy though I would be to have that meeting, with mince pies and whatever else, in the first instance, it would be appropriate for him to take his councillors to meet the portfolio holder in Essex, because its plans are more focused on bus and train improvements than on creating separate access.

Mr. Simon Burns (West Chelmsford) (Con): Does the Minister accept that there is considerable dismay in Essex at the latest announcement on the funding for road improvements in the county, which will result in a number of vital road improvements being cut because of a lack of funding, given the amount needed throughout the county?

Mr. Jamieson: I do not recognise those suggestions. The figure for local transport plan funding in the south-east was £179 million in 2002-03, and next year the figure will be £301 million. That extra funding is going to the area and is available for local authorities to use to good effect, and the Highways Agency is improving its contribution to the region as well.

Gershon Review

9. **Jim Knight** (South Dorset) (Lab): What assessment he has made of the potential for efficiency savings in his Department beyond those proposed in the Gershon review. [206098]

The Secretary of State for Transport (Mr. Alistair Darling): The Department for Transport's response to the Gershon review was comprehensive and the targets set are demanding. Other efficiencies are effectively being sought, and further efficiencies will come from the implementation of the reforms set out in the railways White Paper, which I published earlier this year.

Jim Knight (South Dorset) (Lab): I am grateful to my right hon. Friend for that reply. Can he reassure me that such efficiency savings will not jeopardise important projects, such as the Weymouth relief road in my constituency, and that he will not listen to those who argue for substantial cuts on top of those efficiency savings?

Mr. Darling: I can certainly tell my hon. Friend that there is no way that efficiency savings will affect the bypass that he mentioned. That road has been provisionally approved. Thanks to his determination and the pressure that he has put on the Department, the road is well advanced and on course. To every single Member who has stood up in the Chamber to ask for more money to be spent on roads, I make the point that we are able to do that because of the strong position of our economy and the money that we have decided to commit to transport. All that would be put at risk if the Conservatives were to cut nearly £2 billion worth of transport spending.

Mr. Andrew Mackay (Bracknell) (Con): Will the Secretary of State confirm that all the money that will be saved after the Gershon inquiry will be ploughed back into his Department, exactly as will happen after the James inquiry?

Mr. Darling: On the James inquiry and transport, it is interesting that Mr. David James acknowledged that the Department for Transport had saved 90 per cent. of what he had identified, so the Conservatives cannot count that as new money. It is also interesting that one item in the money that he has identified over and above what we have identified is very strange for the Conservatives. They say that they want to re-regulate the rail rolling stock companies, but who deregulated them in the first place? Who was it who allowed a situation to arise in which more and more was charged for using the railways—another by-product of railway privatisation? I am sorry to tell the Conservatives that we have already got there and, as the White Paper set out, we are determined to get savings not just in the railway industry but elsewhere. All that money will benefit all public services, including transport.

Lawrie Quinn (Scarborough and Whitby) (Lab): Does my right hon. Friend agree that the reorganisation of his Department provides an opportunity to see more work done at a regional level? Is it not a possibility that important regional transport schemes will allow for

greater economic prosperity and greater working with the likes of the regional development agencies and local authorities to encourage the development of parts of communities all round the country, not least in my own of Scarborough?

Mr. Darling: I agree with my hon. Friend. I strongly believe that we should do our best to decentralise as many transport decisions as possible. The best people to decide on the priorities for what needs to be done and to do that efficiently are those who know the position on the ground. The Highways Agency has done a great deal of work, which it is sharing with local authorities, on improving the procurement of roads, which means that more money is available. There is no doubt that the savings we have identified in the Department for Transport will be of immense help in releasing funds to go into transport as well as other services. Our fundings, unlike those of the Conservative party, are real and are being achieved now.

Accidents (Tiredness)

10. **Mr. Tony Clarke** (Northampton, South) (Lab): What steps the Government are taking to cut down the number of accidents on the motorway in which tiredness is a major factor. [206099]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): We have an extensive programme of publicity and research aimed at reducing sleep-related accidents. We warn drivers of the dangers using motorway variable message signs and through our "THINK!" publicity campaigns. Advice on how to avoid and combat driver tiredness is in the Highway Code and on the Department's website.

Mr. Clarke: I congratulate the Government and the Northamptonshire casualty reduction partnership on the work that they have done so far. Is he aware of research carried out by the Loughborough sleep research centre? The research shows two things: first, that small amounts of alcohol have a major impact on people falling asleep at the wheel, particularly at this time of the year when they have the odd glass of wine with their Christmas dinner and drive home from their families; and, secondly, that the under-30s are the most vulnerable group—particularly in early mornings—because of restrictions on their sleeping patterns. Will he take those two points on board when designing future campaigns so that the most vulnerable are aware of those dangers?

Mr. Jamieson: I thank my hon. Friend for that question. I am aware of the research from the university of Loughborough sleep research laboratory. Its latest report came out in October this year. He rightly points out that although small amounts of alcohol at this time of year may not put a person over the limit, they may make them more tired and more vulnerable to having an accident on the road. We estimate that about 20 per cent. of all crashes on the roads are caused by people who drive when they are over-tired.

I also take the point about advertising to younger people and to 20 to 30-year-old males who, I am afraid, are more likely to be in crashes involving alcohol. Much of our recent publicity has been focused on that age group.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Minister confirm that our motorways are actually the safest parts of the country's highways and account for just 6 per cent. of fatalities, according to the latest figures? What is the Department doing about the increasing number of serious accidents on B and C roads?

Mr. Jamieson: The hon. Gentleman is correct. Our motorways are some of the safest roads in the world, but that does not mean that there are not nasty and spectacular crashes on them in which people are killed, which often involve heavy goods vehicles. The campaign is thus extremely important. He makes a point about B and C roads and knows that they are the responsibility of local authorities. We have set out clear guidance for local authorities and we provided substantial additional funds in recent years for them to tackle safety schemes on local roads. They now have the ability to reduce speed limits on local roads if they think that appropriate. We are also addressing the problem on some local roads of recreational motor cyclists travelling too fast. I take the point that those roads are important, as are motorways.

Mr. Liam Byrne (Birmingham, Hodge Hill) (Lab): Many in this country believe that accident prevention requires new laws, so I congratulate the Minister on the publication of the new Road Safety Bill. Many people also believe that the sentencing of dangerous drivers needs updating. Will he accept amendments to toughen sentences for dangerous drivers as the Bill proceeds through the House next year?

Mr. Jamieson: I am glad that my hon. Friend welcomes the Road Safety Bill, which includes several measures that will substantially improve safety on our roads. It provides for increased penalties for people who drive carelessly. The Home Office has undertaken a review of all the penalties and will announce the outcome of that in the new year. I dare say that we will take forward the necessary legislation as appropriate.

DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

Freedom of Information Act

18. **Mr. Julian Brazier** (Canterbury) (Con): What assessment he has made of the effect on his areas of responsibility of the coming into force in January 2005 of the Freedom of Information Act 2000. [206110]

The Chancellor of the Duchy of Lancaster (Mr. Alan Milburn): The effect on the duchy of the Freedom of Information Act is expected to be minimal. However, advisory committees on justices of the peace will be

affected by the Act. All 17 committees have signed a declaration form confirming their participation in the model publication scheme with the Information Commissioner. I can also tell the hon. Gentleman and the House that both the strategy unit and the No. 10 policy directorate have been part of preparations for the Act. The effect of the Act on their work will obviously depend on the number and complexity of requests that they receive.

Mr. Brazier: I thank the right hon. Gentleman for his answer, but when the Freedom of Information Act is in force, will we be able to tell how much of his time is spent on the Duchy of Lancaster and how much is spent preparing the Labour party manifesto? He is currently drawing a full Cabinet salary, which did not happen when other political figures held that office.

Mr. Milburn: The hon. Gentleman is aware of my responsibilities, but for the avoidance of doubt, I am happy to repeat them to him and the wider House. I have responsibility for policy co-ordination across government and I obviously have responsibilities for the Duchy of Lancaster. I sit on 17 or 19 Cabinet Committees—*[Interruption.]* The hon. Member for New Forest, East (Dr. Lewis) usefully reminds me that it is 17. Since he has prompted me, I am happy to read them all out: Domestic Affairs Committee; Crime Reduction Sub-Committee; Economic Affairs, Productivity and Competitiveness Committee; Constitutional Reform Policy Committee; House of Lords Reform Sub-Committee; European Union Strategy Committee; Legislative Programme Committee; Organised Crime Committee; Public Services and Public Expenditure Committee; Public Service Reform Committee; Welfare Reform Committee; Children and Young People's Services Committee; Delivery of Services for Children, Young People and Families Sub-Committee; Social—

Mr. Speaker: Order. I think that the House understands.

David Taylor (North-West Leicestershire) (Lab/Co-op): Can the Chancellor of the Duchy of Lancaster confirm that the Freedom of Information Act will not grant access to his responsibilities for planning the future privatisation of what remains of the public sector because such premature disclosure would trigger apoplexy and hypertension on these Benches to such a scale that it might produce several unwinnable by-elections?

Mr. Milburn: That is an ingenious question, as I would expect from my hon. Friend, and I would hate him or anyone else to suffer from hypertension. He will have to wait and see what the future policy programme is, but I can assure him that the programme of both investment in, and reform of, the public services will continue.

Mr. David Heath (Somerton and Frome) (LD): Is the Chancellor of the Duchy of Lancaster aware of the enormous disquiet among those who take an interest in the operation of the Act that, four years after its passage, it seems to have come as a complete surprise to the Government that it is to be implemented in this coming year? It is not so much of a problem in the central Departments, but all the peripheral departments are unaware of many of the Act's consequences and how they should prepare for it. In his role as co-ordinator of Government policy, will he look closely at the guidance given to those governmental bodies outside Whitehall and at how well prepared they are to implement the Act's provisions?

Mr. Milburn: I genuinely hope that that is not the case as far as my responsibilities are concerned. As I said, the advisory committees for which I am responsible seem to be taking the Act seriously. If it helps the hon. Gentleman, however, I am happy to check that agencies, as distinct from Government Departments, are well aware of their responsibilities. I hope that they are. I personally think that the Freedom of Information Act is important. It is precisely what many in this House and outside campaigned for over many years. I welcome it, and it is obviously important that it is properly implemented.

Andrew Selous (South-West Bedfordshire) (Con): Will the Freedom of Information Act make it possible to discover whether the Chancellor of the Duchy of Lancaster played a role in recent decisions made across Government Departments that have led to files being shredded and e-mails being deleted before the Act enables them to be seen by the public?

Mr. Milburn: I listened, as the hon. Gentleman might have, to an important interview that the Information Commissioner, Mr. Richard Thomas, gave to the BBC's "Today" programme this morning. It was perfectly reasonable of him to say:

"The important thing is the content of the e-mail or the file or whatever. If it is just an ephemeral matter then of course it can be destroyed quite quickly."

He went on to say:

"We don't want emails about, you know, having lunch tomorrow or something like that. For anything which sets out an audit trail which is relevant to policy development, which provides background information on decisions or advice or matters of that nature—anything which may go to a legal liability—of course all that should be kept."

That, indeed, is the position.

Budgets

19. **Mr. Greg Knight** (East Yorkshire) (Con): If he will make it his policy to disclose prior to May 2005 the sum earmarked from the existing Cabinet Office budget to cover the total cost of creating a separate post of Chancellor of the Duchy of Lancaster. [206111]

The Chancellor of the Duchy of Lancaster (Mr. Alan Milburn): The costs will be published in the Cabinet Office annual report and resource accounts for 2004-05 when the Cabinet Office accounts are laid before the House.

Mr. Knight: Is it not the case that however the right hon. Gentleman spins it, a large amount of public money is being used to fund a Minister whose main job is to run the Labour party's next general election campaign? If he wants to restore trust in this

Administration, should not he follow the advice of my hon. Friend the Member for Canterbury (Mr. Brazier) and forgo his ministerial salary? If he needs more money than an MP's pay, or needs staff, should not those be funded by the Labour party, not by the British taxpayer?

Mr. Milburn: As the right hon. Gentleman well knows, I have Government responsibility and also Labour party responsibility. If I were him, I would be cautious about raising issues about value for money. He must be aware of the 300 per cent. increase in Short money—public money—given to the Conservative party since 1997. Given his and their performance, people will wonder whether they are getting good value for money.

Mr. Dennis Skinner (Bolsover) (Lab): Will my right hon. Friend go further than that? The Short money is, I think, worth about £4 million a year to the Tory party, and the Liberal Democrats get a hefty chunk as well from the British taxpayer. What concerns people like me is that some of that money could be spent for party political purposes by the Tories and the Liberal Democrats, shifting personnel who are supposed to be paid from the parliamentary provision. It is high time that there was an investigation, with e-mails and everything else uncovered, to find out where the money is going. The British taxpayer wants to know.

Mr. Milburn: My hon. Friend makes an important point, as always. It is important that all parties account for how public money is being spent. I will account for how my office is financed, and I am sure that the Conservative party and the Liberal Democrats heard my hon. Friend's strictures.

Dr. Julian Lewis (New Forest, East) (Con): May I wish the Chancellor of the Duchy of Lancaster a very merry Christmas? Does he agree that he got his Christmas present a little early this year when he was awarded a £137,000 a year Cabinet Minister's salary to run Labour's general election campaign? But the question on the Order Paper is about the costs of his office. He has said that those will be published in the report and accounts of the Cabinet Office. He knows that that will not be until after the general election. Why is he so shy about telling the country what, as a whole, he is costing us? He is not usually shy. Does not he think that he is giving the country value for money, running Labour's general election campaign out of the public purse?

Mr. Milburn: It is not a question of being shy or secretive; that is precisely why the information will be published in the normal way. The hon. Gentleman keeps saying that he knows the date of the election. I am sure that we would all like to hear it. *[Interruption.]* Oh, the hon. Member for North-East Hertfordshire (Mr. Heald) is suggesting a date. I think that there is only one person who knows the date of the election, and I am sure that the hon. Gentleman and I, and everyone else, will be acquainted with that in due course.

Infant Death Syndrome

12.31 pm

The Solicitor-General (Ms Harriet Harman): This morning, my noble Friend the Attorney-General made a statement in another place about the review of infant death syndrome cases. His statement is as follows:

"On 19 January this year the Court of Appeal published its judgment allowing the appeal of Angela Cannings against conviction for murder of two of her children.

Following that judgment I did two things. First, I asked the Crown Prosecution Service to review all current cases where a parent or carer was being prosecuted for killing an infant aged under two. The CPS has done that and has decided not to proceed in three of those cases. Those are the current cases.

Secondly, I have, as the House will be aware, established a review of past cases where a parent or carer had been convicted of killing an infant under two in the last 10 years. The aim of my review was to identify whether other cases of infant homicide bore the hallmarks described by the Court of Appeal in the Cannings case as making a conviction potentially unsafe. I instructed the reviewing team to identify any cases where there was concern, even if it was not strictly a so-called sudden infant death syndrome case.

That identification process involved all CPS areas, the Home Office homicide register and the police. A total of 297 cases of past convictions have been identified and reviewed. Of those, in 180 cases I propose to take no further action as I consider that they give no cause for concern. The fact that I do not propose to take any further action on these cases in no way precludes the defence appealing to the Court of Appeal if they have not already done so, or applying to the Criminal Cases Review Commission.

In 28 cases action has been taken as I considered that there was cause for concern in those cases. We have notified our concern to the defence solicitors, notified the CCRC and notified the Court of Appeal. It is now for the defendant to decide whether to take the case to appeal either directly or through the CCRC. The fact that these cases have been referred does not mean that the conviction will automatically be overturned. What it means is that it will be looked at again by the CCRC, if the defendant so wishes. Either the CCRC or the defendant may make a reference to the Court of Appeal. At that point it will be for the CPS to decide whether they will resist such an appeal. Of these 28 cases, three are convictions closely analogous to the case of Angela Cannings, i.e. sudden infant death cases. In the other 25 cases there were other concerns about the medical evidence.

Of the 297 cases reviewed, there are 89 cases which we have identified as shaken baby syndrome cases and which I have decided not to refer at this stage. Although shaken baby syndrome cases differ in a number of respects from sudden infant death syndrome cases there is a similarity in that there has been growing medical controversy about the identification of the cause of the injuries. Knowledge of shaken baby syndrome will continue to grow over time and I appreciate that any determination I make on these cases is based on current knowledge. I am aware that the Court of Appeal is to consider four joined cases on shaken baby syndrome in summer 2005 and there is the prospect that they will give general guidance on shaken baby syndrome issues. If that is the case then I will of course consider very carefully for these cases any conclusions the court draws from its considerations.

Again, in these as in all cases, it is open to the defence now to appeal or to refer to the CCRC.

My report and the accompanying report to me by the central review team, which I established, explains the procedures and processes by which the review has been conducted. I would like to express my gratitude to the review team and those who provided assistance to it.

Young and vulnerable children need the protection of the law. Yet if unfair accusations or, worse still, wrongful convictions for the death of a child occur, it increases the tragedy of what is already a devastating event."

Mr. Dominic Grieve (Beaconsfield) (Con): I thank the Solicitor-General and the Attorney-General both for the statement and for giving me prior notice of it and sight of the accompanying report. The report is a model of its kind, both for clarity and for explanation of the Attorney-General's actions.

Can the right hon. and learned Lady help the House a little further in respect of the Cannings-type cases that have been referred? She says that only three cases referred are on a par with the Cannings case and another 25 have some features analogous to it. Will she amplify that statement? Is there a common thread or theme running through the cases about which she can inform the House at this stage, or is that not a matter on which she can provide greater clarity? The public will want some reassurance and understanding of what those cases are about.

After the 297 cases were considered, 180 were deemed to require no further action; therefore 117 are currently under some form of review. As the right hon. and learned Lady has made clear, 89 of those relate to shaken baby syndrome—a subject that, although it has been touched on in the House before, has not formed part of any clear statement. I appreciate her point that we must wait for the decision of the Court of Appeal, but there is a risk of public disquiet about that category of case. Can she provide an assurance that the Attorney-General and she are satisfied that the Court of Appeal will be able to examine all the issues surrounding those 89 cases and will therefore be able to provide some answers; or does her Department need to do further work on some of those cases, because they might not be on a par with the cases that are to be considered in the summer? Can she also provide an assurance that, after the Court of Appeal has made its decision, there will be a further statement to the House on what her Department and the Law Officers will do then?

Will the Solicitor-General provide some guidance on what is to happen to cases that were not considered because they were more than 10 years old? I appreciate that the Law Officers had to draw a line somewhere, but is it not likely that there are cases more than 10 years old that fall squarely within the relevant areas? In those circumstances, can we be sure that those who might have been wrongly convicted, and indeed served their sentences and been released, will be able to bring their case to the attention of the CCRC or to the Court of Appeal? What facilities will the Law Officers make available to such people to help them?

As I said on an earlier occasion, these cases highlight the problem that arises, or may arise, when the opinion of consultants or doctors, however eminent, substitutes itself for the scrutiny of the evidence before a court. It is greatly to be hoped that in future this sort of problem will not arise again because of a greater awareness of the fallibility, or potential fallibility, of expert witnesses.

The Solicitor-General: I thank the hon. Gentleman for thanking us for giving prior notice of the report. Generally speaking, that is how we work. Whatever else he gets up to in other parts of his work, we have a non-partisan relationship, and similarly with the Liberal Democrats, on Law Officer matters. I thank him also for saying that the Attorney-General's report is a model of its kind. It is.

[The Solicitor-General]

It is important to bear it in mind that many people said, "Let sleeping dogs lie. The Court of Appeal has given its judgment. If somebody knows that they are one of these cases, let them take it up. Don't go to all the time, trouble and expense of looking for a needle in a haystack, going back 10 years and involving every part of the country." We were clearly of the view that we had to do more than wait for people themselves to say, "Has there been a problem with the case?". We wanted to ensure that no stone was left unturned, that we identified similar cases and that we actively reviewed them and referred those where there was concern.

Of the 28 cases where there was concern, three were sudden infant death syndrome cases, while the 25 were not directly analogous to the Cannings case. The hon. Gentleman asked me what sort of cases they were. They were cases where there were other issues of difference of view or concern about medical expert evidence. For example, there is damage to the child's head, internal and external, and experts differ as to whether it was caused by a blow or by a fall. The House will understand that that is not analogous to the Cannings case. It is where there is not evidence other than the evidence of experts and where the experts disagree, but where it is not sudden infant death.

The hon. Gentleman asked about the 89 shaken baby syndrome cases. As the law stands, these cases should not give us cause for disquiet in terms of what has been said so far by the Court of Appeal. As the law stands, these cases need no further action. There is a shaken baby case that we have referred. We are not saying that we will not refer. If there is cause for concern and if it is a shaken baby case, we will refer it. However, there are cases where, pending what the Court of Appeal says, we see no further need for action at this stage. Having gone to the effort of identifying these cases, we are bearing it in mind that, depending on the guidance that the Court of Appeal gives, we may need to consider them again. If we are to do that, we shall make a statement to the House. That will be by way of a written statement, or an answer to a question asked by the hon. Gentleman, or an oral statement.

During these proceedings we have tried to work with our opposite numbers and to keep the House informed. I made an oral statement in January, we made written statements and parliamentary answers were given in February, May and July. We have tried to keep the House up to date with the process.

The hon. Gentleman asked about cases that are more than 10 years old. There was one such case where the defendant asked us to consider it, and of course we did. The hon. Gentleman is right in saying that any cut-off point is arbitrary. I think that in future the process will be easier. God forbid we should ever have this situation in future, but things will be easier in future because we have computerised records. Going back two years and even five years, let alone 10 years, when the personnel involved had changed and all the manual records had been filed, was an exhausting job. It was like looking for needles in a haystack through the 42 areas of the Crown Prosecution Service. I thank CPS staff for the work they did, together with their colleagues in the police and in the Home Office. It was difficult to be satisfied that we had found all the cases going back 10 years. I am satisfied that we have now done so. Even now, if anybody thinks their case is one of those, whether it is within or beyond the 10-year period, they can refer it for examination and we will look at it. There are facilities available to help. The Attorney-General has asked the central review team to look at these cases in the interests of justice. If somebody wants to know whether theirs is such a case, the Attorney-General will ask the central review team to examine it.

Of course expert evidence—the hon. Gentleman made an important point in this regard—should not stray into giving opinion. We can all understand the situation when there has been a robbery, somebody saw somebody doing it and there is a question of identification. Was it that person? Is the person who said something telling the truth? Everybody is used to that in court and everyone understands the situation. Forensic science offers the criminal justice system and the quest for justice—ensuring that guilty people are brought to account—great opportunities that did not exist previously. For example, a rape case where the victim had died could be prosecuted because of forensic DNA evidence. We should recognise the importance and value of expert evidence, but have protocols in place to ensure that it is of the proper quality and provides scientific fact, rather than opinion.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I look forward to reading the Attorney-General's review. It seems to be a meticulous piece of work. Does that review, which looks at the work of experts at the cutting edge of science, have implications for how expert evidence is treated in public law, particularly in the law relating to the protection of children? Can my right hon. and learned Friend assure me that the Government will act to support the role of expert witnesses, who have a key role in protecting children and who, within the limits of their competence and acting in good faith, can assist enormously and should not be deterred from acting in public law cases where the paramount consideration is the protection of children?

The Solicitor-General: I can reinforce my hon. Friend's point about the key role of expert witnesses in family cases. As he rightly acknowledges, we looked at expert witnesses in criminal cases, but he will know that my right hon. Friend the Minister for Children, Young People and Families has been looking at the question of expert witnesses giving evidence in family proceedings where the issue is whether the child should be subject to a care order, taken away from the parents or placed for adoption. Expert witnesses have an important role in family proceedings. It is important not only that their role is recognised but that the experts are available and suitably qualified and their competence is kept under review, so that individuals can be certain that justice has been done in their case, and there can be public confidence in the expert witness system.

Mr. John Burnett (Torridge and West Devon) (LD): I, too, am grateful to the Solicitor-General for letting me have early sight of the Attorney-General's statement and of the Attorney-General's and review team's reports. The House will have noted the correct distancing of the central review team from the prosecuting process, and the decision to review

convictions up to 10 years old, the scrutiny of the deceased child cases involving children up to two years old, and the fact that all cases were reviewed, not just those in which there had been two instances of death in the family.

I join the Solicitor-General in paying tribute to the central review team, particularly Howard Cohen, the project manager, Mr. Price, QC, and the Director of Public Prosecutions, whose co-operation was essential to the review.

Before I reach what I consider the heart of the matter, I have one or two initial questions on the statement. First, when will what I shall call the Dr. Alan Williams report be concluded and when will it be placed in the Library of the House? Will the Solicitor-General make a statement when the report is concluded? Secondly, I understand that Dr. Alan Williams and Professor Sir Roy Meadow are subject to proceedings before the General Medical Council and I would be grateful if she confirmed that and told the House whether she has any idea when these proceedings are to be heard. Thirdly, will she confirm that there is no bar on any case, even on one more than 10 years old, being appealed to the Court of Appeal—or, for that matter, to the CCRC?

It is difficult to conceive of anything more tragic to parents than the death of a child. Unfortunately, in some circumstances, these tragedies have been compounded by what have turned out to be dreadful miscarriages of justice in the family courts and thereafter in the criminal courts. Two strong principles have to be balanced: the right of parents to have care of their children and the rights of the children themselves. The right of any child must be paramount and I hope that everyone in the House understands and agrees with that. Nevertheless, there have been some appalling miscarriages of justice that call for further safeguards.

At the very core of the problem is the credibility, expertise and conscientiousness of medical expert witnesses. The House will know the difference between proceedings in the criminal and in the family courts. It is right that, in the family courts, the standard of proof is the balance of probabilities, which enables those courts to be a less adversarial forum and ensures that the interests of the child come first. Having said that, I believe that it should be open to parents in family proceedings to challenge the competency and the evidence of expert witnesses. That could also be done in the criminal courts, and it is a change that would ensure greater fairness in family proceedings.

Both the family and criminal courts have considerable difficulty in finding experts of a high standard to give medical evidence in proceedings. That is particularly so when the—

Mr. Speaker: Order. The hon. Gentleman seems to be making a statement, but he should be asking questions. This is an important matter and I must allow the Solicitor-General to answer the points that he has made. We will leave it at that.

The Solicitor-General: I thank the hon. Gentleman for his comments about the central review team. Once again, I would like to thank Howard Cohen and the central review team for the work of looking independently into these cases. I can confirm that the review went wider than the Cannings judgment and the number of cases involved. We examined not only cases where two children had died but those where one had died, and we included cases of infants up to two years old, whereas the Cannings case and sudden infant death syndrome cases generally apply to one-year-olds. As the hon. Gentleman mentioned, we also went back 10 years.

The hon. Gentleman asked about the report on Dr. Williams. We identified some additional cases in which Dr. Williams was involved that do not necessarily involve deaths or children. Of course, Dr. Willliams's work ranged quite widely. We are looking into those cases, particularly in respect of whether disclosure was properly carried out, and we will report back as soon as we have the information. I can confirm that Dr. Williams and Professor Meadow are the subject of proceedings before the General Medical Council and I understand that the next stage will be reached early in the new year. I reaffirm that there is no prohibition on any case, regardless of whether it is within the 10-year limit or prior to it. Anyone in those circumstances can ask for the details of their case to be looked into.

I was also asked whether expert testimony should be subject to challenge in the family courts in the way that it is in the criminal courts. Of course, it is the case that, where expert testimony is central to how a child is going to be cared for, rigorous investigation and challenging of the expert evidence is important.

The hon. Gentleman mentioned the important principles surrounding the problem. Our important principles are that, where a child has died and a criminal offence has been committed, a guilty person must be brought to justice, but an innocent person must be left to grieve over what must be the worst thing that can happen to anybody.

Vera Baird (Redcar) (Lab): Clearly, the Law Officers are to be complimented on the speed with which they acted post-Cannings, on the generosity of the terms of reference and on the rigour with which they carried out the task. Does my right hon. and learned Friend have the slightest concern—I want to ask her this in the gentlest possible way—that where her review of a little fewer than 300 cases produced 28 worrying cases, a review of all the care cases in Great Britain—28,607 post-Cannings family law cases—produced a change to only one care plan?

The Solicitor-General: The 28 cases that we referred were a cause for concern and we asked for them to be looked into again. As I emphasised, we are not certain whether it will change the outcome in those cases, but we believe that they should be examined again. The Minister for Children, Young People and Families fully set out the basis for, and findings of, her review to the House on 2 November. I am not sure that it is easy to take one lot of numbers and compare them with another lot of numbers. That Minister has worked with her officials and with social services, and we have worked with the Crown Prosecution Service. She is also considering the issue of expert evidence. We will report back to the House in the spring, when the chief medical officer makes his report to her and other Ministers about the use of experts in family cases.

Mr. Robert Key (Salisbury) (Con): My constituent Angela Cannings and her family—and indeed the family of Sally Clark, who is also my constituent—went through hell over a very long period. I compliment the Solicitor-General on her sensitive handling of the issue, but does she agree that if public confidence is to be restored, expert evidence must be reviewed much earlier—not afterwards, on appeal. Where the wheels of justice quite properly grind slowly, it seems to me that modern medicine, including medical knowledge and forensic science, is moving at an ever increasing speed. Is it not therefore a good idea to have a cross-Government inquiry or some sort of policy to deal with the problem of the quality of expert advice at the earliest possible stage—perhaps even before the Crown Prosecution Service has decided whether a case should proceed? That might have helped to cut out the years of heartache that those families had to suffer.

The Solicitor-General: We are doing exactly what the hon. Gentleman suggests. What he says is right. The medical profession, people working in social services and the criminal justice agencies all work together on a multi-agency basis, which allows full disclosure and regular scrutiny of the credentials of expert witnesses. Regular protocols emerge out of Court of Appeal cases and are acted on. It is always a risk to be too categorical, but I believe that, after the awful suffering in the cases of Angela Cannings and Sally Clark, all parts of the system have been determined to learn the lessons and are continuing to learn them.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will my right hon. and learned Friend bear it in mind that every child must be protected and that these are extraordinarily difficult cases? Will she also be sensitive in presenting the results, because one of the worst possible outcomes of the inquiry would be if the medical profession, in attempting to protect itself, distanced itself from difficult cases, thus allowing some guilty people to escape proper prosecution?

The Solicitor-General: I am sure that the whole House agrees with my hon. Friend that every child must be protected and that these cases are incredibly difficult. Essentially, one does not know whether one is dealing with a tragic bereavement or a homicide. I take this opportunity to pay tribute to all the senior lawyers in the CPS around the country, who handle these cases with as much sensitivity and professionalism as could possibly be expected of them. My hon. Friend spoke of the importance of expert witnesses playing their part. They do play their part, and it is very important that they understand that we support the role that expert evidence plays and that we recognise that it has improved and enabled cases to be brought that might have gone undetected in the past. In the end, we must bear it in mind that, if a child's death is the result of a criminal act, the offender must be brought to justice. If it is not the result of a criminal act, we must make sure that the innocent parents are left to grieve.

Tim Loughton (East Worthing and Shoreham) (Con): I also welcome this report and the way that the Solicitor-General's Department has handled it. However, as the hon. and learned Member for Redcar (Vera Baird) noted, the figures are worrying. It is a cause for concern that 10 per cent. of reviewed cases are to be referred. Almost one third of cases involve shaken baby syndrome, which is controversial and subject to developing scientific inquiry that may not be reviewed by case law until next summer. That is very worrying.

As the interview with Angela Cannings the other day showed, the long-term traumatic effects on people subsequently freed, and their children, are very alarming. I have one specific question for the Solicitor-General. When this matter first became known, we identified as a priority—and she agreed—the cases of siblings whose parents had been prosecuted in connection with child deaths. How many sibling children are involved in the 28 cases to which reference has been made, and in the 89 shaken baby cases? How many children have been taken into care already, and how many into permanent adoption? What interim measures is she taking in respect of sibling children to make sure that, if their parents' imprisonment is subsequently found not to have been justified, they can be returned to their rightful homes?

The Solicitor-General: We have reported the names of the children involved in those 28 cases to my right hon. Friend the Minister for Children, Young People and Families. She is in a position to know whether there are past or current care proceedings in respect of those cases. As a precaution, we have notified the defence solicitors, the Criminal Cases Review Commission and the Court of Appeal that we have concerns about those cases. In addition, we have read across and reported our concerns to my right hon. Friend.

The hon. Gentleman asked about people involved in shaken baby syndrome cases. We hope to get further guidance from the Court of Appeal next year, but people can refer their cases to the CCRC. They can also appeal, if they have not done so already, and apply for release on bail. Non-custodial sentences were given in many of the cases that we have looked at, even when convictions were secured or guilty pleas made. Some people will have been released, but others will have been granted bail while their cases proceed through the system.

Peter Bottomley (Worthing, West) (Con): Some hon. Members will remember a Select Committee report 25 years ago on non-accidental injury. I am glad that the Solicitor-General has made it clear that such cases are very worrying, and the BBC has reminded us that such incidents continue to happen.

Will the Solicitor-General confirm that, about seven times a year, people convicted of murder or manslaughter have their convictions overturned or set aside because they were not fair, just or justified?

Will the Solicitor-General confirm also that, at present, non-urgent cases brought before the CCRC take between 18 months and two years for review? People not in jail awaiting a serious review of their cases have a long time to wait.

Will the Solicitor-General ensure that the Home Office funds the CCRC, and pension liabilities, so that the waiting list can be removed and that cases such as I have described will not end up in the same queue as

that of a 74-year-old former constituent of mine, whom I shall call Jack. He may be dead before his case is reviewed.

The Solicitor-General: The hon. Gentleman makes an important point. Justice delayed is justice denied. Even if people are not in prison they want an answer to the points that they raise. I pay tribute to Graham Zellick of the CCRC, who is keen to ensure that the answer given must be right and as prompt as possible. I will make sure that my colleagues in the Home Office are aware of what the hon. Gentleman has said.

The hon. Gentleman talked about non-accidental injury to children. That takes a terrible toll that is dealt with around the country by social services departments, doctors and prosecutors. The distinct point about those cases is that the Cannings judgment involved no other evidence. Expert medical testimony was engaged only after the children's deaths, and the experts disagreed. There will be all sorts of other evidence in most non-accidental injury cases. The problem about the cases with which we are concerned today is that the central evidence was expert medical evidence and the experts involved disagreed. The Court of Appeal has made it clear that such cases must be regarded as unsafe.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Does the Solicitor-General accept that miscarriages of justice should not be blamed solely on expert witnesses? Does she recognise that it is the job of the defence, through defence witnesses and the judge, to challenge evidence and give direction where necessary? Does she accept that it is important to recognise the valuable professional work performed by paediatricians as medical expert witnesses in cases of alleged non-accidental injury, which are difficult? As yet, no verdict of malice or professional misconduct has been reached in respect of Sir Roy Meadow, or other cases. For reasons of medical confidentiality, and as a result of legal advice, the people at the centre of such cases cannot reply to the media or political witch hunts that are set in train. That makes it more difficult to find paediatricians willing to do child protection work. If they do not come forward, there is a greater chance that there will be a miscarriage of justice, and a greater likelihood of harm being done to children.

The Solicitor-General: I would not agree with any statement dealing with who is to blame and aimed at choosing a scapegoat. That is not the way forward. We must get justice for people who might have suffered injustice. In future, responsibility will be shared among the professional organisations that register experts and ensure that they are competent. That competency will be subject to review. We must make sure that the rules of the criminal courts are right and deal appropriately with expert testimony, and that the courts keep to those rules in individual cases. That is what we are all aiming to do, as a result of these tragic cases. We cannot just wring our hands and say how terrible these cases are, or point the finger of blame at the experts. We want to move to a robust system that will convict the guilty but ensure that people who are innocent and who have suffered the death of a child are allowed to grieve.

Points of Order

1.8 pm

Mr. John Smith (Vale of Glamorgan) (Lab): On a point of order, Mr. Speaker. It appears that the Ministry of Defence has circulated a letter to some hon. Members, but not to others, announcing a major policy change—the disbandment of the Defence Aviation Repair Agency only three years after it was created. Today is the last sitting day before the Christmas recess. Have you received notice that a ministerial statement will be made to the House on this very important matter, which affects up to 2,000 jobs in my constituency, and 900 in the constituency of my hon. Friend the Member for Alyn and Deeside (Mark Tami)?

Mr. Speaker: I am grateful to the hon. Gentleman for giving me notice of this point of order. I have had no requests from a Minister to make a statement on this matter. I understand that Ministers have written to some hon. Members about the future of the agency. Ministers should be aware that when they are imparting information that may be of interest to the whole House that such information should be made available generally and not just to a selected few.

Christmas Adjournment

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

1.10 pm

Mr. Dennis Skinner (Bolsover) (Lab): This is an important debate because it gives us a chance to talk about issues in our constituencies. I want to talk about something important in the constituency that I represent and, to some degree, in the constituency of my hon. Friend the Member for North-East Derbyshire (Mr. Barnes).

In the early 1990s, our two constituencies saw the effect of pit closures on a massive scale, so much so that there is not a single large deep mine in the whole of the north Derbyshire coalfield. For us and for others like us, that produced problems that seemed insurmountable in terms of jobs. We were talking about ex-pit villages, many of them with 15 to 20 per cent. unemployment. At or around the time of the 1997 election, my hon. Friend, I and a few others decided to try to develop a regeneration scheme for that coalfield. The net result is that unemployment has fallen to somewhere between 5 and 6 per cent., and marginally less in some areas.

One way in which we did that, and which we want to continue, is that we managed to get some pit tips flattened. I got £24 million from the Chancellor of the Exchequer to flatten Shirebrook pit tip. In the course of next year, a firm will produce something in the order of 1,000 jobs on that site. For a place like Shirebrook, which felt the world had collapsed in the early 1990s when the pit shut, that is manna from heaven. I am pleased that we were able to get the money and set the show on the road.

Another scheme that my hon. Friend and I took part in was in making sure that we developed the old Markham Bolsover pit site. There was massive potential for turning that into a business park, which would probably be one of the biggest in the whole north. It needed a new junction, 29A, on the motorway, and hon. Members will have heard me talking about that over the past four or five years. Some people said we would never get it and that it was way off beam, the Greens would object and so on. In the course of this week, we have received news from the Highways Agency that junction 29A will go ahead. It is only a small motorway junction—about half a mile in length—but, believe me, it goes straight into the heart of territory that will provide more than 5,000 jobs in my hon. Friend's constituency, in my constituency and in Chesterfield.

There has been nothing of that dimension since the pits were sunk, and it will change the whole nature of the north Derbyshire coalfield. For that, we should be pleased. I managed about three years ago to get the then Secretary of State for Transport, my right hon. Friend the Member for Tyneside, North (Mr. Byers), to announce the first £15 million tranche of the money, and the acceptance of the scheme means that literally scores of firms will want to get on to the site. It pleases me greatly to think that, having started out on a scheme like that, there has not been a recession to stop it. That is the important thing that people have to remember. I have been in here long enough to know that we put forward wonderful ideas but about half-way through someone says it is a great idea but is running into trouble and will have to be held back for a year or two. In the course of six years, there has not been a hitch, and that means that the show will be on the road to provide much-needed jobs for that area.

It will change the constituencies. In some cases, the old solidarity that existed in the mining communities will not be the same. We all know that, but I do not have a romantic view of the pits. I worked down them for 21 years and I am not one of those academics who think that when we were fighting to save the pits, the jobs were somehow the best in the world. Believe me, we were fighting for the communities and the solidarity, but it was hard, dangerous work.

The new junction will be a very important development for about four constituencies in our area. I congratulate the Secretary of State for Transport on going ahead with the scheme despite the fact that a lot of people thought that it would never gain any ground. On the Shirebrook pit development, £24 million of development will release 1,000 jobs in the course of the next year. The three pits closed in the early 1990s—Shirebrook, Bolsover and Markham—were the last three deep mine pits in the whole of the north Derbyshire coalfield, and they will now all be part of a business and work development, which is very good news for the area.

I want to mention a couple of other things, and I hope that my hon. Friend the Deputy Leader of the House of Commons will write them down for his reply. I know he has all the good stuff down already, but there are always a few things that do not go right. One of them was the healthy living project in Bolsover. It is really a swimming bath, but "healthy living project" sounds better. I thought that with a title like that we could spin our way to another success, just as we did with junction 29A. It is a swimming bath, but it was connected to the national health service, which was to put money in as well. Various other stakeholders—I think that is the term these days—were involved, and we thought that the project would materialise.

We thought we would successfully get £1 million from the lottery, but we happened to need it just at the moment when lottery funds were collapsing. Sport England did not turn up to a meeting; I think they felt a bit guilty. My right hon. Friend the Minister for Sport came to the meeting and promised that we would get the show on the road. Unfortunately, Sport England did not deliver. I know there have been problems there, but the Deputy Leader of the House must make sure that those responsible will bring it into line. We want that healthy living project completed in Bolsover to coincide with the new jobs just down the road on the old Markham Bolsover pit site. We need that project. Will the Deputy Leader of the House tell the Minister for Sport that we still need to get that job completed? If we do, it will be another bonus for our area, which was hit so badly by the pit closures.

I have been campaigning, along, principally, with one or two other Labour Members, on the question of the fourth option. What I am talking about is the idea that local authorities, like Bolsover and North-East Derbyshire, should have the right not only to carry on with their housing programmes but to build more council houses. They should have the right not to fall

for the nonsense continually put in front of them of having to have housing corporations, arm's-length management organisations and all the rest of it. I am not knocking those who have done it. If people want to get involved with ALMOs, that is their business, but in Bolsover in a recent poll more than 90 per cent. of tenants said that they wanted to remain with the council. That is a significant number. At Camden recently, there was a 70 per cent. turnout, but we were even higher.

Set against that background, my hon. Friend the Minister should tell the Deputy Prime Minister that there should be a level playing field. Those authorities who want to build new houses for their people and keep their own programme should not lose out to authorities that have gone for an ALMO or another option. They should be treated exactly the same and given the right to carry on building as and when they feel fit.

If we get the healthy living project, the councils running the local authority housing and the money to carry it out and then the jobs and all the rest of it, Bolsover and north-east Derbyshire will have been completely transformed. We shall be able then to say to all our constituents, "Labour has kept its promise. Don't let the Tories ruin it."

1.21 pm

Mr. Andrew Mackay (Bracknell) (Con): May I first, uncharacteristically, agree with the hon. Member for Bolsover (Mr. Skinner)? In my constituency, the overwhelming majority of council tenants would much rather be tenants of the excellent Conservative-controlled borough council. Tenants who unfortunately come under housing associations get a much worse deal. All that they want is a level playing field on finance when a decision is made, and we are doubtful that we will achieve that.

There are three reasons why I believe that the House should not adjourn immediately. One is a local issue, one is a regional issue and the third is an international issue. I should like to take up the local issue first. A month ago, a mother of a young constituent of mine, Alistair aged 10, approached me. She said that, for six years, medical opinion had said that her son should have occupational therapy, yet he had had it for only six months in that period. I thought that that was amazing and disgraceful. I did not even necessarily believe it to be true at the time.

I made representations to the chief executive of Bracknell primary care trust. I should like to quote from the letter that Ms Diane Hedges sent to me on 8 December. She said:

"Unfortunately our Specialist Speech and Language Therapist for dysfluency has left the department and we have so far been unsuccessful in replacing her. We have advertised nationally and in our professional journals for this and other vacancies and have also encouraged internal applicants to apply, offering training, development and support packages in this specialist field. You will no doubt be aware that there are significant problems with recruiting Speech and Language Therapists nationally, and this is particularly difficult in some specialist areas such as dysfluency.

As an interim measure, we have been fortunate to have been able to employ some short-term locum Speech and Language Therapists through Locum Agencies. Obviously, this has a significant cost implication and so we would be unable to maintain continuous employment even if the staff were available. This has resulted in periods where there has been no service available for this client group, and long waiting lists building up.

Alistair was referred to us in October 2002 and, following initial assessment by a generalist Speech and Language Therapist in Bracknell, was referred to the specialist service in Slough. Alistair received 10 appointments of individual Speech and Language Therapy from locum specialist therapists between March and October 2003. Unfortunately there was no service for some months due to lack of suitably qualified/experienced locums. Alistair was seen again by a locum Speech and Language Therapist in October 2004 but as she was only employed for a very limited period, she was unable to offer Alistair on-going therapy.

We are very aware that this situation is extremely unsatisfactory for the many children and families who are in need of specialist intervention and would like to assure you that we are doing everything we can to recruit a suitable, permanent Speech and Language Therapist. In the meantime, we shall continue to employ locum therapists whenever possible and will offer Alistair further specialist intervention as soon as we can."

In other words, the situation is every bit as bad as the mother said. Here is a child in real need who is not getting the attention that he deserves.

I have written to the Secretary of State for Health to draw the matter to his attention. I have yet to receive a reply, but I would appreciate it if the Minister in his summing up assured me that there would be a proper reply. It is not good enough to say, "Perhaps you Tories when you were in Government should have trained more therapists." I remind the Minister that he has been in office for seven and a half years, and the situation has steadily deteriorated. No action seems to have been taken to put matters right. I need to have undertakings that my constituents' children will have proper therapy when it is clear that that is what is required.

The second issue is the regional one. We in the south-east were naturally delighted at the result of the referendum in the north-east. The people of the north-east did the right thing. In all my experience in elected office, I have never come across members of the public or constituents who wanted more politicians, more bureaucrats and more layers of Government.

We in Berkshire got it just right a few years ago. We abolished the county council and we now have excellent unitary authorities run by three different political parties from time to time, although increasingly by the Conservative party. As they are unitary authorities, they deliver and the buck stops with them, so the idea of Berkshire, which got rid of the county council some years ago, wanting a regional assembly is wrong. It is the last thing that we want.

I hope that the Government will seriously consider abolishing the dreadful South East England regional assembly—SEERA. It serves no useful purpose; the people who are members of it are not directly elected and are answerable to no one. There is a bunch of bureaucrats, a bunch of hangers-on from various quangos, one or two semi-out-of-work business men and trade unionists, and one or two councillors with nothing better to do. They cost us a lot of money. Worse still, recently they tried to foist huge numbers of extra houses on the south-east, which was deeply unwelcome. A combination of Conservative councillors on SEERA and environmental groups managed on 29 November to reverse the decision.

We need to have planning matters decided by the local planning authority—in my case, Bracknell Forest borough council or Wokingham unitary authority. If the decision is not satisfactory, there is an opportunity to appeal to the Secretary of State. That is the right way

[Mr. Andrew Mackay]

to proceed. We do not want planning decisions made through some unelected regional body. SEERA is costing a lot of money and is unnecessary. I should like the Minister to assure me that the Government are seriously considering, in the light of the referendum result, abolishing such quangocracies.

Mr. James Arbuthnot (North-East Hampshire) (Con): Will my right hon. Friend give way?

Mr. Mackay: Quickly.

Mr. Arbuthnot: Is my right hon. Friend aware that SEERA has not even enabled the A3 redevelopment at Hindhead to go ahead, and it has been pushed off into the distant future? Is there any point in SEERA whatever?

Mr. Mackay: I apologise to my right hon. Friend for saying, "Quickly." I have just noticed that I get an extra minute. Knowing that he is one of the most concise Members of the House, I should have realised that he would not take a full minute.

No one in the south-east sees any point in SEERA. It is wasting our money. If Mr. Gershon wants to find some savings, I recommend that he looks at such bodies.

The final, international point that I wish to raise concerns Africa. My hon. Friend the shadow Leader of the House has been pressing the Leader of the House week after week for a debate on Africa and the middle east. The Leader of the House has appeared sympathetic to that request, but has not delivered. When his deputy sums up, I hope that he will be able to assure us that sometime in early January we will have a debate on those two separate and important areas.

I shall restrict myself to Africa and the urgent need for a debate on that subject. The Minister will be aware that, only today, Save the Children has had to pull out of Darfur, which will have dire consequences. He may have heard the organisation's director on the "Today" programme this morning rightly castigating the United Nations for not delivering the number of troops and observers necessary to police properly a vast area that is virtually the size of France. Urgent action is needed in Sudan.

I know that I do not have to underline to the Minister and to the House that the situation in Zimbabwe continues to deteriorate under the revolting Mugabe regime. I concede that Zimbabwe requires a largely African solution, but we could put more pressure on the African Union and, more importantly, on the regional superpower, South Africa, to ensure that peace, stability and democracy are returned to Zimbabwe. I emphasise again that smart sanctions should be introduced against the Mugabe regime and its financial backers. That would have a positive effect without in any way harming the ordinary people of Zimbabwe, who have suffered too much.

The final reason for an urgent debate on Africa is to clarify the British Government's position in relation to Equatorial Guinea and, in particular, the failed coup, which nearly took place earlier this year. My right hon. and learned Friend the Member for Devizes (Mr. Ancram), the shadow Foreign Secretary, has rightly asked several questions of the Foreign Secretary and it has become clear that, at the least, mistakes have been made and, possibly, a cover-up attempted. Initially, the Foreign Secretary and the Government maintained that they knew nothing about the abortive coup in advance. It has become clear that a security analyst—an ex-member of the South African intelligence service named Johann Smith—sent a detailed email to the Foreign Office in December last year, informing it that he believed that a coup was planned for Equatorial Guinea. That was denied by the Foreign Secretary, but has now been admitted. Why was it initially denied? It looks as if the Government wanted regime change by proxy. In some ways, I would not oppose that, because Equatorial Guinea has a revolting dictatorship, but the Government had a duty under international law to report the possibility of a coup to the UN and to that country. We know that the Government took the report seriously, because they advised British citizens in Equatorial Guinea of the need to leave. There is a nasty smell from somewhere and there may have been a cover-up. It is vital that the Foreign Secretary takes part in the debate on Africa, answers questions about Equatorial Guinea and puts the record straight.

1.34 pm

Mr. Mike Hall (Weaver Vale) (Lab): I shall begin where I finished my last speech in a recess Adjournment debate by referring to Halton hospital in my constituency. I can report to the House that significant improvements have been made recently including in the use of theatre space, which means that more people in Halton can be treated at Halton general hospital. That is a move in the right direction and I commend it.

We have also seen massive improvements in the fabric of the building, with £550,000 invested in the minor injuries unit, including a superb area for the expert treatment of children who have been injured. Some £300,000 has been spent on creating a state-of-the-art endoscopy unit, which will also bring benefits to the people of Halton. We will also have more urology surgery, more breast cancer surgery and more vascular surgery at Halton hospital—all to the benefit of the people I represent in the Runcorn area of my constituency.

Improvements in the quality of treatment are becoming apparent, including increased day surgery, improved radiology outpatient outcomes and theatre utilisation. We are looking forward to the establishment of an independent treatment centre at Halton hospital for orthopaedic patients, to tackle one of the most serious waiting lists in the borough. That will mean that people from Halton can be treated in their local hospital, quickly and expertly, and receive fantastic service free on the national health service.

We are also hoping that in the next 12 months we will have an announcement that Halton hospital will get one of the new regional renal units. The borough of Halton has a particular problem with renal failure. No one knows why, but it may be a legacy of the borough's industrial past or a local genetic problem. However, if Halton hospital gets a renal unit, it will mean a major improvement in how it serves local people.

Halton hospital still has a problem because its level 3 intensive care two-bed unit has been closed for 16 months. The clinical director at North Cheshire Hospitals NHS Trust decided to close that unit. My hon. Friend the Member for Halton (Derek Twigg) and I have pressed the trust, the executive board, the chief executive and the chairman to find a solution to that problem, but I am sorry to say that we have yet to see any prospect that the two beds will be reopened. Halton hospital may soon face winter pressures, and it would helpful if those beds were reopened, but I know that that will not now happen before Christmas. However, I congratulate the trust on trying to resolve the problem by inviting the Cheshire and Merseyside Critical Care Network to see whether the beds can be reopened with the 24/7 intensive care that is available at Warrington hospital or if there is any other way to provide intensive care facilities at Halton hospital.

I commend to the Cheshire and Merseyside Critical Care Network the Bishop Auckland study, which shows that cottage hospitals can have intensive care units without any problems with the quality of care provided to patients. I would also draw the network's attention to the report produced by a senior consultant at Whiston hospital, when he examined the issue almost 12 years ago, which said that there was no medical reason why those intensive care beds could not be reopened.

I wish to congratulate my friend, Alan Massey, who has been appointed as the chair of the North Cheshire Hospitals NHS Trust. I am sure that he will do a fantastic job. He lives in the borough of Halton and he will provide the strong leadership that the trust needs. It would be remiss of me not to mention my other friend, Norman Banner, the outgoing chairman, who has done a fantastic job as the chair of both the Warrington Hospital NHS Trust and, after the merger, the new trust. I congratulate Norman on the work that he has done and I appreciate that he has had to leave the post because he has been made a senior partner in his legal practice and no longer has the time to devote to the duties of chairing an excellent trust.

I now wish to raise an issue that I have previously raised in Westminster Hall—the need for a new Mersey gateway. People familiar with the capital know that there are 28 crossings over the River Thames. There are only three over the River Mersey: the new Silver Jubilee bridge between Runcorn and Widnes, Bridge Foot in Warrington, a local road that crosses the Mersey, and the Thelwall viaduct, which, I am pleased to announce, reopened all its lanes to traffic this week.

Mr. Lindsay Hoyle (Chorley) (Lab) *indicated dissent.*

Mr. Hall: My hon. Friend shakes his head; perhaps he was caught up in the crashes on the viaduct on Thursday night, which brought the whole area to a standstill.

Mr. Hoyle: It was on Monday.

Mr. Hall: On Monday, too.

The economic benefits for the region of a new Mersey crossing would be substantial. We need a new strategic north-south transport link. It would bring 7,000 jobs to the area and the transport economic benefits are forecast as £1.4 billion. The Silver Jubilee bridge carries 90,000 vehicles across the Mersey every day, but only 20 per cent. of those are local vehicle movements. It is clearly a vastly over-used strategic link, so we need a second crossing.

The estimated costs for the second crossing are modest: £250 million. If it was free to use—my preferred option—we should need a private finance initiative credit of £500 million over 30 years. The local authority proposed the use of tolls on the new Mersey crossing, with concessions for local people, which would take only £68 million of PFI credit over 30 years, with the Government having to provide £64 million for the purchase of land connected to the building of the crossing.

The crossing is essential. Halton borough council submitted its report—the revised scheme appraisal for the Mersey gateway: a new Mersey river crossing—on 30 November and we are waiting for the Department for Transport to tell us that the scheme will receive Government approval. I congratulate the leader of the council, Councillor Tony McDermott, who has done a fantastic job in taking the scheme forward. I also congratulate the council and the local government consortium—Liverpool city council, Sefton borough council, St. Helens borough council and Warrington borough council; they have all contributed to the strategic need for a new Mersey crossing.

To stick with transport, the Strategic Rail Authority recently announced that it was looking at local rail services that are, in its opinion, underused. It is challenging local communities to propose schemes to enhance the use of those services, thereby protecting them. One such service is from Chester to Manchester Piccadilly, via Frodsham and Warrington, which runs through the northern part of my constituency. However, as it is one of Arriva's most profitable routes, the reason for its being described as underused is completely beyond me. Constituents write to tell me that they cannot even board the trains because they are full. When Chester races are held, there is not enough rolling stock to carry the passengers who need to use the line.

Another problem on that route is that the ticket-collecting arrangements are not very good, so a head count of people who buy tickets may not actually reflect the volume of use, especially between Frodsham and Warrington. If the SRA were to count the people who use the service rather than those who buy tickets, it would see a major increase in utilisation of the service.

The Helsby to Ellesmere Port line runs through the north-west part of my constituency. That service is underused because there are only two services in the early morning and one in the afternoon. If we want to improve use of the line, services should be scheduled throughout the day, at more convenient times for people to travel.

I finish my contribution by congratulating the Government on a major project that will ensure that Northwich town centre in my constituency does not collapse into a great big cavity. Northwich town centre is built on four disused salt mines, which have been manually excavated, leaving pillars of salt underground that keep the ceilings of the mines stable so that the town

[Mr. Hall]

centre does not disappear. The theory, or the physics, is that the mines are filled with saturated salt solution—brine—so the pillars are stable and nothing happens.

Mr. Kevan Jones (North Durham) (Lab): Fill them with nuclear waste.

Mr. Hall: Not nuclear waste. That is at Winsford in the constituency of the hon. Member for Eddisbury (Mr. O'Brien). I agree with the hon. Gentleman that that is the most inappropriate use of a salt mine, but I shall not spend too much time on that point as time is short.

In Northwich, the pillars of salt have started to corrode and if we do not stabilise the mines, Northwich will disappear into a great big cavern. In 1997, I approached the then Department of the Environment, Transport and the Regions to ask the Government to find a solution. They brought forward a scheme whereby authorities can apply to the Government for funds to assist them in dealing with non-coal mining subsidence. Vale Royal borough council has been granted £28 million for a stabilisation scheme for Northwich town centre, which involves pumping pulverised fuel ash and cement—a grout—into the ground, while simultaneously removing the saturated salt. The ash and cement set like concrete, so the town centre can be stabilised. Pumping will start on 25 January 2005, which is a fantastic thing for Northwich town centre, and the Government rightly deserve congratulations.

My final point is about recycling. Vale Royal borough council has introduced a good recycling scheme, with kerbside collections, but it has reduced domestic collections to once fortnightly, or twice a month. Over the Christmas period, there will be a collection every week and the residents say that that should not be just for Christmas but all year round—they are singing that they wish it was Christmas every week.

1.46 pm

Mr. Paul Tyler (North Cornwall) (LD): Before we adjourn, I want to draw attention, yet again, to the way in which we as a nation treat service families. I suspect that every Member has a number of service families in their constituency; we certainly have plenty in the south-west.

Everyone plays lip service to the welfare of service families and, indeed, to the fact that service personnel are the most crucial asset of our armed forces. No doubt, the Prime Minister is repeating that mantra to our troops in Iraq today, but what sort of message is the Ministry of Defence sending them?

In a succession of recess Adjournment debates, I have drawn attention to a sad failure by the MOD. The Deputy Leader of the House is always meticulous in his promise to get a response from the MOD, yet that response is never as positive, encouraging and supportive of service families as I, and other Members, would like. That does not just have a damaging effect on morale, and, therefore, on recruitment and retention, but it is intrinsically immoral to exploit those who serve our country so well, in the most dangerous and demanding circumstances, and not to take full responsibility for the outcome.

Let us consider the troops who suffered, and continue to suffer, serious health effects from their service on our behalf in the first Gulf war in 1991. I have an interest—not a financial interest—as a member of the Royal British Legion Gulf war group, and I have long campaigned for a public inquiry into Gulf war illnesses. After the obdurate refusal of Conservative Ministers to investigate, we all hoped, on both sides of the House, for a more positive, optimistic attitude in 1997, with the change of Government. We hoped that there would be a fresh start.

Indeed, things looked good for a few weeks. The "Gulf Veterans' Illnesses—A New Beginning" consultation paper made hopeful noises, but all too soon the very same refusal to open up the whole issue to public examination gave veterans and their families the feeling that the MOD was more concerned with protecting its secret mistakes than recognising the extent and devastating effect of those illnesses. When, eventually, in summer 2004, a wholly independent inquiry was set up under the chairmanship of Lord Lloyd of Berwick, with Dr. Norman Jones and Sir Michael Davies, Members on both sides of the House welcomed that initiative.

One would think that the MOD would have been only too pleased that someone was going to do that work, but its lack of co-operation has made the Ministry's reputation, especially among retired service personnel and their families, even worse than it was previously. There was a Scrooge-like response from the Veterans Minister, with niggling questions about the funding of the inquiry. The correspondence at the end of the report is staggering. Instead of addressing the real issues—the concerns of a large number of our service personnel—all he could do was go on and on about the charitable trust that was funding the inquiry.

Moreover, there was an absolute refusal to be questioned. I raised with the Prime Minister whether Ministers from the MOD and their officials were prepared to appear before the public inquiry and expose themselves to interrogation. They would not do so, and as a result, I believe, the inquiry has not been as comprehensive as one would have hoped, and they have made it clear yet again that the Ministry is not really interested.

Mr. Alex Salmond (Banff and Buchan) (SNP): I notice that the clock is not working, so the hon. Gentleman may have a good deal of time at his disposal. I understand that he is raising important issues about health and welfare. Has he also noticed the double standards of the Ministry of Defence in that serving soldiers are currently instructed not to speak out against the Government's policy on regimental amalgamations while senior officers are encouraged to support that policy? Has the hon. Gentleman anything to say about the MOD's double standards in news management?

Mr. Tyler: I would love to be diverted along that route because I believe that there is an issue there, but I am trying to keep within the limit although, as a Front-Bench speaker, the clock does not run for me, which is something that I greatly appreciate. I would also have liked to make a contribution at the end of the debate, but I shall try to be as brief as I can, because I am well aware that many hon. Members want to speak.

The inquiry report was published just a few weeks ago, in November 2004, and the very grudging response from the Ministry and the Minister—in a letter published in *The Times*, for goodness' sake, not a proper formal response to the inquiry—is a staggering indictment of the way in which the Ministry continues to treat this matter. I quote briefly from the letter that appeared from the Under-Secretary of State for Defence, the hon. Member for Hove (Mr. Caplin), who is the Minister for Veterans. It says:

"I have made clear that we keep an open mind on the need for a public inquiry into Gulf veterans' illnesses. However, an inquiry could not contribute to answering the basic question of why some Gulf veterans are ill. Only scientific research might do so, which is why our research programme at a cost of £8.5 million is so important.

This is also the reason why I and Ministry of Defence officials did not appear at Lord Lloyd of Berwick's unofficial investigation. I did, however, supply a huge amount of written evidence and information to Lord Lloyd and am disappointed that this does not appear to have been taken fully into account in his conclusions."

It has been taken very fully into account and the report is a damning indictment of the Ministry's failure to examine the issues itself. In fact, Lord Lloyd's inquiry is comprehensive and comes up with a number of helpful recommendations. I do not propose to go into them all, but I want to quote briefly from the report resume, which the inquiry prepared. It said:

"The most likely explanation may be a combination of more than one cause against a background of stress, since at least some of the causes are thought to have a potentiating effect on each other. But all these causes are directly related to the veterans' service in the Gulf, in what was on any view a very toxic environment. No other possible causes have been proposed. In these circumstances it is not acceptable for the MOD to say:—

'Yes, you are ill; but since we do not know which of the possible causes has caused your particular illness we are not going to admit that your illness is due to your service'."

Is that not an excellent summary of the situation? I am sure that hon. Members who have veterans in their constituencies who are still suffering from long-term illness recognise that, at long last, somebody has gone absolutely to the heart of the matter.

There are still huge problems to overcome. Yes, it would be good to be able to establish precisely what the research can tell us in terms of the causal effect. What we need to do, though, is to recognise that some very ill people—probably 600, but perhaps a great many more—are still not having those crucial issues addressed. Indeed, there are thousands of claims for war pensions. Some have been permitted, but the discrimination between one victim and another is one of the particular issues that causes most concern to those who are left out and denied that pension.

Hon. Members across the House support the call for a much more positive response to Lord Lloyd's report, and 96 Members of all parties have signed my early-day motion 81, calling for justice for victims of Gulf war illnesses. That is just the beginning. We cannot allow this situation to go on and on, because those who are already seriously ill will simply die before they obtain justice.

On a similar issue, I find it staggering, having raised some of these issues in the past, that the families of people who were killed in the early days of the second Gulf war—after the Iraq invasion, 20 months ago—still do not know precisely why their loved ones were killed. Those families are equally badly served by the way in which the Ministry of Defence looks at these matters. In previous recess Adjournment debates, I have raised the case of Sergeant Steve Roberts, who was from my constituency. His family still do not know precisely, and absolutely, whether it was as a result of friendly fire that he was killed and whether, if he had been wearing enhanced combat body armour—which of course was removed from him before he met his death—he would be alive today. It is outrageous that we do not know, after all these many months, precisely what happened. Indeed, it would seem that the Ministry of Defence is more anxious to prosecute those members of his unit who may or may not have been part of that fatal accident, than it is to get to the truth and provide it to those families.

At Christmas, we all think of our families. I hope that all Members of the House will particularly think of those families whose loved ones have suffered serious ill health as a result of their service on behalf of their country or lost their life looking after our interests. I wish you, Mr. Deputy Speaker, every happiness during the coming family celebrations of Christmas, as I do all other hon. Members, but I hope that we shall have a thought for those who are not so lucky.

1.56 pm

Tom Cox (Tooting) (Lab): I wish in this Christmas Adjournment debate to mention two parliamentary early-day motions now on the order book, of which I am the principal sponsor. The two motions are very different and in my view they are not political. The first is early-day motion 89 relating to pensioners of the Maxwell Communications pension fund. The motion has been signed by more than 100 Members from all the main parties. Some are very senior Members, including former Cabinet Ministers.

Many of us will recall the events that surrounded the death of Robert Maxwell. Many of us feel that we shall never really know how he died. What we soon learned after his death was that he had robbed his companies' pension fund of the money that people who had worked for the Maxwell companies had paid in, expecting that when they retired they would be in receipt of a pension. Very many learned that there would be no pension, or a much reduced one.

I was very quickly asked by a constituent, a Mr. John Emler, who had been a senior official of a Maxwell company, to meet him and his colleagues to discuss the position that they found themselves in, and it was a very sad story that they told me. I then sought to help them and, with the excellent help and advice of my right hon. Friend the Member for Birkenhead (Mr. Field), members of all political parties became involved because what Maxwell had done affected people in many parts of the country. Some 32,000 people were affected by Maxwell's actions with the contributions that they had made to the pension fund.

The Government of the day soon realised the scale of Maxwell's despicable actions and started to help. The early-day motion refers to what was done, which was welcome. However, what deeply concerned people who had worked for the Maxwell companies was that of the

[Tom Cox]

money that was raised by Lord Cuckney – some £280 million – £30 million was taken by the Treasury. Sadly, we are now seeing the effects of that action.

Since February this year, 1,400 members of the pension fund, including people who retired after June 1992, have lost 50 per cent. of their pensions. Their position was made worse by the actions of the Treasury, which took £30 million of the money that Lord Cuckney raised. Early-day motion 89 therefore states that the £30 million should be returned to the pension fund. That money was raised in 1995 for the benefit not of the Treasury, but of the men and women who worked for the Maxwell companies. Like many hon. Members, I believe that returning it would not present any serious problems to the Treasury. It was not its money in the first place and it would greatly help retired people, who often live on a limited income, to receive the entitlement that they paid for when they were in work. The number of hon. Members who signed the early-day motion clearly shows that there is support for the proposal, and I urge my hon. Friend the Deputy Leader of the House to pass on my views and concerns about this important issue to the Chancellor.

Early-day motion 92 deals with the 60th anniversary of the liberation of the Channel Islands. This year, we have rightly remembered in commemorative events the 60th anniversary of the liberation of European countries. I am a member of the executive committee of the Commonwealth Parliamentary Association. I am the UK representative for our region, which covers the British islands and the Mediterranean. That includes the Channel Islands, which, as we all know, is a Commonwealth country and is close the United Kingdom both geographically and in friendship.

The early-day motion refers to the celebrations that will take place in May 2005, which mean a great deal to the people of the Channel Islands. Many individuals who lived through the German occupation are still alive. The suffering that they endured – many of them were deported, forced into labour camps or tortured, and many of them died – has not been fully understood, although an excellent book on the occupation was published by William M. Bell.

Senator Jean Le Maistre, a senior parliamentarian from Jersey who is closely involved in the CPA, is participating in work on the 60th anniversary and has told me how he and the Channel Islanders want the British involvement to be marked. British military forces liberated the islands and their courage and sacrifice has never been forgotten by the Channel Islanders, who are closely linked to us. It is their wish that our military forces play a major role in the ceremonies next May because, 60 years after the event, they respect and remember the part that they played in the liberation from German occupation.

I urge the Deputy Leader of the House to ask the Secretary of State for Defence and his officials soon to begin discussions with political representatives and officials from the Channel Islands about that request and what the Ministry of Defence can do. I assure the Secretary of State that the Channel Islanders and their elected representatives are willing to work with him, given the importance of the 60th anniversary to the Channel Islands and its people.

2.5 pm

Virginia Bottomley (South-West Surrey) (Con): It is a pleasure to follow the hon. Member for Tooting (Tom Cox). I thought that he might refer to his Adjournment debate this evening: he is clearly in overdrive today – but I wish him well when he speaks on the important subject of adults abused in childhood. I know that he has been working with the National Association for People Abused in Childhood, which is an important organisation in this area.

I am afraid that my opening remarks do not reveal my mood about a number of subjects that need to be debated before we adjourn. I could pick a subject to which the new Home Secretary could give his attention. Having moved from the Department for Education and Skills, he may be aware that overseas students require a visa. Appallingly, we take money from them by stealth – it costs them £155 to renew their student visa, and £250 if they try to do so by post. It is disgraceful that we should covertly penalise overseas students who, given the way in which higher education funding works, pay well over £7,000 a year in tuition fees. I was a member of the Government who were castigated for increasing overseas students' fees, and I believe that that is a source of shame. I never thought that a Labour Government would treat overseas students in such a way – and I say so as a governor of the London School of Economics and the University of the Arts, London, a member of the council of the university of Surrey and a close associate of the university of Portsmouth.

I could speak about the rate support grant. A press notice that, as ever from this Government, is Orwellian in nature spoke about extra funding for local government. Fascinatingly, there is to be 6.2 per cent. extra, but in Waverley it amounts to £45,000 – or 2 per cent. below the rate of inflation. That is a classic ploy by the Government who, time and again, have shown contempt for the south-east – the very area that helps to fill the Chancellor's coffers – by forcing through public squalor amid private affluence.

I could also speak about Milford hospital, which is essential to the local community. The consultation is therefore important.

However, the issue that I shall speak about is the one about which I feel most strongly. The Government have demonstrated such contempt for the south-east and disregard for Members of Parliament that I am still trembling from the information that I recently received. In a press notice, the Government announced a £1 billion boost for national strategic roads and their programme for the future. We learned that the A3 at Hindhead is to be taken out of the spending programme. The details of the notice show how the Government define whether a road is of predominantly national and international importance or of predominantly regional interest, but everyone in the Highways Agency says that that is purely a political decision.

A year ago, in response to a question that I asked about the Hindhead tunnel and the time scale for the project, the hon. Member for Pontypridd (Dr. Howells), who had ministerial responsibility for roads, said:

"Subject to the satisfactory completion of the Statutory Procedures and the availability of funds the A3 Hindhead scheme should be in a position to start construction in 2005 and the new road open to traffic in 2009." – [*Official Report*, 17 December 2003, Vol. 415, c. 920W.]

The point about that announcement is that neither the then roads Minister nor the chief executive of the Highways Agency has made any contact with me or my neighbouring Member of Parliament. I defy the Minister to find a road scheme in the country for which there is a clearer need for new investment *[Interruption]* Name one, please.

At the inquiry, which started earlier this year, the adviser who was acting on behalf of the Highways Agency said:

"there is no real necessity for evidence from the Agency that the traffic problems of Hindhead are so acute as to urgently require a solution."

We only have to go there to see that no responsible highway authority could let those conditions continue *when there is a real prospect of a solution. The problem* has gone on for too long and local people should wait no longer for a solution.

I am sure that the House is anxious to know all the fascinating details about the road scheme at Hindhead. It is an area of outstanding natural beauty. It is an area of national and international importance. It is of special landscape value. The Devil's Punch Bowl at Hindhead is the only area on the route between Scotland and Portsmouth that has no dual carriageway. Since this Government have been in power, there have been a great number of roads Ministers, many of them from Scotland, and it is important to point out that they may wish to travel to Portsmouth, which we are now told is only of regional, not national, significance. Portsmouth is the second most popular passenger port. It is one of the key gateways to the European continent. The area has the only traffic lights on that route between Gatwick, Heathrow and Portsmouth, but the Government say that this is only of regional interest.

Mr. Arbuthnot: My right hon. Friend has always made the case for the improvement at Hindhead with great passion and effect, but does she agree that this short-sighted decision, sneaked out in the annexe to a press release without any warning to her or me since or at the time, will affect the whole economy of the south of England, not just her constituency? My constituents in Grayshott, which is nearby, raised £50,000 to get the road scheme right, and they are now kicked in the teeth.

Virginia Bottomley: My right hon. Friend speaks forcefully on behalf of his constituents.

One of the additional dilemmas is that the planning blight that has been upon the local community for a long time will indeed extend. Rat-running is destroying the local, beautiful villages. It is not only a question of environmental damage, pollution and danger—I hope that the issue will be relevant in the forthcoming elections in the marginal seats in Portsmouth. The area is the economic gateway to Portsmouth and the south coast, and I was pleased with the co-operation that I received from Portsmouth Members of Parliament when one of the first steps that the Government took on their arrival in office was to take the tunnel out of the programme. With huge effort, we managed to reinstate it.

A very serious matter, which I hope that the Minister will consider, is that a constituency such as mine has not had a single visit from a Cabinet Minister in all the years since the Government came to power. There is a profound difference in the way that this Government regard holding office from the way in which my colleagues viewed the role. We felt that we were Ministers of the Crown, that we had a national responsibility and that we should be as even-handed as possible in visits to constituencies and in the way that we discharged our duties.

This Government have been systematically politically partisan in the most deplorable way. Early in their tenure, I heard a Government Whip explain that ministerial visits were used as a way to reward good Back Benchers for docile behaviour. In my judgment, ministerial visits should be used so that Ministers can be seen to be looking, learning and understanding some of the most serious problems that lie within their responsibilities. It was only when I challenged the then Minister, Lord Macdonald, and said what so affronted me about the Labour Government was their contempt for any constituency that was neither marginal nor relevant to their own interests, that he finally visited the A3 at Hindhead and we began to make very slow progress.

It is extraordinary for the Minister, in the light of the seriousness of the problem, to have been nowhere near the A3 at Hindhead. The manner and handling of the announcement are characteristic. Ministers should regard themselves as Ministers of the Crown, not simply Ministers who are seeking party political advantage within the Labour party. I hope that in reporting to his colleague, the Deputy Leader of the House will outline the seriousness with which the issue is regarded. I hope that he will urge his colleague to reply to the endless parliamentary questions.

I hope that the hon. Gentleman will support me, as a Back Bencher, in insisting that all the relevant papers are made public on the advice that was given about the A3 at Hindhead. The project team that has been working on the matter over many years is in no doubt about its importance and the economic, road and environmental significance. I also hope that he will do all in his power to recognise that there is very strong feeling not only about the matter at hand but, most profoundly and seriously, about the way that this and so many other issues have been handled.

I would like to wish the Minister and others a very happy Christmas and I would like, as I drift towards the exit ramp of my retirement, to do so with benign good will, but I have been so enraged on those four matters over the past four weeks that only if the hon. Gentleman says that he will do his best to reverse the decisions or to ensure a more favourable or sympathetic handling will I wish him and others a benign and happy Christmas.

2.17 pm

Mr. Harry Barnes (North-East Derbyshire) (Lab): I now know from the previous speech why Cabinet Ministers do not visit my constituency, and why not a single Cabinet Minister visited it during the 10 years when I was an MP under a Conservative Government.

Since becoming an MP in 1987, I have raised in the House on a number of occasions matters of serious environmental and industrial concern to my constituency, one of which involved Avenue cokeworks at Wingerworth, which suffered considerably from

[Mr. Harry Barnes]

pollution that affected the local community. Cancer clusters were discovered in the area and the problems had an impact on the work force. The coke ovens had seen better days and a wide range of by-products were produced on the 240-acre site, including benzene, toluene, ethanol benzene, xylene and volatile organic compounds, which created problems in the area. For instance, if the banks of the River Rother, which runs through the site, were prodded with a stick, tar, oil and gunge would come out. The impact on the local community and on those who worked there was obviously very serious.

I pressed the then Conservative Government for considerable investment to help to clean up those operations and for modernisation. I realised from other developments in my constituency that investment often helps to increase production and enables workers to enjoy better standards. Needless to say, the funding was not forthcoming. In 1992, the works were closed, with the loss of some 300 jobs.

Planning permission was granted to open-cast the site and to bury the contaminated soil and the remains of the buildings in a huge hole. That met considerable local opposition from the parishes and environmental groups and, in 1997, I took representatives of those bodies to Leicester to meet English Partnerships. A liaison committee was established and I have chaired it ever since. I think that I was considered acceptable for the role because it was thought that I could hold the two sides together—those responsible for the activity and those who had campaigned against various developments, even though I had more sympathy for the latter.

The first development was that the open-cast and landfill plan that had been drawn up was dropped. Plans were then made in a rather cavalier fashion to blow up the chimneys, which contained dangerous dioxins, but that was stopped. Instead, the chimneys and most of the rest of the site were replaced brick by brick as we waited for its later development. It was then proposed to transport the contaminated soil and slurry off the site and to deposit it elsewhere. Its removal and transportation through the community presented obvious dangers, so that plan was also dropped.

Recently, the Deputy Prime Minister made a most welcome statement, saying that new remedial technology is to be used to decontaminate and burn off the offending elements in the soil and that the land will be reclaimed. Jobs, housing, sports facilities, a nature reserve and a clean river with wetlands are to be provided under the East Midlands Development Agency and £104 million will be made available for those developments.

The problem is that the solution to one problem might highlight other problems. Among the problems that I have raised in the past is the health of the work force. There is pressure on the Department of Health to monitor the incidence of chest disease in those who worked on the coke ovens and the problems faced by those who worked with the chemicals derived from the extraction of coke from coal. The general impact on the community in the area also needs to be monitored carefully.

The neighbouring area of Grassmoor is notorious as the birthplace of Paul Burrell, but it faces serious problems that need to be tackled. They include the problems at the Grassmoor lagoons, which were established with waste being piped across from the Avenue cokeworks and Grassmoor colliery. That led to serious contamination, which became apparent in 1992 when the firm closed and the issue of the contamination of the Avenue site came to the fore. However, the problem at Grassmoor is not being tackled through the assistance being made available for the Avenue cokeworks, because ownership was split between East Midlands Development Agency and Derbyshire county council.

The Grassmoor lagoons are in the Grassmoor country park, which is available for recreational use and is visited by children. However, the lagoons cause terrible pollution, and Derbyshire county council needs funding to tackle the problem.

The principle of the polluter pays is reasonable and, in this case, responsibility lay with the National Coal Board—later to become British Coal—although it has now passed to the Department of Trade and Industry. We are close to a resolution of the problem. The DTI is funding a study to update the remediation strategy for the lagoons and, subject to the outcome of the study, is ready to honour British Coal's liability. That point was repeated to me in a letter that I received today from the DTI.

I have raised the issue in the debate because I would like to know what the decision day will be. An equivalent statement is needed to the welcome one that we had from the Deputy Prime Minister in connection with the Avenue site. The matter is of persistent concern to the local community—the local parish council, district and county councillors, the local Labour party, which continues to raise the matter, and constituents who live in the area. The unacceptable smells and odours must be dealt with. Before a general election is announced for 5 May—I will not be standing again—I hope that we will have a statement that is equivalent to the marvellous statement on the Avenue cokeworks. I hope that things will be put right at Grassmoor as well as at Wingerworth.

2.26 pm

Alistair Burt (North-East Bedfordshire) (Con): The House will miss the hon. Member for North-East Derbyshire (Mr. Barnes) in many ways. His fearless championing of a variety of constituency causes has been accentuated by his ability to get up Ministers' noses from time to time, which is no bad thing for a Back Bencher. His regular participation in these debates has been a source of interest to us all. I am sure that we all wish him well when he retires on, I believe, 5 May, but perhaps the Minister might confirm that later.

I make no apology for returning to the disturbance and fire at Yarl's Wood removal and detention centre in my constituency on Valentine's day 2002. Just over four weeks ago on 16 November and two years and nine months after the incident, the report of the prisons ombudsman, Stephen Shaw—the 450-page volume I have with me—was published by the Government. They chose to do so in a written ministerial statement, which I regard as inappropriate.

I draw the issue to the House's attention to make more public the findings of Mr. Shaw's inquiry. It is an exceptional and thorough piece of work, and I pay tribute to him for that. I also ask the House whether it shares my view that the response from the Home Office so far has been less than adequate.

When I arrived at Yarl's Wood at 5 am that day, I, like everyone else, was stunned by the extent of the destruction and chaos. Half the largest and newest asylum detention facility in Europe had been destroyed by a fire less than three months after opening and following a major disturbance involving a number of detainees. I say "a number of detainees", because the Government, so the ombudsman found, did not actually know how many people were in their care in Yarl's Wood that night.

It would have been very easy and tempting for me that morning to blame the Government, but I did not. I supported their policy, recognising that a sensible asylum and immigration policy required facilities such as those at Yarl's Wood. I had raised issues with Ministers mostly quietly and privately, trying to help the new facility to find its feet and fully appreciating that, whether or not my constituents wanted the centre built, they had now gone along with it and with Group 4 and the immigration authorities to help to make it work.

I was determined to blame those who had been physically violent, had set fire to the place and had put scores of lives in danger rather than to score a political hit. I believe that I was right to do so. I was also right to praise those who had done so much to minimise the disaster, right to praise the bravery of Group 4 personnel caught up in the situation, right to praise individual detainees who had tried to help and right to praise the emergency services—the local police, ambulance and fire personnel for their bravery—and those from the Prison Service in the area who had responded to the emergency calls for help.

Perhaps hon. Members will realise from a couple of quotes how serious and terrifying the situation was. One of the Group 4 personnel said:

"As soon as the power went off, this seemed to trigger the real trouble. The group outside … started ramming the door with something heavy and they were all screaming 'kill them, kill the bastards'. They punched a bigger hole in the window and through the table behind it, which they then began stuffing towels and blankets through. Then I saw one of them hold up a lit cigarette lighter and then shouting 'we're going to burn you' … By now I was absolutely terrified and honestly thought I was going to die."

A detainee said:

"I left the building via Delta wing via smashing a window on the side where the road and crowd of detainees were. The reason for this was that the fire doors on the wing were all locked and because of the heat if we had not done this we would have been burnt alive."

On reading Mr. Shaw's report, I became aware of just how wrong I had been about the Government's position. It describes failure from start to finish in a key area of Government policy. It details a mixture of incompetence and deliberate calculation from No. 10 Downing street through the Home Office and its agencies, which led ultimately to a smoking ruin in north Bedfordshire. That contrasts completely with the rather self-serving written ministerial statement that put no blame on the Government.

I am also raising the matter because I know something about Government failures. Although I did not invent the Child Support Agency, I was the Minister who was first charged with the responsibility of managing it. I had to apologise for its failure from the Dispatch Box and went through two Select Committee inquiries to try to find out why the problems had occurred. I put it to the House that the Home Office should go though exactly the same process for Yarl's Wood.

The story, although shocking enough in itself, provides an apt description of how the Government work, and I shall make several allegations before illustrating each one with evidence from the inquiry. The Government are incompetent at handling a significant policy issue and they panic under pressure. They waste scarce resources on an epic scale. They are incompetent at managing their agencies. Their use of information for short-term political gain is less than trustworthy. They unfairly pressurise their civil servants and are careless about the lives and liberties of those whom they detain without trial or the committal of a crime.

If that sounds a bit partial, let me read the ombudsman's conclusions. He said:

"The targets underpinning the project were unachievable, the project was conducted under unreasonable time constraints, the design of the building was poor in terms both of construction materials and layout, speed of delivery was given undue prominence in the contract letting process, the contractors never looked likely to complete the construction within the agreed timescale, policies were ill-thought through and were inadequately consulted upon, and the incident that led to the disturbance was mishandled."

Apart from that, it was a textbook case.

First, let me address the charge of incompetence and panic under pressure. Asylum applications were rising after 1997 and removals remained stubbornly low. There were about 80,000 applications in 2000, but the number of removals hovered between 7,500 and 8,500 in 1999 and 2000. The pressure on the Government to do something about the situation was considerable. Inside the Home Office in about 2000, a figure of 30,000 removals a year started to be spoken of, although that was far in advance of anything that had been achieved. However, Ministers signed up to the target.

A senior immigration and nationality directorate official who was cited by the ombudsman talked of the target being met with "shrieks of hollow laughter". When the director of detention in the IND took over in April 2001, he considered the target to be "laughable" and

"plucked out of the sky."

However, on the basis of the figure, the detention estate in which people were held prior to removal had to be quickly increased. No. 10 Downing street, its delivery unit and the Prime Minister are now mentioned in that connection. Page 130 of the ombudsman's report says:

"Pressure to deliver, however, was increased by the Prime Minister taking a close and pressing interest in the question of removals."

I ask: how close and how pressing?

Yarl's Wood was commissioned as a response to meeting the new target, but there was a heavy price to pay because of the impossible time scale. In relation to the contract, the ombudsman found:

"The speed with which things started to go wrong suggests it was at best over-ambitious, and at worst wholly ill-conceived. This reflects well neither on the bidder nor on those who let the contract."

[Alistair Burt]

Consequences also arose from the design of the building. The ombudsman said:

"There is much of which I am critical in this report. The single question that causes me most amazement is how Yarl's Wood came to be built as it was."

He continued:

"The combination of design and materials resulted in a building that was not capable of withstanding the total loss of control and multiple firesetting that took place on 14 February 2002. The occupied portion of Yarl's Wood survived just three months. It is manifest that, in retrospect, it failed the test of fitness for purpose."

Incompetence led to disaster.

Let me turn to the waste of resources. The building cost about £63 million, which did not impress the Prison Service. In an internal memo dated 9 July 2001, a senior figure said:

"My own view of the IND exercise is that if and when NAO . . . takes an interest they will have a 'field day' in value for money terms. They will surely compare construction costs with our own of £40m for Rye Hill and £69m for the extremely high quality construction at Dovegate for prisons which are considerably more substantial and secure than IDCs . . . IND will argue, however, that the asylum situation, in the run up to the election, was a political imperative demanding immediate remedial action, regardless of cost."

There are further examples of wasted resources, not least the failure to transfer risk, which has left a bill for £100 million for taxpayers. I shall invite the Public Accounts Committee and the National Audit Office to reflect on the Prison Service's comments in the report.

The Government are incompetent at managing their agencies. Once the process had started, there was work to be done to ensure that the bidding process was right, that the contract was let properly, that the design and build were fit for their purpose, that those who were running the establishments knew what they were required to do and that the agencies closely involved with the contactors running Yarl's Wood, such as the IND, were taking decisions that were compatible with the work there. That was not the case, and one of the worst decisions made by the Home Office was that detainees would no longer be held in prisons. That was not a bad decision in itself, but no one spoke to the contractors about its likely impact on the rest of the estate. People with prison experience and those responsible for the Campsfield house disturbance were deliberately placed in Yarl's Wood, a low-level security establishment, with women and children. Everyone says that that also led to the build-up of tension and pressure that caused the riot.

The Government have been less than trustworthy. I cited the target of 30,000 removals, which seemed unachievable. A senior official is reported as apologising to Ministers in April 2000 that the figure had got into the public domain. That seems strange because one apologises only for something that one has got wrong, but in the House on 23 March 2001, the then Home Secretary, the right hon. Member for Blackburn (Mr. Straw), announced that target some six weeks before the general election campaign. At some time between that point and the next Home Secretary taking office, the figure became unachievable because the right hon. Member for Sheffield, Brightside (Mr. Blunkett) was told that the target had become unachievable at a dinner. That had happened in a matter of weeks during an election; I rest my case.

The ombudsman's report concludes:

"There was of course no excuse for the actions of those detainees involved in the disturbance and the suffering and damage they caused. I have concluded, however, that what occurred at Yarl's Wood was the result of a series of decisions taken over the previous three years."

There has been no apology from the Home Office since the report became public. There have been no expressions of regret, or any determination to come to the House to give an explanation. I put it to the House that the people who were disturbed at Yarl's Wood, those who had their lives threatened and the taxpayers who face a massive bill deserve nothing less than an apology and a full explanation of how the situation occurred.

2.38 pm

Mike Gapes (Ilford, South) (Lab/Co-op): I wish to talk about the situation in Iraq. The Prime Minister is currently in Baghdad and has spoken about the situation there today. He said:

"I'm sure that there are parts of Iraq that are very much calmer but here in Baghdad you feel the sense of the challenge and the difficulty that there is."

I was in one of the calmer parts of Iraq with the Defence Committee 10 days ago. It was my second visit to Basra in the past seven months, and I shall give the House my impressions of what I saw in Basra, Umm Qasr and Shaiba, at the al-Basra oil terminal and on HMS Marlborough, which is protecting it. I do so having strongly supported military action in 2003, having campaigned for regime change in Iraq for 25 years, and having one of my best Iraqi friends, Barham Salih, as Deputy Prime Minister. I knew him when he was in exile in this country. As the representative of the Patriotic Union of Kurdistan, he spoke at a meeting I organised in Ilford in 1990.

I have a long commitment to political change in Iraq, but the events since the liberation have not gone as I predicted. I have to be honest and say that the situation is far more difficult than I thought it would be a year or more after we acted. Before anyone who was against the action jumps to any conclusion, I want to clarify that I would still support that action today, because the situation is infinitely better for the Iraqi people than it would have been under a continuation of Saddam's regime.

When we were in Iraq 10 days ago, the Committee met a large number of Iraqis. We also spent a great deal of time with the British forces serving there. We met members of the Prince of Wales's Regiment, the Black Watch and many others from all three services. My admiration for members of our armed forces increases every time I meet them and see what they are doing and the circumstances under which they serve. I also want to mention their allies. I was driven around by a Danish captain of the DanBat—the Danish Battalion. Its personnel are doing an excellent job alongside our people in Iraq. It is important to recognise that not only the British are serving in Iraq.

Economically, the situation in Basra is probably no better than it was in May. We could still see the legacy of 35 years of neglect, under-investment and decay. I have

been to the west bank and Gaza. In 1989 to 1990, I visited parts of the former Soviet Union, including the Baltic states, where there was a sense that nothing had been painted, invested in or improved for many years. Southern Iraq is like that. It is not a direct consequence of the war against Iran or of the two wars of 1991 and 2003. It is part of a systematic, sustained policy of under-investment and suffering of the people in the south.

However, because the Committee had the opportunity, which we did not have in May, to leave the military vehicles and walk around Basra, we saw a huge amount of goods on sale in the markets and shops. There is a massive increase in imports. Nothing is manufactured in Iraq; everything is imported, from Kuwait or Jordan. Lorries move goods all the time from neighbouring states.

We were told that demand for electricity has doubled since 2003 because of the white goods that have been bought. The tragedy is that although the electricity supply has increased, the impact of terrorism means that the availability of electricity has been cut in the south. There was a period in which people had up to 17 hours of electricity a day, which was much better than they got under Saddam. Electricity in Basra province is now available for about four hours on, 20 hours off. That is not because of the impact of terrorist and insurgent actions in the south, but because of the national grid system. Electricity is diverted from the south to Baghdad and other places because important power lines, in particular those near Falluja, were blown up. It takes weeks to replace them because of the steel and the skilled workers that are needed to put them back.

Oil production has increased. It is up to about 1.8 million barrels a day. That is quite a lot, but Iraq hopes to get to 3.7 million by 2007. Some 93 per cent. of the Iraqi Government's revenue comes from oil. Iraq has the potential not to be a poor country. It could be very wealthy, but its people do not work in the way that we understand it, because the system was built on a form of state control. Food, electricity and water—everything, in fact—was controlled. The legacy of a Stalinist, fascist, Ba'athist system was total control. The private sector was almost non-existent and all the goods on sale were imported, except fruit and other things that could be grown in the country. It will take years—possibly decades—to transform the country so that it becomes a modern dynamic economy.

We are doing important work in the south. The quick impact projects of the British Army are making a big difference, but there are problems. The American Congress voted more than $18 billion to fund reconstruction in Iraq. About 10 to 20 per cent. of that is spent on security. Huge amounts are going to consultancies. About $3 billion has been diverted from water and electricity projects to security sector reform because of the impact of the internal opposition combined with the insurrectionists from outside.

Iraq's borders are porous. No armed forces or police service existed following the collapse of Ba'athism. We have to start from scratch. The Committee saw the excellent work by our people from the Police Service of Northern Ireland and from forces based in Sussex and elsewhere who were seconded there. Those serving policemen and women are doing a great job. I hope that their police authorities will not take short-sighted decisions to withdraw them, which is the case in some parts of the country, when their job is so vital over the next few months. A number of police forces are asking people not to renew their contracts and are bringing them back from Iraq at exactly the moment when their work is so vital. We also saw the training of the Iraqi national guard and the way in which its personnel are being prepared for the future.

The elections will be on 30 January—or at least it is hoped that they will be held then; there could be technical arguments about a possible delay. The overwhelming view in the south is that the elections must go ahead. People are enthusiastic about them and want greater control of their affairs. I met the governor of Basra province. Elected members and others from the Basra provincial council were also present. No one believes that the international community should leave immediately after the January elections. On the contrary, those elections are for a constitutional assembly and provincial government, but the final election that will determine the democracy of the country is scheduled for December 2005. After that, there will, we hope, be a fulfilment of total democratic control within Iraq.

The Iraqis need support for security, infrastructure and training. My assessment—this is my message to Ministers—is that, just as in Bosnia and in Kosovo, we are talking about a commitment not of one or two years but of several years. We need to be honest and say that we started this process and we have to see it through.

We and our allies in the international community have to do far more. There is not enough support from our Government going into the south of Iraq. We need to do more through the Department for International Development, which, I understand, has hardly any presence in the south, being mainly based in Kuwait and Jordan. The United Nations currently has only three people in Basra; we need far more support from the UN. As was emphasised to us throughout our visit, Basra and the south are not Baghdad. The BBC does not have any journalists in the area, so we do not get the truth: the south of Iraq is doing well and it needs further support.

2.50 pm

Mrs. Angela Browning (Tiverton and Honiton) (Con): I begin by apologising to you, Mr. Deputy Speaker, and to Front-Bench Members for the fact that I will not be in my place for the winding-up speeches. Unfortunately, I have a speaking engagement this evening which was made before we knew the date of the Christmas Adjournment.

Before the House rises for Christmas, I would like to draw its attention to a situation that has emerged in light of the Iraq war but has wider implications for the functioning of this Chamber. I am talking about ministerial accountability, and in particular the accountability of the Prime Minister to the House of Commons. We frequently hear Members raising, on a point of order, their dissatisfaction with answers, both oral and written. That applies as much to answers given to this House by the Prime Minister as it does to those given by other Ministers.

Quite properly, Mr. Deputy Speaker, whenever we stray into that territory, you remind the House that responses by Front-Bench Members are not a matter for

[Mrs. Angela Browning]

the Chair, but I want to raise this afternoon the situation that we now face in light of the statements made to the Chamber in the run-up to the Iraq war and what we now see as the impotence of Back-Bench Members in holding the Prime Minister to account and obtaining from him answers to specific questions. I know of this from my own experience, having asked him about what has become known as the dodgy dossier. He did not answer my question, so I tried to extract a specific answer by repeating it in a written question, which was referred to the Foreign and Commonwealth Office. It then waited several months before answering, and I had to badger it several times before I got a reply, and a very unsatisfactory one at that: it basically said that the Foreign Office thought that I had had an adequate reply the first time.

Sometimes we all shrug our shoulders and ask, "Is the Prime Minister Teflon-coated? How come he manages not to answer questions and to get away with things?" That is very frustrating for Back Benchers. However, the matters that led up to this country's going to war in Iraq are serious ones, and they set many precedents. It is unsatisfactory that Members of this Chamber have not had a chance to question the Prime Minister fully on the outcomes of the inquiries that have taken place since we went to war and on the information that has come to light since he made his many statements to this House.

Adam Price (East Carmarthen and Dinefwr) (PC): I can give the hon. Lady one example of the Prime Minister's refusing to answer a question. The hon. and learned Member for Medway (Mr. Marshall-Andrews) repeatedly asked, in both oral and written questions, for the precise date on which the Prime Minister was told about the withdrawal of intelligence that the House learned about through the Butler review. He refuses to give the precise date and is prepared to say only that he learned about the withdrawal as a result of the review. Why, we ask ourselves, will he not give us the precise date?

Mrs. Browning: The hon. Gentleman properly identifies an important matter, but it is only one—there are many, many more questions to which hon. Members would like specific answers from the Prime Minister.

Having given way to the hon. Gentleman, I pay tribute to him for the work that he has done—and the way that he has gone about it—to bring together the documentation, including legal opinion, that is encapsulated on page 309 of today's Order Paper. Motion 37, "Conduct of the Prime Minister in relation to the war against Iraq", has been signed by several Members of Parliament, some of whom are present this afternoon. I hope that the procedures of the House mean that, in due course, we will have an opportunity to discuss in some detail the contents of that motion. It seems quite improper that those events have passed yet the procedures of the House do not allow us to question the Prime Minister personally and get answers from him.

Mr. Tyler: I wonder whether the hon. Lady recalls that on the occasion of the debate on the Loyal Address, my colleagues and I, supported by some of her colleagues, tabled an amendment that would have secured an inquiry into the Prime Minister's relationship to Parliament and his accountability on the very issues to which she very properly refers. I do not recall whether she voted for that amendment.

Mrs. Browning: No, I did not, because I was already in negotiation with other colleagues who felt that the procedure set out on the Order Paper was the best. That does not mean to say that I do not appreciate the frustration felt by the hon. Gentleman and others. It is evident that there is widespread concern because none of us has yet had this debate and none of us has been able to call the Prime Minister to account.

Mr. Salmond: I voted for the amendment tabled by the Liberal Democrats, but it is surprising that their Front-Bench spokesman should question the fact that the hon. Lady did not vote for it when Liberal Democrat Front Benchers have not signed the motion to which the hon. Lady refers.

Mrs. Browning: I have to say to the hon. Gentleman that I live in the west country, where we are used to the funny ways of the Liberal Democrats. I do not hold it against the hon. Member for North Cornwall (Mr. Tyler); I just share his frustration because, whether we take his amendment or the motion on the Order Paper, we have made no progress, and the purpose of my raising the matter today is to say that it is imperative that we make progress.

It is clear from the Butler inquiry that what needs to be investigated is not the Cabinet or the Government but the actions and words of the Prime Minister. During the lead-up to the Iraq war, matters in Cabinet were not dealt with by collective responsibility, which all of us in the House understand, but there was government by cabal. It would therefore be improper to have, for example, a motion of no confidence in the Government, because the responsibility lies with the Prime Minister personally. That is why I support colleagues throughout the House who seek, through the motion, to have the Prime Minister's conduct investigated with a view to seeing whether a Committee of the House believes that it is appropriate to impeach him.

That is the only option left to us because, under the rules of the House, it is not possible for any of us to challenge the propriety of what the Prime Minister said on the record in the House. The rules of the House work on the assumption that we are all honourable Members, but I am afraid that that leaves those of us on the Back Benches at a distinct disadvantage. We are dishonourable if we challenge somebody for not being honourable themselves, but there is no way in which we can call them to account if there is evidence that their conduct needs to be investigated.

There is a catch-22—one that works against the ability of Back Benchers to call the Executive, the Government and the Prime Minister—to account. Let me quote from one effort made to sort out the situation, although it clearly has not been sorted out. On page 120 of "The Challenge for Parliament: Making Government Accountable" the Hansard Society Commission refers to a statement that was

produced by the Public Service Committee in March 1997 and put into the ministerial code in May 1997. It emphasises that

"Ministers have a duty to Parliament to account, and be held to account, for the policies, decisions and actions of their departments and . . . it is of paramount importance that Ministers give accurate and truthful information to Parliament, correcting any inadvertent error at the earliest opportunity. Ministers who knowingly mislead Parliament will be expected to offer their resignation to the Prime Minister".

Well, I expect that to include the Prime Minister himself. Although he has the duty of ensuring that the ministerial code is adhered to, he too is bound by it and should be seen to be bound by it. There has to be some mechanism whereby the House can hold the Prime Minister to account.

To allow those events simply to pass into history would be to set a dangerous precedent for this country. The circumstances in which we went to war need to be fully investigated, because if we find ourselves in that situation again, it is imperative that the Government, and in particular the Prime Minister of the day, recognise that what happened before was not acceptable to the House of Commons and to many of its Back Benchers. We Back Benchers have to have a mechanism whereby we can call the Prime Minister to the Chamber to ask him or her straight questions and to receive straight answers in return, especially on matters of such importance. There seems to be no such mechanism at present.

I shall not discuss the detail of impeachment because I realise that it has not been used for a long time, but that does not mean that it should not be available to Members of Parliament. In our lifetimes, we have seen impeachment proceedings used against two American presidents, and those proceedings are based on English law. It is extraordinary that that should happen across the Atlantic but we in this Chamber are unable to exercise that right. I realise that people take a partisan attitude, but the issue is not only about the Iraq war and the present Prime Minister; it is about this Chamber, this Parliament and this democracy.

3.3 pm

Mrs. Alice Mahon (Halifax) (Lab): I, too, shall use this occasion to speak about Iraq. It is clear that the Government have not given us debates on the subject: we get statements and the opportunity to question, but not the opportunity to debate. When, at a meeting of the parliamentary Labour party, I suggested that we have at least a two-day debate before the invasion of Falluja, I was, according to one colleague who ran to the press, "roundly booed". I shall therefore use the time available to me now. Although I would love to talk about Halifax, the subject of Iraq is more pressing. Incidentally, before anyone intervenes to ask, let me say that I shall not sign the impeachment motion on the Order Paper.

The war has united many people from different parts of the spectrum. One of the good friends that I have made is Mark Littman QC, who has written an excellent pamphlet on Iraq in which he sums up my feelings on the matter. He writes:

"The war was unlawful. It was launched upon an incorrect premise. It was and remains a high cost operation in both human and material terms. It has undermined the authority of the United Nations. It has increased the threat from terrorism."

I congratulate Mark Littman on that statement. Another group that I congratulate comprises the journalists of *The Independent*, including Kim Sengupta, Patrick Cockburn and Robert Fisk, who have given us honest and decent reports on Iraq. If anyone thinks that we should be complacent, I draw their attention to the headline in *The Independent* yesterday: "Six weeks from elections, 65 are killed on day of terror in Iraq"—including three election agents involved in planning the elections.

Let me state for the record my view that there is no hiding from the issue. The Prime Minister is in Iraq today, but we in this place are having to debate the subject on a motion for the Adjournment. There is bloody chaos in Iraq. It seems to me that we pay no attention to the number of civilians killed, although we do count the shocking number of soldiers killed or injured. The Americans have lost 1,297 dead and, according to the Pentagon, nearly 10,000 badly wounded. Seventy-five Britons—military personnel, not contractors—have been killed and a couple of thousand wounded. For the number of civilian dead and injured, we rely on organisations such as Iraq Body Count, to whose staff I pay tribute for doing their best to get the figures to us. The Iraq Body Count estimate is that about 16,000 people have been killed and many thousands injured. In *The Lancet*, the British Medical Association estimates that about 100,000 have died. The Government insist on quoting only the Iraq health service—

Mike Gapes: Will my hon. Friend give way?

Mrs. Mahon: No, I shall not take interventions.

What is left of the health service in Iraq estimates that only about 5,000 have been killed. The truth probably lies somewhere in the middle of all those estimates.

To go to Basra and the green zone, as the Prime Minister has done today, in relative safety is not to visit Iraq. I would like to have seen the Prime Minister talk to some of the refugees. Where are the estimates for the number of dead in Falluja? The battle in Falluja is the battle that we have not been allowed to see—the hidden battle. It is the battle that was going to bring democracy to Iraq, so I have a few questions. What is happening there? Where are the 200,000 or 300,000 refugees who have left the city? Why are there no pictures of the people still living in Falluja, some in extremely bad conditions? What kind of weapons were used in Falluja? The Americans admitted using a substance similar to napalm when the invasion began and we have heard stories from certain people and bodies, including Reuters, who have been in the city that such dreadful weapons have been deployed there. I have tried to get answers here, but to no avail. Al-Jazeera was banned before the second battle for Falluja, so one reliable source from which we got information before has gone—*[Interruption.]* It is a reliable source—at least we saw pictures. Where are the sources now? What reports are we seeing about the injured? All we see now is extremely sketchy reports from Reuters.

A report published on 16 December by an American journalist, Michael Schwartz, talks about Falluja. He writes:

"The chilling reality of what Falluja has become is only now seeping out, as the American military continues to block almost all access to the city, whether to reporters, its former residents, or aid groups like the Red Crescent Society."

[Mrs. Mahon]

He goes on to give sinister details—I tabled an early-day motion on the subject and I urge hon. Members to read it. He says that if residents are allowed back,

"Entry and exit from the city will be restricted. According to General Sattler, only five roads into the city will remain open. The rest will be blocked"

by mounds of earth.

"Checkpoints will be established at . . . the five entry points, manned by US troops, and everyone entering will be 'photographed, fingerprinted and have iris scans taken before being issued ID cards.' Though Sattler reassured American reporters that the process would only take 10 minutes, the implication is that entry and exit from the city will depend solely on valid ID cards".

It will be compulsory for citizens to wear a badge. This is equivalent to creating a ghetto. It has sinister overtones for someone of my generation who read and learned a great deal about the ghettos that the Nazis established. This is not bringing democracy to the people of Falluja. It is an insult to anybody who thinks about Falluja. Captain Paul Batty of the 3rd Battalion of the Marines has said that people might be returning on Christmas eve. Only male citizens will be allowed in, in limited numbers.

The US is offering $500 for every house that has been destroyed. There are suggestions coming from the general responsible that there should be compulsory work details and that people will have to clear the rubble that now is Falluja, if we are to believe eye-witness reports.

Who will take over when the Americans pull out? They say that they want to do so by 15 February. Will the under-equipped and demoralised security forces, who are mainly Shi'a in Sunni areas, take over? What has happened to the refugees? I dug out a little information from Reuters. It appears that 13,000 refugees have set up camp on the bank of the Euphrates, at a place that was a resort. Apparently they are sheltering there. They are trying to keep warm but they are left without warm clothes because they had to leave quickly, and there is very little heating. Reuters managed to get out that information.

The Red Cross reported that bodies were piled up and decomposing and that there was widespread structural damage—no power, no water and raw sewage. It reports that no hospitals are functioning and that houses have been flattened. It would have been good if the Select Committee and the Prime Minister had visited some of those areas.

I asked about Falluja before the battle. I asked whether what has been described was equivalent to a strategy to democratise Iraq. Is it the strategy to bomb the Iraqis of Falluja into submission and leave behind a flattened city? If it is, it did not work. The uprising moved to Mosul. All the police stations were shut down while the so-called allies were bombing Iraq.

We need some answers about what has been done in our name in Iraq. We need to know what is happening with the elections because clearly the citizens of Falluja will not be able to participate meaningfully in an election. I believe that the answer is to call a special emergency United Nations conference with every member country being present. Appeals should be made to the Muslim countries to participate in Iraq. We should set a timetable for the coalition to come out of Iraq because we now represent the problem rather than the solution.

After seeing the deliberate execution of an unarmed combatant—a wounded Iraqi—on my television screen, I believe that some sort of war crimes tribunal should be set up. Let us swap what the Americans did in Falluja with what it was claimed the Serbs were doing in Kosovo, where the media were present and we could see things. In that instance a war crimes tribunal was set up. I hear nobody screaming for justice for innocent Iraqi civilians who have been killed in large numbers.

I make no apology for going against my Government on Iraq. I think that I was right. I think also that there will have to be some answers at some stage and that some people will have to accept guilt.

3.13 pm

Mr. Christopher Chope (Christchurch) (Con): It is a pleasure to follow the hon. Member for Halifax (Mrs. Mahon), who has given us a well-informed analysis of what is going on in Iraq. I am sure that we appreciate what she has had to say.

I want to take up not a fairy story but an every-day story of life under a Labour Government. Last Saturday morning, at 3 am, one of my constituents, Suzanne Miller—a feisty young lady living on her own in a rural part of the Christchurch constituency—was disturbed by her dog barking. She went to the top of the stairs and saw an intruder—a total stranger—inside her house. She dialled 999. The intruder made to climb the stairs. She made it clear that she had a knife, which she would not hesitate to use. The intruder eventually left the house.

The police arrived and caught the intruder at the end of the driveway. He was questioned. The police who attended spoke by phone to the desk sergeant. He apparently decided, on the basis of what they told him, that the individual should not be arrested or questioned. He said that the person concerned should be given a free lift home to his house. Apparently that is what happened.

Bob Russell (Colchester) (LD): It is community policing.

Mr. Chope: The hon. Gentleman says that but this is not a laughing matter. My constituent is beside herself with anger. She has regaled the story to her local councillor, who happens to serve on the police authority. The councillor tried to raise the matter over the weekend with the police. She was told, when she got through to somebody working for Dorset police—she told her the story—"What I would be concerned about is that this is a lady who sleeps in her bedroom with a knife." It was almost as if that person was working to a script. It seems that the Government have created a police force that is more concerned about people having a knife in their bedroom than about arresting people who intrude into somebody's house in the middle of the night.

We are outraged about this situation. How is it that Miss Miller's intruder is not facing any penalty? When I discussed the matter with Miss Miller on the phone, she said, slightly facetiously, that if the intruder was drunk,

which is now being alleged, although he was perfectly capable of making a mobile phone call to his wife at home, apparently, why was he not given a fixed penalty notice, which we have been hearing about. Perhaps the Minister will explain what one has to do to qualify for such a notice, if someone does not get one when he goes, drunk, into a complete stranger's house at 3 am on a Saturday.

I hope that the case will be reviewed by the police. I have raised it in the Chamber with the authority of my constituent, Miss Miller, who is determined that something effective should be done as a deterrent to others and as a punishment for the person who came into her house and disturbed her peace, and in so doing caused her an enormous amount of upset.

The intruder got into the house through the back door. He certainly did not get in through the front door. Unfortunately, this is not an isolated occurrence. One of my constituents is a 63-year-old hotel night manager, who lives in Christchurch. The front page of the *Daily Echo* on 5 May 2004 reported under the headline "Man left in pool of blood" that this gentleman had been assaulted. He had suffered severe injuries. He had a broken nose and he had to have eight stitches put in his head. He was off work for two or three weeks. He was the victim of an assault in the early hours of the morning in a Bournemouth hotel, where he was the night porter.

Some of the other people in the hotel gave the name and address of the perpetrator to the police. Apparently the local police told the Metropolitan police to take some action against the assailant. Nothing happened. After many months my constituent came to share his concern with me. As a result of that, I put pressure on the chief constable to tell us what was happening. She admitted—it was a female chief constable at the time—that the details were not put on the police national computer. It has emerged that although the assailant was living at a fixed address in the home counties, where he could have been arrested for this serious office, he is now believed to be living in Germany.

That is an example of another one who got away. Yesterday evening, I spoke to my constituent's wife, who said, "This is the first time in 40 years of marriage that we have had anything to do with the police. We are absolutely amazed. The police always expect us to help, and indeed we are very willing to help them, but as soon as we want some help from them, it doesn't seem as though there's any reciprocity." That is the impact of the incident.

There is another incident that I should like to share with the House. A garage proprietor in Christchurch was the victim of identity fraud. He lost about £1,500, which was one of the criminal offences that finally put him out of business. The perpetrator absconded, but this autumn was arrested for drink-driving. The complaint that the garage proprietor had made was linked with that criminal. As a result, the police contacted my constituent and said that they would like to re-interview him about the offence. But they never did that. He complained and has been told that the Crown Prosecution Service regards the matter as not worth bothering with—a fraud that resulted in my constituent eventually going out of business.

I know it is trite and commonplace to say that the Government say one thing and do another, but even by their standards it is hard to equate what happened to that constituent with what the Solicitor-General told the House on 2 December, when she said that the House would welcome

"the new guidance on policing priorities for fraud cases that the Home Office sent out, which says that, even if the sum involved is small, if the effect on the small business victim is large, it should be a priority for police investigation and prosecution."—[*Official Report*, 2 December 2004; Vol. 428, c. 779]

That case was not a priority at all. Sadly, the man has lost his business.

The same man was subjected to another crime earlier this year—he has had a bit of bad luck under this Government—when he was the victim of road rage on the road alongside Bournemouth international airport. He contacted the police by telephone while the road rage incident was taking place. When he arrived at the traffic lights at West Parley, he was still in conversation with the police, who said that he should stay firm in his car as the potential assailant got out of their car and approached him. My constituent decided that it was better to be safe than sorry and drove off, but having given the full details of the assailant to the police, he was pretty certain in his own mind that there would be a quick arrest and prosecution to follow.

No way has that happened. The police made some inquiries. The person who was driving the car at the time denied that there was a passenger present, so it was my constituent's word against theirs. That was the end of the matter until my constituent was at those self-same traffic lights a few weeks back and recognised the driver of the car in that incident. The driver gave him a V-sign, indicating that she and her friend had got away with a serious criminal offence.

The Government have a policy of driving people into crime. My constituent, Mr. Ali, is an asylum seeker who came to this country from Iran in June 2000. He has lost three appeals against refusal to grant asylum. He has been working as a welder, paying his own way and taxes. At the end of November he was summoned to the immigration and nationality directorate, given an ID card with his date of birth and reference number stamped on it and "Employment Prohibited" marked against it. He is not to be deported, apparently, but he is being forced into the black economy because he is not allowed to work. He is effectively being forced into a life of crime. What a ludicrous policy the Government are presiding over.

There is a gaping credibility gap between so much of what the Government say and what is happening on the ground. I could regale the House with many other examples but I do not have time to do so. The cases that I have highlighted show what a pig's ear the Government have made of policy on law and order, asylum and immigration since 1997. *[Interruption.]* The Deputy Leader of the House seems to be arguing from the Front Bench, but I cannot hear what he is saying. Perhaps I can give him a final example. Somebody who ordered a passport was assured by the Passport Office that it would be delivered by secure delivery. When the passport did not arrive, he complained and was told that secure delivery means that the passport is handed to a firm of couriers who will deposit it through the letterbox without identifying the recipient. So he is now likely to be the victim of identity fraud.

The Government speak about joined-up law and order, but they are presiding over a pig's ear of a mess. I would like to present the Minister with a pig's ear as a

[Mr. Chope]

modest little Christmas present from the people of Christchurch. I will not throw it, as the Chief Whip threw a book from the Government Benches, but I will make it available to the Minister to chew over, so to speak, over the vacation.

3.25 pm

Mr. David Borrow (South Ribble) (Lab): I am grateful for the opportunity to speak in the Christmas Adjournment debate. There are three or four local issues that I wish to raise.The first concerns my early-day motion 170, which I laid before the House after the suicide of my constituent Sarah Cherry, following her involvement over the internet with Amazon book company, through which she obtained a copy of the book "Final Exit", which gives details of how to commit suicide. It was a tragic case. She had also been involved in some of the suicide chat rooms. The local community in my part of Lancashire is extremely concerned about the circumstances. My local evening paper, the *Lancashire Evening Post*, has been running a campaign to raise with parents and teachers the concerns that many of us have about access to internet chat rooms and to the book.

My concern is that vulnerable young people are the group most at risk of suicide. If they can easily get access to websites or books that make it easier for them to commit suicide and seem to suggest that that is a good thing to do, rather than linking them with organisations such as the Samaritans, we will see more tragic cases such as that of my constituent. Since my local paper ran the campaign, several other instances in the locality have come to light of young people who committed suicide as a result of access to suicide chat rooms.

We have been able to persuade Lancashire county council to remove the book from its bookshelves. We have also persuaded some internet providers to close some of the chat rooms or introduce links from chat rooms to the Samaritans. It is an issue that Ministers need to consider seriously. Although I accept that it may not be appropriate to ban the book altogether, we should do all we can to ensure that it is not easily accessible to our vulnerable young people. Too many have committed suicide because no one was there to put them in touch with the right support mechanisms.

My second point is another constituency issue and concerns the reorganisation of regiments announced by my right hon. Friend the Secretary of State for Defence last week. I and many other Lancashire MPs have long been involved with our local regiments—in my case, the Queen's Lancashire Regiment. In the west Pennines there is also the King's Own Royal Border Regiment and the King's Regiment. As I understand it, those regiments reached agreement that, if there were to be a merger, the name of the new regiment would be the Royal Lancashire Regiment. Indeed, an early-day motion on that matter has been signed by many MPs in the area, who also wrote to the Secretary of State to reinforce the point.

It now emerges that when the Army Board considered what recommendation to make to the Secretary of State, it did not agree that the new regiment should be named the Royal Lancashire Regiment. Rather, it came up with the name of the King's Lancashire and Border Regiment. About 90 per cent. of recruits for the new regiment come from the historic county of Lancashire, and many of us are keen, if we are to give the new regiment the best possible start on recruitment and reinforce local identity, to keep the name a simple one that reflects the history of our area. The Royal Lancashire Regiment was agreed by the three regiments, as I said, and I am very concerned to see that that name has not been adopted. I would be most grateful if my right hon. Friend would listen to further representations from Lancashire Members on this particular point.

I have a plaudit for my right hon. Friend. I was able to visit Warton with a number of colleagues on Friday, when my right hon. Friend announced the formal signing of the second tranche of the Eurofighter, under which 89 planes will be built. The order is worth £4.3 billion and will secure 16,000 jobs. That is crucial in my part of Lancashire, where thousands of people are employed in the aerospace industry.

While thanking my right hon. Friend for making that order, I also want to make the point that the aerospace industry depends in many ways on the existence of the Department of Trade and Industry. The Export Credits Guarantee Department system is crucial to the industry's success in being able to secure export orders. Without the DTI and that system, many of the export orders would not go ahead, which would mean the loss of thousands of jobs. During my seven and a half years in the House, I have lobbied on several occasions, on behalf of the aerospace industry, for launch aid from the DTI for various rounds of the Airbus expansion. Again, without that launch aid from the DTI, the expansion and success of the Airbus would not have taken place.

It needs to be said in the House—I shall certainly ensure that it is mentioned to my constituents in Lancashire—that it would be a mistake to adopt the Liberal Democrat policy of abolishing the Department of Trade and Industry and spending the money elsewhere. At a time when the economy is doing well it may seem unimportant, but it would undermine the long-term security of employment in areas such as mine. I am sure that my constituents will think very seriously before risking their livelihoods by voting Lib Dem in the general election.

Finally, I want to talk about one of the key horticultural areas of the United Kingdom. The area around the villages of Banks, Hesketh Bank and Tarleton in my constituency has for many generations been the heart of the Lancashire horticultural industry. Hundreds of acres are under glass and there are also acres and acres of top-class field vegetables grown there. Traditionally, they have been good working agricultural villages based on smallholdings run by families. The products are delivered to Preston wholesale market and then distributed more widely.

Over the past 30 years, the character of those villages has completely changed. New properties have been built by people who do not work in the area for people who do not work in the area, but commute out of it. Also, supermarkets have changed the way in which they procure produce and now prefer a limited number of producers. That has brought about consolidation in the industry, with the result that the number of people

employed in it has changed. Instead of a handful of family members, there are now some cases of firms with more than 300 people working in them.

The seasonal nature of the business has traditionally allowed school pupils to support it during the summer, accompanied by some overseas seasonal workers when things get particularly difficult. The season in Lancashire runs from February to November on the basis of full employment and virtually all the demand for seasonal labour comes from overseas. The supermarkets now demand that production goes on for 12 months of the year, and that what is grown is put in nice little plastic bags. As a result, all the farms have to have packaging houses, and they import produce from overseas to ensure continuity of production.

Hundreds of people in my area now work on farms all year round. It is an area of full employment, where fairly expensive detached properties are increasingly common. People who want to work in the industries to which I have referred can no longer afford to live in the area and that means that the vast majority of workers come from overseas. Traditionally, such workers have been housed in caravans in the green belt, even though that is against planning policy. Recently, one grower wanted to convert a large building in Gravel lane in Banks to house about 40 young Polish workers. Those workers had no record of antisocial or inappropriate behaviour, but the community is a small one, with only 40 or 50 properties. To put 40 workers with no connection with the area in a single building does not seem ideal.

I hope that the Government will ensure that planning policy achieves a proper balance in respect of residential property needed to meet the needs of local businesses and their local or overseas workers. At present, there is almost no affordable or rented property in any of the villages that I have mentioned. Employers have to go to places such as Skelmersdale, Preston and Leyland to recruit UK workers and then bus them to my area. Otherwise, they have to rely on workers from Poland, South Africa, Namibia and other parts of the world.

I want to place on the record my concern about how planning policy is developing in the villages. The planning authority recently produced new guidelines for housing migrant workers. That is an improvement, as the aim is to concentrate housing developments in permanent buildings on the farms. At present, workers are housed in caravans scattered around the fields, or in properties purchased or built a long way away from the farms. That is a problem.

We must get right the balance between development for residential purposes and what needs to be put in place for businesses. These are agricultural businesses, and in my part of Lancashire the idea that farms involve only a handful of people who work across a large area is no longer tenable. There are probably 1,000 people who work on farms in the villages to which I have referred, yet the total population is only about 10,000. Most of those workers are wage earners rather than owner-managers. That may be unusual, but it raises specific planning problems that I should like the Government to address.

3.37 pm

Bob Russell (Colchester) (LD): The abuse of the planning process by local councils is an issue to which the Government need to give urgent attention. Public confidence in local councils when it come to determining planning applications is seriously undermined when the local council is the applicant or the beneficiary—that is, where it has a vested interest in pushing something through in the face of overwhelming public opposition. I therefore hope that the Office of the Deputy Prime Minister will hold a full public planning inquiry into proposals for the St. Botolph's quarter in Colchester, an area to the south and east of Britain's oldest recorded town. It lies on either side of the Roman wall, which has been a dominant feature for more than 2,000 years.

Few would deny that urban regeneration of the area is needed. However, it is the manner in which the borough council, in particular, has proceeded—with the backing of Essex county council—that has caused so much outcry. It is no exaggeration to say that the borough council is making things up as it goes along—or, to be more accurate, that it is dancing to whatever tune is being played by a property developer based in Yorkshire. Town hall secrecy is such that even the majority of councillors are not being told what is going on, let alone the general public.

In June 2003, the council issued what it described as the "St Botolph's Quarter Masterplan Document". Even though that document was claimed to be

"the result of 12 months' research, analysis and design work and stakeholder consultation",

such was its usefulness that within months it was, in effect, torn up. More than £100,000 of public money had been invested in that document.

Next, in July this year, came the "Revised Draft Masterplan—Proposed Supplementary Planning Document", which bore little resemblance to what had been put forward originally. The council has yet to determine what its next move will be, but in effect the second document has also found its way into the shredder. A third set of proposals—it is likely that there will not be three but any number into double figures—is being drawn up in secret. That is being done not by the council, but by the property development company with which the council is in league, but whose identity has deliberately not been revealed to local people. Among those kept in the dark are most councillors and, it would appear, the local strategic partnership, Colchester 2020.

The council did go through the pretence of public consultation, as a box-ticking exercise. Public opinion, however, has been ignored—indeed, the whole thing was a charade. Residents have been deceived. We know that all along it was not the people of Colchester with whom the council was in conversation, but a company with share capital of £1,000, which was formed only last year. Conservative Councillor Robert Davidson, deputy leader of the council and portfolio holder for regeneration, was quoted in the *Essex County Standard* on 10 December as saying:

"We talked to the developers privately for two years to make sure the resulting planning application would include the right benefits and community facilities for the town."

Quite simply, while the council was going through the pretence of showing plans and the so-called public consultation, it was going behind the backs of the people

[Bob Russell]

of Colchester and holding secret talks with property developers of whom the public had no knowledge. The pieces of the jigsaw shown to the public were not the same as those in the jigsaw box that the council handed over to the property developers who are driving the agenda. Indeed, the developers are designing their own jigsaw.

From what little has found its way into local newspapers, we know that the developers are working on alternative scheme plan 18b of what to do with the buses following closure of the Queen street bus station. That is a further reason why a public planning inquiry is needed. The future of the town's bus services cannot be left to the mercy of a here today, gone tomorrow property developer and a council cabinet only one of whose eight members lives in the town, and not one of whom I have ever seen on a service bus.

The only thing that has remained unchanged from the council's original proposals is the closure of the Queen street bus station. Two years ago, it was claimed that the site was needed for a £16.5 million visual arts facility, most of the money for which would come from external public funding sources. It is now proposed that the arts gallery needs only a corner of the site. The latest plans show the gallery being erected on the site of a scheduled ancient monument, and the designers claim that it can be built without foundations. It will be interesting to see how they get around national building regulations and how English Heritage will react to those around the country who will no doubt use the Colchester example to build on other sites of scheduled ancient monuments.

Local people are divided about the visual arts facility, although a clear majority are opposed to the current proposals, particularly when council tax payers will be required to pay around £300,000 every year to cover the projected operating losses, assuming that the promoters attract the number of visitors for which they are budgeting. Various surveys of public opinion have all shown majority support for keeping the bus station broadly on its present site in Queen street. They range from support of 64 per cent. in a recent poll by one newspaper to 94 per cent. in one by another. Last year, I carried out a random sample survey of the electorate that showed that 82 per cent. wanted the bus station to stay where it is. It is nice to know that I am in step with public opinion and that the Conservatives in Colchester are not. The all-Tory Cabinet, including my likely opponent at the general election, wants to shut the bus station and sell the site for development. As an aside, let me say that Labour in Colchester supports me on this issue.

The Queen street site is big enough for both the bus station and a visual arts facility of sensible size, designed to fit the character of an historic town. It would not need such a huge annual subsidy from council tax payers. The existing bus station does need improving, but that could easily be funded by section 106 agreements from the proposed commercial development in the Vineyard and Osborne street area of the St. Botolph's quarter. It just needs good leadership from the council to achieve that.

A sustainable visual arts gallery could occupy the frontage of Queen street, where there are two ugly 1960s buildings, which, by some happy coincidence, the borough council now owns. I want to inform the House of the manner in which that happened. About two years ago the council tried to buy one, if not both, buildings, which are joined. Although I gather that they were not on the open market, it would appear that the council was gazumped by a company called CFK Developments, or CFK Investments, of 20 Park place, Leeds. It is my understanding that the council offered just under £1 million for one of the buildings. A few months later, according to the council's annual accounts for 2003–04, it paid CFK Investments £3,443,955 for the two buildings. It seems that CFK made something of a killing.

The last financial year, according to the council's accounts, reveals that the council was involved in a somewhat interesting transaction whereby it used public funds to purchase land in Vineyard street for £256,630 via Martin Elliot and Co., presumably a firm of solicitors, and then sold the same piece of land for the same price to a firm of solicitors called Kelly & Co., the address of which, by a happy coincidence, is the same as the registered address of CFK Developments in Leeds. In all my years in public life, I have never come across a council getting involved in property transactions in this way and using public funds to facilitate the aspirations of a private company.

Also in the last financial year the accounts show that the council sold to CFK Investments, for £650,000, the Kwik-Fit premises in Osborne street, which the council had bought in the past because it forms a crucial part of the landholding for the entire redevelopment of the Vineyard Gate area. I have not been able to find any evidence that the council put this property on to the market or sought competitive quotes, a process which in all my 34 years of holding elected office has always been carried out in accordance with local government best practice and legislation.

A search of Companies House shows that last year a company was formed to take forward development proposals for that part of St. Botolph's quarter now known as Vineyard Gate. This company takes the name Vineyard Gate Developments Ltd. Its registered offices are at Calder Grange, Knottingley, West Yorkshire. This company is a joint venture between Caddick Developments Ltd, of the same address, and CFK Developments Ltd of 20 Park Place, Leeds.

At the time CFK acquired the Kwik-Fit premises, it is my understanding that neither CFK nor Vineyard Gate Developments owned any sites or property in the Vineyard Gate area, and if they did, it still left the borough council by far the largest landowner in this important redevelopment area, which will form a continuation of the central shopping area. The council had all the key playing cards to determine how the area should be developed.

To the best of my knowledge, the council did not offer for consideration to other potential property developers the fact that it was interested in working in partnership for a major development of this part of the town centre. I contrast this with the way the council, openly and without any secrecy, dealt with other town centre redevelopment projects at Lion walk in the early 1970s and Culver square in the mid-1980s. The council claims that all that it is doing in the St. Botolph's quarter is

adopting supplementary planning guidance. However, what we are witnessing is a total rewrite, on a blank piece of paper, by the Yorkshire developer.

It was only in March this year that the Colchester borough local plan was officially adopted by the council. Yet even before it was signed, let alone before the ink was dry, the council was embarking—in secret debate with a single developer—on what can only be described as a totally different set of proposals for the Vineyard Gate area; and, in the area of the Queen street bus station, with promoters of the visual arts facility, on a location and design that bear no relation to the original masterplan proposals.

In respect of supplementary planning guidance, the advice that I have been given by the House of Commons Library, quoting from the Government planning policy guidance on development plans—PPG12—is that it states quite clearly:

"Supplementary Planning Guidance (SPG) does not form a part of the Plan. It can take the form of design guides or areadevelopment briefs, or supplement other specific policies in a plan. . . . SPG should be prepared in consultation with the general public, businesses and other interested parties, and their views should be taken into account before it is finalised."

I hope that I have said sufficient to convince the Deputy Prime Minister that every aspect of the St. Botolph's redevelopment proposals in Colchester, ranging from the visual arts gallery being built on the site of a scheduled ancient monument to whatever plan emerges for the Vineyard Gate development, should be put before a public planning inquiry so that people and organisations with an interest have the opportunity to express their opinions. That the council has behaved in a secretive way is obvious. There has not been transparency. The public have been misled. Only a public planning inquiry will retrieve the situation.

3.49 pm

Mr. Tony Colman (Putney) (Lab): I have two issues to raise in this Christmas Adjournment debate. They are disparate, but linked by the need for democratic accountability. I have requested Adjournment debates throughout the autumn period, but I have been unsuccessful in the weekly ballots.

I start by thanking and congratulating the Department of Transport on the lead role it took at the recent International Civil Aviation Organisation general assembly in ensuring the right of European states, including the UK, to set appropriate tax, emissions charging and trading regimes to control and reduce worrying greenhouse gas emissions from aircraft. I draw the House's attention to early-day motion 412 on aviation and climate change, which addresses that issue.

For my constituents in Putney, the Christmas break and the subsequent reduction in the number of planes landing and taking off at Heathrow airport over south-west London offers at least some partial relief from the everyday intrusion of annoying aircraft noise. Like many of my constituents, I have read—and re-read—the Government's air transport White Paper, searching for signs that aircraft noise at Heathrow will be controlled and reduced and that local air quality will improve permanently in the future.

Unfortunately, as hon. Members will already know and acknowledge, despite there being a limit of 480,000 flights annually at BAA plc's largest airport, the White Paper makes it clear that the Government are investigating doing away with runway alternation, which at the moment offers some relief for those who live around Heathrow. My constituents understand and rely on the small but welcome noise reduction that that operational procedure allows and are totally against its removal.

The Department for Transport has also, I am informed, set up a team called project Heathrow, which is examining ways of facilitating and ensuring the construction of the proposed third runway to the north of the existing airport. That runway would in fact be a whole new airport, requiring substantial terminal facilities. Although tough legal, EU-based local air quality limits appear to make that proposal difficult to conceive, my constituents find it hard to understand just why the Department for Transport is acting as air quality consultants, airport logistical planners, ground transport planners and overall strategic consultants for the expansion of Heathrow beyond limits agreed through the planning process for terminal 5. Will BAA plc be sent the substantial bill for all that departmental effort? And can we be told exactly how much "project expand Heathrow" is costing?

Perhaps even more importantly, the close symbiotic relationship between the Department for Transport and the aircraft and airline industry that it promotes robs my constituents of any independent, unbiased oversight of the Department's work programme, often described by those civil servants involved as "delivering the White Paper". I suggest to my hon. Friend the Minister that there might be a case for the Department for Environment, Food and Rural Affairs taking over the policing of the air industry from the Department for Transport, to ensure the independence that my constituents would like to see in consideration of the expansion of Heathrow.

The White Paper is due for review during 2006. Will the Government promise to look thoroughly, perhaps through an independently led inquiry, at the need to strengthen the oversight and audit procedures, about which I am extremely concerned? As matters stand, the development of Heathrow appears to be unchecked and unchallenged.

My final concern on this first point is the thorny question of night flights. For many of those living in Putney, night noise from aircraft is a painful intrusion akin to nightly torture. There was a mass meeting in Putney Methodist church in November, attended by many hundreds of my constituents desperate to ensure that night flights are abolished. I congratulate Wandsworth council on organising that meeting. A similar meeting was also held in Battersea. I see my hon. Friend the Member for Battersea (Martin Linton) in his place and I know he was at that meeting, which was equally well attended and at which opposition to night flights into Heathrow was equally strong.

At the moment the Department for Transport seems unable to respond adequately to the need to begin to reduce night flights for entirely valid public health reasons. The ultimate authority on sleep disturbance and community noise exposure is the World Health Organisat n, as the Department finally acknowledged in its most recent night flight consultation exercise. But

[Mr. Tony Colman]

the Department somehow managed to miss a seminal WHO quotation from the 1999 consultation document, "Guidelines for Community Noise", which states:

"Night time aircraft movements should be discouraged where they impact residential communities".

My constituents are not interested in the Department's latest highly technical wheeze to cram even more flights into Heathrow between the hours of 11 pm and 7 am. We want the Department of Health to intervene to ensure that WHO guidelines and policies on night flights are implemented—not, as the Department for Transport indicates, some time over the next 30 years, but in the immediate medium term. A phased five-year withdrawal of night flights, starting with none between 11.30 pm and 6.30 am, would be a welcome move.

British Airways is running advertisements extolling the virtues of its new beds, in which passengers can sleep soundly. My constituents simply demand the same level of cosseting and look forward to a time when they, too, can enjoy a calm and restorative good night's sleep, courtesy of the air transport industry.

My second point is about Mr. Kassab Al-Rashid, who, with his wife, Amina Kadri—a British citizen—attended an advice surgery that I held in November 2000. They have four lovely children, with a fifth on the way. Mr. Al-Rashid is a Saudi Arabian, who first applied for asylum in 1994, so his approach to me was made on the sixth anniversary of his asylum application. The decision should, of course, have been made by a Conservative Home Secretary before I was elected in May 1997, although I regret to say that my own Government seem to have been as dilatory as the previous Conservative Administration. Incredibly, 10 years on, Mr. Al-Rashid, who campaigns for democratic, Islamic reform in Saudi Arabia, is still awaiting a decision on his asylum application.

I hasten to add that earlier this year, 10 years after his initial application, he was granted indefinite leave to remain, outside the rules, but he is restricted and unable to travel throughout most of Europe, where most of the Saudi diaspora live, because the travel document for which he qualifies as a non-refugee, the Home Office certificate of identity, is not recognised by the majority of our European partners in the Schengen group.

Successive immigration Ministers have assured me that a decision on my constituent's asylum application will be made "soon". In frustration, I endorsed a complaint to the parliamentary ombudsman, who found the Home Office guilty of "serious maladministration". It became clear, too, as a result of the ombudsman's report, that there had been meetings and much correspondence between the Foreign and Commonwealth Office and the Home Office, and that it was, in effect, the FCO that was vetoing Mr. Al-Rashid's asylum. That is in itself a breach of the refugee conventions.

In a blatant example of Executive non-accountability, the Home Office brushed aside the ombudsman's adjudication. As some kind of recompense to Mr. Al-Rashid, the ombudsman suggested that the Home Office give accelerated consideration to a naturalisation application from him, and, in June, I met my hon. Friend the Member for Kilmarnock and Loudoun (Mr. Browne), the Minister for Citizenship and Immigration, to press that compromise on him. Incidentally, I was honoured to be one of the two referees for Mr. Al-Rashid's nationality application. Mr. Al-Rashid's Home Office file resembles in bulk the collected works of Shakespeare. He has been investigated to within an inch of his life, including by the security services post-11 September, and is as clean as a whistle. The "good character" requirements for naturalisation are comprehensively met.

As of now, my constituent has neither asylum, 10 years on, nor nationality, six months on, in the wake of one of the most damning ombudsman's reports I have read in my seven and half years as a Member of Parliament. My hon. Friend the Minister is unable to give me a timetable for the grant of nationality or asylum, and has only recently raised as a difficulty the supposed fact that Mr. Al-Rashid was illegally resident in the UK until the recent grant of leave outside the rules. I have taken legal advice on that point and I am told that it simply would not stand up in court, that Mr. Al-Rashid should at some much earlier point have been given temporary leave to enter, since it was then impossible for any asylum seeker to enter the country legally, and that the Home Office in all other respects has consistently treated Mr. Al-Rashid as though he were legally resident. I am also advised that the Home Office is now clearly in breach of the undertaking given by the permanent secretary to the ombudsman with respect to the nationality application. Mr. Al-Rashid, with pro bono representation, may seek judicial review of the Home Office's conduct of his case.

I would much rather have the matter settled out of court in a timely manner—albeit 10 years on—so I urge my hon. Friend the Minister, even at this late stage, to move forward decisively. I hope that my hon. Friend the Deputy Leader of the House will pass on that message. We must ensure that all applications for asylum and naturalisation are dealt with fairly and speedily, because 10 years is not acceptable, particularly as other more recent cases are being dealt with speedily and fairly.

We are in Iraq, now at the invitation of the UN and the Iraqi Interim Government, to ensure free and fair elections for a new democratic Iraqi Government. I hope that my constituent Mr. Al-Rashid is not suffering because of his same wish for free and fair elections in Saudi Arabia.

3.59 pm

Adam Price (East Carmarthen and Dinefwr) (PC): I wish to focus on the state of the British constitution. It might seem curious for a Welsh nationalist to come to the defence of the British constitution, but desperate times need desperate measures, and this is a matter that goes beyond party politics and must surely concern us all. I refer to the ever-increasing concentration of power by the Executive in fewer and fewer persons' hands at the expense of the independence and authority of other institutions. It is what Lord Justice Woolf meant when he said earlier this year that some of the former Home Secretary's proposals were

"inconsistent with the spirit of mutual respect between the different arms of Government."

As we have seen from the events of recent days, when the judiciary deliver the most damning indictment of this Government's erosion of the most basic liberties,

they are told by the Foreign Secretary that they are simply wrong—which is as close as one can get to the abolition of judicial review by ministerial fiat. As we have also seen, our civil service has become progressively politicised, so that its impartiality and independence are in danger of being sacrificed to Ministers' agendas.

With the erosion of those other institutions, the need for the House to act as a watchdog has never been greater, and neither has its inability to perform that role effectively, as we heard from the hon. Member for Tiverton and Honiton (Mrs. Browning), who has joined our campaign. As Lord Butler said recently,

"We suffer very badly from Parliament not having sufficient control over the executive and that is a very grave flaw".

The delicate system of checks and balances that was meant to prevent the abuse of power has been quietly eroded. It is ironic that that very principle—the separation of powers—is the cornerstone of the new constitution being suggested for Iraq. I quote Paul Bremer:

"Since your Transitional . . . Law has deliberately placed those different . . . powers in multiple hands, the extensive rights guaranteed to each citizen are not dependent on the whims of one person or one small group."

The principle is being embedded in the new constitution in Iraq at the same time as it is being eroded here at home.

The two conventions on which I particularly want to focus are the foundation of a parliamentary democracy: collective Cabinet responsibility and individual ministerial accountability. Let us, first, consider the former—Cabinet Government. We now know that the Cabinet did not even see the Attorney-General's full advice. Notwithstanding that we still have not seen it, the Cabinet was not provided with it. On 17 March—*[Interruption.]* If the Minister would like to contradict me, I shall give him the opportunity to do so, because the fact of the matter is that on 17 March the Cabinet was given only the summary. It is in the Butler report, and it was contrary to the ministerial code, which states, in paragraph 23—*[Interruption.]* I will quote it to the Minister; perhaps he should read it more often:

"When advice from the law officer is included in . . . papers for the cabinet . . . the conclusions may if necessary be summarised but, if this is done,"—

this is the crucial thing—

"the complete text of the advice should be attached."

That did not happen in the Cabinet meeting, so the Cabinet was also misled about the content, inasmuch as the caveats in the Attorney-General's final view were not there for it to see. *[Interruption.]*

The second principle, which is absolutely—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman. I am sure that the whole House is delighted that the hon. Member for Banff and Buchan (Mr. Salmond) is back with us, but it would be appreciated if he were less vocal from a sedentary position.

Adam Price: I am grateful, Mr. Deputy Speaker, for your defence of my hon. Friend the Member for Banff and Buchan (Mr. Salmond), who I am sure was trying to be helpful.

According to the most important convention in the House, a Minister who is shown to have misled Parliament must resign, and the Prime Minister has responsibility for insisting on that resignation. However, a constitutional question clearly arises when the Prime Minister has misled Parliament. Who then should act to protect us? We have identified a curious gap in constitutional conventions because, as events have developed, a Prime Minister with a large enough majority can do pretty much what he or she likes. The Butler report highlighted substantial omissions of evidence on Iraq, but did not argue that the Prime Minister had given positively false information to the press or Parliament. On 18 September this year, however, *The Daily Telegraph* published extracts from a series of newly leaked documents from the Cabinet Office, which, with one exception, were not included in the Butler report. For example, two Downing street memos from mid-March 2002 describe meetings between David Manning, then foreign policy adviser to the Prime Minister, Christopher Meyer, then UK ambassador to Washington, and senior members of the US Administration. They show that the Prime Minister was committed to regime change as a policy objective a full 12 months before the war in Iraq and eight months before UN Security Council resolution 1441. In a letter to the Prime Minister, David Manning said that he told Condoleezza Rice that the Prime Minister

"would not budge in your support for regime change but you had to manage a press, a Parliament and a public opinion that was very different than anything in the States."

In his letter, Christopher Meyer said:

"On Iraq I opened by sticking very closely to the script that you used with Condi Rice last week. We backed regime change, but the plan had to be clever and failure was not an option."

We were told by the Prime Minister all along that the Government's objective was disarmament, and explicitly not regime change by force. As late as February 2003, a decision had not been made to invade Iraq.

The documents also show that UN Security Council resolution 1441 and the inspection regime were designed to provide a trigger for war as part of an explicitly set-out sequence of actions by the coalition, thus creating the political and legal basis for the invasion. In his memo on his lunch with Paul Wolfowitz, Christopher Meyer reported to Downing street:

"I . . . went through the need to wrongfoot Saddam on the inspectors and the UN Security Council resolutions".

Other material in the documents points to an intention to use and arguably abuse the UN route to provide a legal pretext for a predetermined policy of regime change, not peaceful disarmament. In an interview on 14 November 2002, however, the Prime Minister insisted:

"The purpose of our challenge from the United Nations is disarmament of weapons of mass destruction, it is not regime change."

The documents provide further evidence about the advice on Iraq's weapons at the Prime Minister's disposal. For example, in a letter to the Prime Minister on 22 September 2002, the Foreign Secretary referred to a note by Peter Ricketts, the political director at the

[Adam Price]

Foreign Office, which he attached to another letter to the Prime Minister. The note said of the threat:

"The truth is that what has changed is not the pace of Saddam Hussein's . . . programmes, but our tolerance of them post-11 September . . . even the best survey of Iraq's WMD programmes will not show much advance in recent years on the nuclear, missile or CW/BW fronts"—

that is a reference to chemical and biological weapons—

"the programmes are extremely worrying but have not, as far as we know, been stepped up."

Mr. Salmond: For much of my hon. Friend's speech, the Deputy Leader of the House has been giving a running commentary of disagreement. Would my hon. Friend be interested—I would—to learn which fact the Deputy Leader of the House wants to dispute?

Adam Price: Indeed, and the Deputy Leader of the House could help all right hon. and hon. Members by putting copies of the documents in the Library, so that we can all read them in full.

On 16 July 2002, the Prime Minister told the Liaison Committee that

"as more negotiations go on and he"—

Saddam Hussein—

"fails to comply, and you know that he is developing those weapons of mass destruction, then . . . you are entitled to draw the conclusion that this threat is growing not diminishing."

On 24 September 2002, he told the House that Saddam Hussein's WMD programme was "active, detailed and growing". Yet the note from Peter Ricketts said that the programme was not growing. There had been no change in the pace of the programme and it had not been stepped up.

The Cabinet Office documents were leaked for a reason: so that Members and the public know the truth about why and how we were taken to war. Members of the senior civil service know that the penalty for inconvenient truth telling can be very severe. There is now a high-level investigation into the source of the disclosure of those documents, and it has all the hallmarks of a Clive Ponting-like witch hunt. It is a tragic fact that the only people in public life who have lost their jobs as a result of the Iraq war are people such as Andrew Gilligan, who "got it mostly right", to quote the former chair of the D notice committee, whereas those such as the Prime Minister got it mostly wrong and are still in post. That brings me back to the constitutional question.

If the collective Cabinet system is no longer functioning and if Parliament is impotent, we are nearer to the elective dictatorship that Lord Hailsham referred to more than a quarter of a century ago. We are trampling on the constitutional conventions. Parliament is being increasingly sidelined, ignored and treated with contempt. We believe that it is time that Parliament restored public confidence in our ability and responsibility to hold the Prime Minister to account. As "Erskine May" said, impeachment

"is a safeguard of public liberty well worthy of a free country".

In the new year, it is time to revive the tradition of upholding the most basic principle that Ministers must tell the truth to MPs, elected by the people.

4.13 pm

Mr. Ian Cawsey (Brigg and Goole) (Lab): I want to make a contribution on the development of wind farms in and around the north of Lincolnshire. None has been approved, but there are plans, or at least expressions of interest, to build wind farms that would lead to up to 176 turbines to be grouped mainly around a small area—a place known locally as North Axholme—although there is another controversial application for a site near the village of Elsham in my constituency. Hon. Members may wonder why one small part of the country gets so many applications in one go.

Mr. James Plaskitt (Warwick and Leamington) (Lab): There is a lot of wind.

Mr. Cawsey: I wish that that there were the case in some respects. When tests were run, it was found that the area was rather low on wind. Hon. Members may call me a simple chap, but people might think that that would be key to building wind farms in an area. Apparently, the answer is to build higher turbines, with bigger blades, and the problem is overcome. Of course, that just increases local people's concerns. A so-called gold-digger syndrome might be more important. A company comes into an area, does all the research and tests, and the plan becomes a viable option, so other companies start to think that the work has been done. More and more hon. Members may see similar trends in their own constituencies.

In the relatively short time that we have, I do not want to debate the principles of and reasons for promoting renewable energy—those are not in doubt—but I want to talk about the process involved in locating wind farms. There seems to be general agreement across all the main parties that wind has a role to play, and I want to consider some of the comments that have been made in that respect.

The Government's view is straightforward. There is a 10 per cent. target for renewable energies to be in place by 2010, and that is a move from 0.7 per cent. in renewable energy output when they came to power in 1997. Of course, renewable energy is not just wind. In the debate in the House on 25 October, my hon. Friend the Minister for the Environment and Agri-environment pointed out that the Government have invested £500 million in non-wind renewable energies, £117 million in offshore wind farm technology, £60 million for energy crops and biomass energy, £31 million for photovoltaic energy cells, £12.5 million for micro-power schemes and £50 million for marine renewables. All of that is welcome, but many of the technologies are relatively new and are still developing. In the same debate, my hon. Friend the Minister for Energy and E-Commerce pointed out that, with the progress that is being made in renewable energy sources that are not related to wind, the best that we can hope for by 2010 is a third of our target being met by those technologies and another third being provided by onshore or offshore wind.

I thought of those points at the weekend following the climate change conference in Argentina at which the hon. Member for South Suffolk (Mr. Yeo), who leads for the Conservatives on these matters, said that he thought the Government had to do more on renewable

targets. Given the limitations of non-wind development that my hon. Friend the Minister for Energy and E-Commerce had already referred to, that has clear implications for the number of wind farms that will be required to meet the target.

In my area, North Lincolnshire council has the job of dealing with many of these applications or certainly has a say in them. On its website, the Conservative deputy leader of the council, Councillor Liz Redfern, whom I seem to have known for more years than either of us would care to remember, says:

"North Lincolnshire Council is supportive of the need to reduce the dependence on fossil fuels to reduce the impacts of climate change and global warming."

She adds that the council is committed to wind developments that

"are well planned and take account of their impact on communities and the environment."

That led to something happening in December last year that is a bit like Christmas in that it happens only once a year. The council had a unanimous resolution in which all the political groups accepted the need for renewable energy and the fact that wind farms should be part of it but should not dominate too much in one particular area.

In the debate in the House on 25 October, the hon. Member for Lewes (Norman Baker), who was leading for the Liberal Democrats, was taunted by Conservative Members who said that the Liberal Democrats' policy on wind farms was to support them except when they were in their areas, when they always opposed them. That led to the hon. Gentleman saying that he understood that that was the Conservative party's policy. In this pantomime season, perhaps it is a bit of "Oh yes, you are; oh no, you aren't." However, he said that the Liberal Democrats regularly support wind farm applications all over the country and went further to say that the party's policy was that there should be a presumption in favour of wind farms when applications are made. In support of that view, he said that public opinion was 80 per cent. in favour of wind farms.

I have just finished consultation of my own and my annual report in which I wrote to 30,000 households to ask my constituents what they thought should happen with wind farm technologies. In some respects, the 80:20 split came out about right, but it is interesting that the 80 per cent. who supported wind farms were split almost equally between those who wholeheartedly supported them and did not mind how many there were or where they were, and those who believed that the principle of wind farms was a good one but that there should be a limit on their number in any one area. That is the point that I want to develop today.

We seem to have got ourselves into the position in which the decisions as to where larger farms will go will be made by the Department of Trade and Industry while smaller ones will be the subject of planning applications to the local authority. The Government have, of course, come up with policy planning statement 22, which is an attempt to try to ensure that the process is clear and understood and that people have the right to have their say in it, but the issue becomes difficult when several local authorities cover a geographic area and the size of wind farms is different.

My hon. Friend the Member for Doncaster, North (Mr. Hughes) and I share a part of the country in which there are a number of applications on the go. When we visited the then Minister for Energy, E-Commerce and Postal Services, my hon. Friend the Member for East Ham (Mr. Timms), we said that the position was such that his Department would determine some applications, and North Lincolnshire council, Doncaster metropolitan borough council, East Riding of Yorkshire council, West Lindsey district council and North Yorkshire county council would determine the others. However, that would often happen with no regard to what other councils or the Department were saying. There was a salami, or a slice-by-slice, process, so we said that the area would be overridden with wind farm applications because no one was trying to find out what would happen if they were all accepted. I fear that the system that has been put in place does nothing to address that problem.

Following our meeting, the Minister helpfully sent an official from his Department to meet local constituents, the campaign groups that had been formed and other people with a great interest in the proposals for the area. The official asked whether they would think that it would be a good idea if the Government were to approve what he called a cumulative environment impact assessment, whereby the applications could be considered together so that sensible decisions could be based on all proposals. Everyone thought that that would be a good idea, and he returned to Whitehall. It was a shock when he wrote a few weeks later to say that unfortunately that could not be done. That was greatly frustrating, because although I accept that he did not definitely say that such an assessment would happen, people thought that they had been offered something but it was taken away at the last minute.

We have had a change of Minister since then—the post of Minister for Energy and E-Commerce is now held by my hon. Friend the Member for North Warwickshire (Mr. O'Brien)—and I have met him and his officials to discuss the matter again. It is clear that it is relevant to not only the Department of Trade and Industry but the Office of the Deputy Prime Minister, because it involves planning applications and planning law. I understand that officials in those Departments are working together to determine whether a cumulative system could be put together for future applications. I hope that they can do that because I am sure that the situation in North Lincolnshire will develop in other constituencies, so we need a transparent and up-front system for the fair consideration of all such applications.

During Trade and Industry questions last week, the Minister for Energy and E-Commerce helpfully said that the Department was considering the matter and that he hoped that something would come forward soon. I hope that that will happen sooner rather than later, because local authorities are under pressure to determine applications that are under their control. They have targets and deadlines to meet and developers can take action against local authorities that do not reach decisions in a specific period. They want guidance so that they can do the right thing for their communities. We need the guidance now, and I hope that my plea will be taken up by the Department so that a system can be developed to assess the overall impact on an area, thus

[Mr. Cawsey]

protecting towns and villages throughout our country from inappropriate and over-the-top wind farm development.

4.23 pm

Mr. David Amess (Southend, West) (Con): I wish to make several points about justice before the House adjourns for the Christmas recess. Justice is a concept with which I find it increasingly difficult to grapple. The Prime Minister must have found it difficult to choose whether to be in Iraq or this country on the day when a report was issued on the conduct of his colleague, the former Home Secretary. Much of today's talk of justice has much to do with the former Home Secretary. I am sure that hon. Members will note that there have been several ministerial resignations since 1997. When Ministers resign, they usually say that they have done nothing wrong, so Ministers who resign obviously experience a great sense of injustice—I feel for them.

When the war in Iraq was first mooted, the then leader of my party held meetings with the Prime Minister at which he was given access to intelligence. I have never pretended to be a defence expert, so when the then leader told us that we should vote for the war, I accepted completely what he said. Some of my colleagues might say that I was naive, but I accepted that the weapons of mass destruction were directed towards us and other countries, and the point about the 45 minutes in the dossier. What has happened since fills me with horror. We now know that what the Prime Minister told us simply was not the case. In the 20-odd years that I have been an MP, when a Minister—not least, the Prime Minister—gives information to the House that is not accurate or as it should be, he or she resigns. That just has not happened, and the House and the country accept it. Absolutely extraordinary.

I therefore joined others on Tuesday 23 November in tabling a motion of impeachment against the Prime Minister—the first impeachment since the battle of Trafalgar. The following day, we were joined by the novelist Frederick Forsyth, author Iain Banks and representatives from Military Families Against the War to promote the need for impeachment. I still firmly believe that there is no alternative. The Prime Minister has destroyed the fundamental principle of parliamentary democracy by not resigning. I and many other colleagues are determined to preserve constitutional government in the United Kingdom. We intend to stand firm, because the rules of constitutional conduct have been brushed aside. The Cabinet table has been replaced with the sofa, Cabinet minutes with e-mail, and the facts with belief. I will not be a party to what is happening now, whereby the general public feel, time after time, that Members of Parliament are letting them down.

I also seek justice for my constituent Maajid Nawaz. This time last year I visited Maajid in prison in Cairo. He has been sentenced to five years, accused of belonging to the Islamic Liberation movement, which is not a proscribed organisation. I recently spoke with his mother, Abi Nawaz, who is desperate to have Maajid, Ian Nisbet and Reza Pankhurst transferred from prison in Egypt to prison in the UK. I recently wrote to Baroness Symons of Vernham Dean, requesting her to raise the matter with the Egyptian authorities. I am delighted that she is doing so. I very much want the families of the three men to meet her. It would be an excellent opportunity for the Government to keep them up to date on what the authorities are doing on their behalf. I ask the Minister to thank the noble Baroness for what she is doing.

I ask for justice for the family of Jo Martinson, a 19-year-old woman killed in a car crash on 14 November 2001. The gentleman driving the car responsible for the accident had one eye, no licence, no MOT certificate, no insurance and defective brakes. After three years of campaigning, I still have not received justice for her family.

The Solicitor-General has been sympathetic. Indeed, we have debated the matter. In a letter to me, she said:

"There is no indication of a continued investigation into the status of the seized excise licence or any request for advice by the Crown Prosecution Service in respect of a charge of fraudulent use of an excise or indeed any associated offence. I understand that no specific advice was sought from the Crown Prosecution Service by Essex Police regarding this allegation. As you are aware, it is the responsibility of the police to investigate allegations of criminal offences. In the normal course of events, the police investigate such offences without reference to the Crown Prosecution Service."

The sad fact is that, understandably, as the Solicitor-General said,

"the police in this case were concerned about whether there was any evidence to implicate"—

we shall call him Mr. X—

"in the fatal road incident. The senior crown prosecutor who advised the police concentrated on those aspects of the case, but did indicate in his advice that other Road Traffic Act offences were made out."

The family are devastated by that. The Solicitor-General continued:

"Unfortunately, I am not able to say why the police did not commence proceedings in respect of a possible fraudulent use of a vehicle excise licence. I can only speculate that it may have been overlooked as investigators and prosecutors concentrated on the more serious allegations."

She went on to make personal remarks. A mistake was made, and there was a week's delay in dealing with the matter. That is very difficult for the family to cope with.

I seek justice for pedestrians and people who ride on buses. Many of us have observed bendy buses in London. I tried to table a question about them, and I was told that the matter is the responsibility not of a Minister but of the Greater London authority. I have witnessed two bad accidents involving bendy buses. They are 18 m long and I cannot believe that anyone in their senses could authorise their use. Invariably there are very few people on them and they will have disastrous effects for pedestrians. Our roads simply are not made for these 18 m buses.

I seek justice for those people seeking money from the national lottery. Southend, West is in the bottom three of the 659 constituencies in benefiting from funding, but we are not the third wealthiest constituency in the country.

I seek justice, finally, for the unborn child. I feel increasingly that life is very cheap these days. I am pleased that the Government intend to make allowances for new clause 1, which has all-party support, to the Mental Capacity Bill. However, I could hardly believe

Baroness Warnock's statements. She thinks that assisted suicide should be legal; that the very frail should, like elephants, slink away to die quietly; that doctors, when asked to assist in such cases, should refer to their conscience; and that parents who want to keep premature babies with unviable lives on life support machines should pay for that.

My wife and I thank constituents, friends and colleagues for their support at a difficult time for our family. I wish everyone a very happy Christmas, and good health, peace and prosperity in the new year.

4.33 pm

Mr. Kevan Jones (North Durham) (Lab): I am pleased to have the opportunity to return to an issue that I raised in last year's Christmas Adjournment debate—the scandalous way in which certain solicitors and claim farmers are raiding miners' compensation in my constituency and other mining constituencies throughout the country.

In last year's debate I raised the case of Mark Gilbert Morse, a Newcastle-based law firm that was not only charging costs to clients but reclaiming the cost of cases from the Department of Trade and Industry. I am pleased to report that, since the intervention of the Law Society, that company has paid back to my constituents the money that it owes them. The Law Society continues to investigate the way in which the firm is operating. Since that debate, the issue has been raised by many right hon. and hon. Members who have coalfield or former coalfield constituencies and pressure is being brought to bear on lawyers to pay back the money that should not have been deducted.

Another element that has emerged is the activities of claim farmers—middlemen who are not legally qualified and who have plundered huge amounts of compensation for, in many cases, doing nothing but registering a claim and passing it on to a firm of solicitors. In a Westminster Hall debate on 26 October this year, I raised the case of my constituent, Mr. Jobes, who signed an agreement with a company called Industrial Disease Compensation Ltd of Ashington, which, following a successful claim, deducted almost £3,000 from Mr. Jobes's compensation in return for simply passing the claim on to a Liverpool-based law firm, Silverbeck Rymer. During that debate, I challenged IDC to pay back the money, but to date the company has been silent. IDC cannot justify deducting the money—there was no risk to the claim farmer or any reason to deduct £3,000 from Mr. Jobes's compensation. The Law Society is still investigating the case—it was the solicitors who actually deducted the money—but, alas, IDC continues.

The company has moved on from the coalfields to other areas of industrial compensation in the north-east and elsewhere. It is now involved in pursuing asbestos compensation claims. It is difficult to find out what IDC does for the money apart from register people's claims, then pass them on to solicitors, but, with the permission of my hon. Friend the Member for Jarrow (Mr. Hepburn), who knows of my interest, I shall highlight the case of Mr. Vincent Mullen of Jarrow. He responded to an advertisement placed in a local newspaper by the company—now called FreeClaim IDC—inviting people to attend a free screening session to see whether they were suffering from asbestos-related disease. On attending the session at the Quality hotel in Boldon in August, Mr. Mullen was asked to sign a document to progress the claim. No alternatives were put to him—for example, that he could approach his trade union, which would do it for nothing—nor was it made clear to him what he would get in return for signing the agreement. On reading it more closely, Mr. Mullen discovered that if his case was successful, he would have to pay £399 to IDC—again, it was not clear for what the payment would be made—so he withdrew from the agreement and pursued his case through his union, Amicus, which dealt with the claim for nothing. Subsequently, however, Mr. Mullen was landed with a bill for £587.50 with a threat of court action by IDC to cover its costs.

Such cases are a scandal. It is about time that the Government legislated against or regulated claims handlers. Such companies are not covered by any legislation and they fall outside the Law Society's remit, although I accept that the Law Society has a role to play because, as the cases that I have detailed show, IDC is passing on cases to firms of solicitors, although whether IDC is charging or receiving a fee for doing so is unclear. At least one well-known Newcastle law firm, which I believe does work for the Transport and General Workers Union, is also doing work for IDC.

Many people—I know this from experience of the cases that I have dealt with in my constituency—go along to such screening sessions. They think that the people offering advice are legally qualified or have some legal background. In fact, they have none. They are acting as middlemen to pass on claims.

The Law Society is calling for regulation. I agree with its chief executive, Janet Paraskeva, who said in a recent article that the Law Society

"always advises anyone who believes they have a genuine claim to contact a solicitor. If solicitors step out of line they are answerable to the Law Society. Claims farmers are answerable to no one, and the public has no comeback against shoddy performance."

As I have said, I concur with that view. I would strongly suggest to anyone in the north-east who thinks that they have an industrial injury or an industrial disease that they should first go through their trade union, if they are a member of a trade union, or go to a reputable firm of solicitors, of which there are many in the north-east, and cut out the middlemen.

The Government need to legislate. I understand that they have given the "industry" a year to tidy up its act, but that is not good enough. People are being misled. They are being ripped off by characters who are doing nothing apart from registering a claim and passing it on to a firm of solicitors. I agree that there is an onus on the Law Society to start regulating its members. It needs to examine the relationship between its members and claim farmers.

Urgent action is needed if we are not to see more people being misled, certainly in former industrial areas such as the north-east and in former coalfields. Unless that action is taken, we shall see more and more people being ripped off and losing the compensation that they deserve because of the industrial injuries that they suffered through no fault of their own in their working lives.

I wish all Members a happy Christmas. That includes your good self, Mr. Deputy Speaker.

[Mr. Kevan Jones]

4.41 pm

Mr. Edward Garnier (Harborough) (Con): I will not take up the remarks of the hon. Member for North Durham (Mr. Jones). Instead, I will revert to an issue that has been touched upon this afternoon by the hon. Member for East Carmarthen and Dinefwr (Adam Price) and by my hon. Friends the Members for Southend, West (Mr. Amess) and for Tiverton and Honiton (Mrs. Browning).

On 23 November, the first day of the Session, I and a number of other right hon. and hon. Members tabled a motion calling for a Select Committee to examine the work and conduct of the Prime Minister that led to the decision to invade Iraq in March 2003, with a view to considering his impeachment. We intend to keep the motion on the Order Paper—motion 37 on today's Order Paper—until the matter is resolved by debate on the Floor of the House. It is a process that survives the general election and one that focuses more accurately on particular conduct of the Prime Minister for which he personally must answer.

For a cross-party group of Members to contemplate the impeachment of the Prime Minister is to invite derision from Government loyalists, pitying but concerned smiles from self-proclaimed political realists and yawns from those who believe that there are many more interesting things for grown-up Members to be getting on with.

The first reaction is understandable. The paramount rule in the political jungle is survival, and any available weapon is a good one. Ridicule is the most effective tool, even when borrowed by those way down the political feeding chain. It brings with it a sense of moral and intellectual superiority. In 21st-century Britain, the very word "impeachment" suggests the troubles of the favourite of Charles I, the Duke of Buckingham, or men in 18th-century wigs spending almost a decade arguing over Warren Hastings's life of luxury in far-off India. It is a process lost in the mists of history with no purpose in our advanced parliamentary democracy, which is sustained by universal suffrage and the discipline of general elections.

The Prime Minister's sexual morality is unimpeachable, so the Clinton example has no relevance to us. "Go ahead, make my day," says the Blairite, with the confidence that comes through sticking his thumbs into his belt loops. For the realist, one has only to ask, "Can we impeach the Prime Minister?", to know the answer. Of course not. Labour has a vast majority, this is a political question and the tribal loyalty of party in the Commons will outweigh the merits of the case, whatever its qualities. It simply will not work. We will sort out the Prime Minister at the general election. That is when he will be held to account.

As for the yawners, the third category, they have never applied their minds to much and they are not going to start now. One cannot argue with them, so they are best ignored. The survival of the praetorian guard depends upon the survival of the emperor and they will die in the ditch. It is the realists whom we must persuade to see where reality and our constitutional duty lie.

In doing so, we must not allow ourselves to fall into the trap set by No. 10, which wants us to forget the reasons for invading Iraq used by the Prime Minister in his Commons speech in March 2003, to forget what we now know he knew or ought to have known then, and to concentrate only on the benefits for Iraq that have flowed from the war. It wants us lazily to accept that any criticism of the Prime Minister for his conduct in taking us into the war is to tolerate, if not positively to support, the tyrannical regime of Saddam Hussein, and to be an opponent of the war and a disloyal critic of our brave troops. It wants us to believe that because the Prime Minister has been exonerated of bad faith or dishonesty by the narrowly focused Hutton and Butler inquiries, his integrity in all things and at all times is not open to doubt.

For me, the argument in support of our motion to inquire into the grounds for impeachment is not based on the wrongness of going to war. If it were, I would not support it. It is based upon the need for Parliament to check the Executive, and to remind even the most powerful in our country that they are not supreme and ourselves that a functioning parliamentary democracy depends on trust and truth.

President Bush told the American people why he was leading his country to war. Whether one agrees with him or not, no one can accuse him of saying one thing in 2002, something different in early 2003 and yet something else in 2004. Examine our Prime Minister's record over the same period and ask yourself, Mr. Deputy Speaker, whether he can claim to have been as consistent or as candid with Parliament, the parliamentary Labour party and the public as the President was in the United States of America. Did the Prime Minister know, do and say things in the lead-up to the war that were inconsistent with what he told us?

There are, of course, good and obvious reasons for any British Prime Minister to want to remain on good terms with the United States. It is in our national interest to protect our shared values and achieve our joint goals. Our long-standing alliance with America is neither a mistake nor a serendipitous chance of geography or history but based on a cool assessment of how our country's present and future can best be secured. But what the Prime Minister did was to say one thing here and another to the Americans. While not insulting Mr. Bush like the French, we have a right to expect that the Prime Minister's first loyalty should have been to the truth and the British public through the House of Commons.

The Prime Minister made a number of claims about Iraq from early 2002 onwards that drew upon the authority of the intelligence services for their validation. He told us he had knowledge of the facts that he could not, for understandable reasons of national security, share with us. He stated:

> "I am aware, of course, that people will have to take elements of this on the good faith of our intelligence services, but this is what they are telling me, the British Prime Minister, and my senior colleagues. The intelligence picture that they paint is one accumulated over the last four years. It is extensive, detailed and authoritative."—[*Official Report*, 24 September 2002; Vol. 390, c.3]

The Prime Minister led us to believe that Saddam possessed strategic weapons of mass destruction that were a threat to the region, the wider world and our own national interests, and that he would use them unless we

defeated him. The secret intelligence proved as much, said the Prime Minister. He asserted in early 2002 that Iraq had

"stockpiles of major amounts of chemical and biological weapons".

The assessment of the Joint Intelligence Committee at the time was that Iraq

"may have small quantities of agents and weapons."

The Prime Minister stated that the United Nations inspectorate was reporting that WMD did exist, whereas in fact it was saying no such thing.

The Prime Minister stated that Iraq's illicit weapons programme was on the increase, when the intelligence suggested it was not. The Prime Minister misreported the United Nations inspectors' findings so as to portray further inspections as futile. The invasion, he said, was sanctioned by international law because Saddam Hussein was in breach of numerous Security Council resolutions, and in particular 1441. He claimed that material found after April 2003 was part of a secret Iraqi weapons programme, although there was a lack of intelligence to support this assertion.

Today we are told that the reason for the war was to get rid of Saddam's regime. We are reminded how much better things are for the previously down-trodden people of Iraq, and anyway, everything the Prime Minister did and said was based on good faith. As for the first reason, barely a month before the invasion the Prime Minister said in the House that Saddam could stay in power if only he complied with United Nations Security Council resolutions, so presumably regime change was not a decisive factor behind the invasion. We now know, of course, that that was very much in the Prime Minister's mind in 2002. The second point may well be true, but rather depends on whether one lives in Kurdish Iraq or Basra, or Falluja or Mosul. As to the third, present retrospection is less persuasive than earlier introspection.

I voted with the Government in March 2003 because I believed that the Prime Minister was advancing a case for war based on the unvarnished truth and because I could not believe that any Prime Minister, particularly one who had put so much store on his personal trustworthiness, could do otherwise. If the Prime Minister had already committed our country to war in a private deal with the President of the United States in 2002, he should have told at least his Cabinet at the time, and Parliament when he made the case for war in March 2003.

It is the constitutional duty of all Members of Parliament—Government and Opposition Members—to hold the Government to account. I accept that that task is made difficult in Westminster, where the Executive largely sit in and on the Commons. The Government have an enormous majority over all other parties and, save for a few notable exceptions, it has been a supine majority that has forgotten, if it ever knew, that it should do more than lamely follow its leader. I believe, and I sincerely hope, that the realists are beginning to get real.

We lack accountability in the House not only in respect of the Executive but, briefly to refer to another matter, in respect of other bodies that should be accountable to us. I am thinking, in particular, of the Civil Aviation Authority and I refer to the speech of the hon. Member for Putney (Mr. Colman), whose constituents complain about night flights coming in and out of Heathrow. What he may not know, but I and my constituents do know, is that the East Midlands airport—laughingly called the Nottingham East Midlands airport, despite the fact that it is situated wholly within the county of Leicestershire—now has more night flights going in and out of it than Stansted, Gatwick or Heathrow. Yet only those three airports are designated under the Civil Aviation Act 1982.

I cannot persuade the Government—either because they will not listen, do not want to listen or do not care about the people of Leicestershire—to designate the Nottingham East Midlands airport, as it cares to call itself. Only if the Secretary of State for Transport takes control over matters concerning the ingress and egress of flights into and out of NEMA will my constituents gain any degree of comfort. The voluntary agreements between NEMA and the North-West Leicestershire district council—a worthy but powerless body in the face of the commercial might of this vast airport company owned by 10 local authorities in Greater Manchester—are inadequate. The company has no interest whatever in Leicestershire other than the fact that it owns a piece of real estate there, in and out of which it can fly aeroplanes in order to increase its profits and, no doubt, mitigate the council tax bills of the people of Manchester. That might be of interest to the Minister, whom I see in his place on the Front Bench.

It is essential that the Civil Aviation Authority does its duty to the people of Leicestershire by making itself accountable through the Secretary of State and by making the organisation behind NEMA accountable to the people of Leicestershire. That can happen only if the Government adopt a vigorous approach. Until they realise how serious an issue it is for my constituents, whose quiet enjoyment of their lives is being destroyed, I will continue to press the key issue—the hon. Member for East Carmarthen and Dinefwr and many other hon. Members have also stressed it—of holding the Government and the Executive to account in this Chamber day in and day out.

4.53 pm

Mr. Lindsay Hoyle (Chorley) (Lab): I want to take this opportunity to wish everyone in the House all the best for Christmas and an exceptional new year as well. That applies to the Doorkeepers, the police, security officers and all the other staff who are greatly needed in the House. We should express our thanks to them and wish them all the best.

I send my best wishes to the fifth medical unit, which is based in Preston and has been sent to Iraq, and to the Territorial Army unit from Chorley, which is backing it up. I wish them all the best during these troubled times. As a medical unit in a very difficult situation, it will have to put up with a lot. The staff will want to ensure that they deliver the best medical treatment not just for our own forces, but for the Iraqi people.

It is important that hon. Members are allowed to raise all sorts of matters in this House, and I can think of nothing more important than the naming and amalgamation of regiments. A consensus about a new name used to exist between the King's Own Scottish Borderers, the King's Regiment (Manchester and

[Mr. Lindsay Hoyle]

Liverpool) and, most famous of them all, the Queen's Lancashire Regiment. Three colonels, backed by MPs from Liverpool, Manchester and Lancashire, signed a letter in support of adopting the name the Royal Lancashire Regiment. That would have been a great name to go forward with. It is a disgrace that that consensus was somehow destroyed when it arrived on the Army Board's desk.

The board ignored the wishes expressed by Members of Parliament and the regiments, and the result was the convoluted name the King's Lancashire Border Regiment. A proud county like Lancashire should have its own regiment, and not have to bend the knee to Cumbria. After amalgamation, 90 per cent. of the new regiment's members will come from the county palatine of Lancashire but, somehow, the tail represented by the remaining 10 per cent. has managed to wag the dog. That is unacceptable. I hope that my hon. Friend the Deputy Leader of the House, who is sitting on the Front Bench, will make the Secretary of State for Defence aware of the disgraceful new name and ensure that there is a chance to debate it. I hope that we can change the name to reflect the consensus that had been reached, and that we can do so quite quickly.

Another matter very important to the good people of Lancashire is textiles. The procurement of Army uniforms is very important for the textile industry. In time of need, our armed forces were well served by the textiles produced in Lancashire's factories, but we now discover that a bridal wear company in China has tendered to provide battledress. That is unacceptable. How can a company specialising in wedding dresses produce battledress? The sample produced for tender purposes did not come from the factory in China, but from somewhere else. The battledress order has been given to a state-owned factory in China, which will produce specialist camouflage for our armed forces, and that is unacceptable.

People may say that anybody can make camouflage clothing, but that is not true. The print involved is very specialised, as is the chemical treatment given to the material to ensure that personnel are better protected at night. They cannot be seen through night-vision goggles, as the chemical treatment prevents heat being released, and good camouflage helps soldiers to blend in with their surroundings. We are putting all that at risk by giving the battledress order to a state-owned factory in China. That is not on. Why should a subsidised factory in China be given such a contract? We would not supply China's army, because of that country's human rights record, but somehow we find it acceptable for China to supply uniforms for our armed forces. That is not good. The matter needs to be examined immediately and the contract brought back to the UK. Every other European country ensures that uniforms for their armed forces are provided by domestic manufacturers. I hope that my hon. Friend the Deputy Leader of the House will take that on board, as I know that he also has a constituency interest in this matter.

While on the subject of procurement, I must say that I am delighted by the tranche 2 Typhoon contract, which could not have come at a better time for the north-west. Many companies, from Scotland to Cornwall, will benefit, and it is very important that the contract should go ahead. As well as securing jobs in the north-west, it will also ensure that specialist skills will be retained. It will show that Britain remains at the cutting edge of aerospace technology.

The aerospace industry is especially important, and the time has come for my right hon. Friend the Secretary of State for Trade and Industry to make sure that it is a strategic investment for the future. We must not let it disappear as we let the textile industry disappear. I hope that the jobs that we have secured will in turn attract the future investment needed to ensure that we do not fall behind in the aerospace technology race. Of course, there is technology transfer from military to civil producers and we must keep that. We must not lose jobs throughout the country, whether it be from BAE Systems, Bombardier in Northern Ireland or Rolls-Royce in Derby. We have to protect jobs because they mean so much to this country.

Ministers must be accountable to the House. It is only right that Members should expect them to come to the House to address the issues of the north-west. People rightly ask why we still have Grand Committees for Wales and for Scotland. We have them because they allow MPs to bring Ministers before them to address them on matters of importance to Scotland and Wales. Surely, what is good for Scotland and Wales should be good for the north-west and other regions. We ought to extend Grand Committees to all the regions, allowing us to ask Ministers to explain why they are or are not investing in our regions. The time has come to give more power to Back Benchers to scrutinise Ministers on behalf of their regions and to find out why investment has gone where it has.

The M6 is of obvious importance to me. It is the major link from Scotland to the south. At Lancashire, though, there are new plans to create four lanes from Birmingham to Warrington. From Warrington, going north to south Preston, however, there will be three lanes. We will end up with a bottleneck second to none. It will remind us of the bad old days in Birmingham. If we are making the motorway four lanes, why on earth not do that from Preston, where several motorways join, right down to Birmingham? That would ensure that we do not have a bottleneck.

Railways are also important. I hope that the Strategic Rail Authority will recognise that Euxton station will be funded by the developer. It is a former royal ordnance site of 900 acres. Some 2,500 new houses will go on to the site and there will be new businesses and 10,000 jobs. One would have thought that to make all that sustainable, which it is meant to be, a new railway station would have been built. The money is there, but the SRA has said that it might put 35 minutes on a train journey to Buxton. The authority has come up with every reason why the station cannot go ahead. The time has come to stop messing about. Let us get on with the job. Let us spend the money the developer has put in. Let us ensure that the people who will use Euxton—where there is plenty of park and ride, whether they are going into Manchester or Preston—will benefit from the station. In addition, the station at Coppull was closed under Beeching, but there is huge demand for it to reopen to give the west coast main line another station, thereby increasing accessibility.

I am trying—we all are—to fit in everything today. Farmers are important, but dairy farmers in Lancashire have suffered badly because of supermarkets. For beef cattle, poultry, pigs or whatever, supermarkets are screwing down the price all the time. That is not sustainable for farming in the United Kingdom, and it certainly is not sustainable for farmers in Lancashire. I feel sorry for the dairy and poultry industries, which are having the screws put on them by supermarkets. The time has come for supermarkets to recognise that farming has to make a profit and has to be sustainable. Otherwise, we cannot expect the quality that we put into farming, which ensures welfare rights for animals that other countries do not provide. If we are not careful, farming will become another forgotten industry. I plead with the Minister to ensure that the Secretary of State for Environment, Food and Rural Affairs meets the supermarkets to ensure fair farm-gate prices for the benefit of all and for the future.

5.3 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I wish to raise three issues that are currently causing a good deal of concern among many of my constituents.

The first issue dates back to 14 November, although the history goes back somewhat further. It arises from the Lyons review that considered where Government offices should be located. Its direct impact on my constituency began on 14 November with a visit from the chief executive of the Benefits Agency to the disability benefits centre there. He notified the staff of the intention to close the centre in Sutton during 2005 and to relocate its work and, if they so wished, its staff to Blackpool. In all, the decision will affect approximately 350 staff, many of whom are my constituents and those of my hon. Friend the Member for Carshalton and Wallington (Tom Brake).

The disability benefits centre covers most of the south-east of England—most of south London, and counties such Kent, Sussex, Hampshire and also the Isle of Wight. The services for which it is responsible are not only the processing of benefit applications and the bureaucratic processes involved in administering payments—it also provides outreach and home visiting services. How on earth will those services be provided from Blackpool? One of the concerns of many of my constituents who work in the centre is that the change in service delivery will result in a reduction in the quality of service that many disabled people receive. That message was put to me and my hon. Friend the Member for Carshalton and Wallington when we met about 70 staff at a meeting in their canteen last Friday. They put forcefully their concerns about the reduction in service and their understandable anxieties about their own futures.

The meeting led me and my hon. Friend to table early-day motion 438, which is on the Order Paper today. The staff feel that the selection of the Sutton disability benefits centre has been arbitrary. Where is the business case that justifies the closure? Where is the rationale behind the decision? I am led to believe that the centre is among the best performers on the performance measurements that the Department uses. So how will delivery of the service be maintained or, indeed, improved?

For the 350 staff affected by the decision, especially part-time and low-grade staff, there is the added uncertainty about finding another job in the civil service in the Greater London area when the Government are looking to export more jobs out of the area. There appears to be a lack of co-ordination between Departments about how the downsizing in London is to be worked through.

I was told that there was a possibility of finding jobs in Croydon, which is very near to my constituency—for example, at the Home Office. On further inquiry, it turns out that the Home Office is also shedding jobs, and doing so in Croydon. So people are competing for the finite number of jobs that are opening up in London. In my part of London about 830 people from Jobcentre Plus schemes, the disability benefits centre and so on are looking for redeployment opportunities.

The Lyons report is the driver behind all this, but no evidence has been presented to staff or Members of Parliament to justify the proposal to close the centre. I hope that, before the 90-day consultation is concluded, the Department for Work and Pensions will publish the business case so that we can see whether what is proposed stacks up. We can then discharge our responsibility as Members of Parliament to scrutinise the Government, hold them to account and ensure that they deliver value to the taxpayer and a better service for disabled people.

I also have concerns about the continuing programme of post office closures affecting not only my constituency but those of many hon. Members. Just yesterday, I received a letter from the Post Office Ltd confirming the intention that it had announced earlier this year to close post offices in Cheam and Belmont in my constituency. That is bad news for my constituency and for the villages of Cheam and Belmont. It is bad news that results from a bad decision-making process. The process is fundamentally flawed.

The Post Office's so-called network reinvention programme is a euphemism for closures. It poses as a strategic assessment of the need for comprehensive postal services in a particular community. However, when we look more closely at what the Government and the Post Office are doing, it is clear that they are taking the path of least resistance. They call for volunteers at the beginning of the process and they dangle a juicy carrot to encourage those volunteers to come forward. As much as £60,000 is on offer to postmasters to give up their licences or franchises and go out of business. The process is driven by postmaster preference and, of course, once postmasters have volunteered to be part of the consultation exercise they have to sign a contract to say that if Post Office Ltd decides to proceed with closure—despite what might be overwhelming evidence against closure—they will close. Postmasters have no choice at that stage in the process.

In September, when the Post Office began the consultation in my constituency on its area plan, we had 13 sub-post offices. The Post Office proposed to close six of them. The consultation closed on 20 October and it took the Post Office just two weeks to come to the view that it would be okay to go ahead with the closure of three of those post offices—Angel Hill, Church Hill road and Oldfields road—thus punching a hole in the local suburban network in my constituency. Those closures will make it more difficult for the elderly, the disabled

[Mr. Paul Burstow]

and many local businesses to gain access to postal services. The consideration of the representations—submitted by Postwatch, the council and many others—was clearly limited and it fuels the impression among my constituents that the whole process was a sham. It is not genuine consultation and will not result in the overturning of any decisions. They have already been made.

Why should my constituents bother getting involved in campaigns to try to persuade the Post Office? Thousands signed petitions and hundreds wrote letters, but the news this week has come as a further blow to the traders and residents in Belmont and Cheam villages. Services will be withdrawn and it will be more difficult to gain access to pensions, benefits and all the other services post offices provide. I raise the issue because of my constituents' frustration. They thought that they had embarked on a genuine process of dialogue and consultation with the Post Office, but the reality has become clear as they learn, days before Christmas, that by the end of January most of their postal services will be gone.

My final point is also about consultation, and again I fear that it is a sham. It concerns the provision of sheltered housing in my constituency, especially that provided by Croydon Churches housing association through the schemes Distin court, Grace court, Hepworth court and Knight house. Last year, the housing association embarked on a best value review of its sheltered housing schemes. It found, not surprisingly, an overwhelming desire among tenants to retain resident wardens in their schemes. Tenants felt that resident wardens provided peace of mind, security and comfort. However, events have moved on and an employment tribunal in the London borough of Harrow concluded that, in a scheme provided by that local authority, the period of time during which a resident warden was required to remain on site on call was working time for the purposes of the working time regulations.

The Harrow judgment has been used as a pretext for withdrawing resident wardens and introducing non-resident wardens. The legal position is not clear and the interpretation of the working time directive by other employment tribunals has led to completely different answers. However, Croydon Churches housing association has prayed in aid that particular, non-binding decision by an employment tribunal to railroad residents into believing that they should accept a lesser service, despite the fact that two or three years ago they were promised that the service would be maintained as it is today. I ask the Minister for his assistance in seeking support from the Office of the Deputy Prime Minister in finding ways to ensure that housing associations embark on a serious dialogue with their tenants. We must, of course, comply with the working time directive, but it should not be used as an excuse to reduce the quality of service and the peace of mind that a resident warden service provides.

I end with this point. There is concern that the service to be introduced from April 2005 will result in people receiving a warden service for fewer than 15 hours a week. Under the concessionary television licence scheme, those people pay only £5 for a licence because they have resident wardens. As they will lose their resident warden, they may lose their TV licence concession, so not only will they lose the quality of life benefits and the peace of mind provided by the service, they will also end up paying more.

I ask the Deputy Leader of the House for assistance in pursuing that matter with Croydon Churches housing association, to persuade it to reopen consultations and to have a serious dialogue with the tenants to find a way through that enables them to retain residential wardens for the quality of service that that gives them.

5.15 pm

Dr. Rudi Vis (Finchley and Golders Green) (Lab): I have spoken about Cyprus and Turkey in Adjournment debates on many occasions, so it should be no surprise that I come back to those matters today, so soon after the meeting of the European Council in Brussels on 16 and 17 December and the Prime Minister's statement only yesterday. At the end of my remarks, I shall put one straightforward question, as I did not receive an answer from my hon. Friend the Deputy Leader of the House to the question I put in a previous Adjournment debate.

I have no objection whatever to Turkey eventually joining the European Union. I am not opposed to the majority faith in Turkey. On the contrary, currently the only positive reason for the commencement of accession negotiations might be that Turkey is a Muslim country. In many other respects, Turkey still fails miserably and has a long way to go.

Despite all that has been said recently, I shall quote from the Prime Minister's statement yesterday. He said:

"The European Council agreed that Turkey should begin negotiations on 3 October 2005, during the British presidency of Europe. Before this happens, however, Turkey will need to complete its latest reform package. The Turkish Prime Minister, Mr. Erdogan, confirmed during the European Council that he was ready to sign before 3 October the protocol to the Ankara agreement extending the European Union and Turkey customs union to the 10 new EU member states. That does not constitute formal legal recognition of the Republic of Cyprus."—[*Official Report*, 20 December 2004; Vol.428, c. 1921.]

The last line of that quotation is disturbing: there will be no formal legal recognition of a full member of the EU by an aspirant member when accession negotiations are supposed to start, on 3 October 2005.

In reality, now that Cyprus is a full member of the EU, there is no longer a Cyprus problem—there is a Turkey problem about Cyprus. I shall now quote from the statement of the President of Cyprus, Mr. Tassos Papadopoulos, made two days ago on Sunday 19 December, on the outcome of the European Council. He said:

"The decision of the European Council incorporates Turkey's commitment to sign the Protocol for the expansion of the Customs Union, so as to apply also in respect of the Republic of Cyprus before October 3, 2005.

First, this commitment is included in the Conclusions and not in an accompanying text and has exactly the same weight and importance as the other provisions of the Conclusions. Second, and perhaps more important, is the fact that it is a necessary prerequisite that Turkey has to fulfil before the start of accession negotiations on October 3, 2005."

President Papadopoulos continued:

"The Protocol does not constitute a simple procedural multilateral agreement. It covers a wide range of issues, such as the movement of people and goods, agriculture, all kinds of transport and many other issues."

I quite understand the specifics to which President Papadopoulos referred, and the protocol of course requires EU negotiations, but bilateral negotiations will also have to be held. President Papadopoulos clearly indicates that the bilateral negotiations require a formal, legal recognition of the Republic of Cyprus by Turkey. Will my hon. Friend the Deputy Leader of the House clarify this matter? Is there to be formal, legal recognition before 3 October 2005? If the answer is no, Cyprus might well veto the talks on 3 October 2005.

I finish by wishing you, Mr. Deputy Speaker, all hon. Members and all staff season's greetings and a prosperous new year.

5.20 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): May I say how much I have enjoyed the past five hours or so, listening to the many and varied contributions, and how lucky the Deputy Leader of the House is to draw this duty? He even has the opportunity to reply to them, which is an added bonus. It has been a very enjoyable experience indeed.

I should like to take up the strong thread of concern that has been one of the features of this Adjournment debate and follow the hon. Member for Southend, West (Mr. Amess), the hon. and learned Member for Harborough (Mr. Garnier), the hon. Member for Tiverton and Honiton (Mrs. Browning) and my hon. Friend the Member for East Carmarthen and Dinefwr (Adam Price) in reflecting the anxiety felt by many of us across the parties about the need to emphasise Executive accountability to Parliament by laying a case for impeachment against the Prime Minister, as reflected in motion 37 on today's Order Paper on the conduct of the Prime Minister in relation to the Iraq war.

I also noted in Labour Members' contributions two informed speeches by the hon. Members for Ilford, South (Mike Gapes) and for Halifax (Mrs. Mahon) that, although they were made from different perspectives, were both excellent.

I, too, saw the Prime Minister's press conference this morning in Baghdad. I noted that after the last question the Prime Minister asked the interpreter to wait until the press conference had finished before delivering the interpretation. The television commentator said that the security advice was that the live part of the press conference had gone on long enough. It struck me at that point, reflecting on what the hon. Member for Ilford, South said, that it is inconceivable that the Prime Minister could have believed that the consequence of launching a war in Iraq in the early part of last year could be a situation where tens of thousands of people are dead, where the country is in a state of carnage and chaos and where even within that bubble of security it is not possible to continue a press conference for any length of time because of security considerations.

The other feature of that press conference that I noted was that the phrase, "weapons of mass destruction" was never mentioned. As the hon. and learned Member for Harborough said, many people would like us to experience collective amnesia about the fact that last year the House and the public were told that WMD were the casus belli for the war.

I want to base my remarks largely on the excellent pamphlet that I have in my hand, "A Case to Answer," which was commissioned by my hon. Friend the Member for East Carmarthen and Dinefwr and written by two academics, Glen Rangwala and Dan Plesch. Hon. Members will remember that Glen Rangwala was the academic who discovered last spring that the dodgy dossier—the plagiarised PhD thesis—was dodgy. Dan Plesch is well known. He is an honorary fellow of Birkbeck college, university of London, and a visiting research fellow at the university of Keele. He is a widely read historian, author and commentator.

The authors of the document present the substantive body of evidence that requires the House to take seriously the motion on the Order Paper and to call to account, in terms of our own self-respect and in terms of our own proceedings, the Executive and the Prime Minister in particular.

The case is that the Prime Minister made 28 statements about Iraq's weapons that were not supported by the intelligence assessments available to him. To give but one example, on 17 September 2002, his chief of staff, Jonathan Powell, wrote in an e-mail that when publishing the intelligence dossier the Government needed to make it clear that

"we do not claim that we have evidence that he—Saddam Hussein—is an imminent threat".

One week later, however, when the Prime Minister presented the dossier to the House of Commons, he said that the threat was "serious and current". It is impossible to reconcile the e-mail from the Prime Minister's chief of staff with the statement that the Prime Minister made to the House a week later.

Twelve occasions documented in "A Case to Answer" show that the Prime Minister failed either to disclose available counter-evidence or to ensure that it came into the public domain. I was particularly struck by Saddam Hussein's ill-fated son-in-law, Hussein Kamel, who was often cited by the Prime Minister as providing evidence for the possession of weapons of mass destruction. However, we now know from the Butler inquiry that British intelligence had access to information that that gentleman gave the UN weapons inspectors on 7 August 1995, when he said that he had personally ordered the destruction of weapons of mass destruction. That information proved to be correct, but the point is that, although available, it was not presented to the House or to the wider public.

Butler expressed great surprise at the failure formally to withdraw material that was found to be false until much later in the process. As my hon. Friend the Member for East Carmarthen and Dinefwr pointed out, even now the Prime Minister is disinclined to tell us when that particular fact became available to him. Finally, on the question of whether the Prime Minister entered into an agreement with the United States without the consent of Cabinet, Parliament or the people, when my hon. Friend offered evidence that he had, the Deputy Leader of the House became particularly agitated and appeared to disagree with him, even though my hon. Friend quoted from a series of leaked e-mails and documents from reliable Executive sources.

[Mr. Alex Salmond]

I was struck by "Plan of Attack" which was written by Bob Woodward—who was involved in a previous impeachment—with the compliance of the White House, and describes events in September 2002. It states:

"On the morning of Sept. 7, 2002 Blair left London on a transatlantic flight to see Bush at Camp David. In Blair's conversations with Bush, it was increasingly clear to the Prime Minister how committed Bush was to action . . . Bush looked Blair in the eye. 'Saddam Hussein is a threat. And we must work together to deal with this threat, and the world will be better off without him.' Bush recalled that he was 'probing' and 'pushing' the Prime Minister. He said it might require—would probably entail—war. Blair might have to send British troops. 'I'm with you,' the Prime Minister replied, looking Bush back in the eye, pledging flat out to commit British military force if necessary, the critical promise that Bush had been seeking."

If we believe that account or, even more pertinently, the other information now in the public domain, it is nothing like what the House of Commons was then being told. Any reasonable person—that may, or may not, include the Deputy Leader of the House—would at least conclude from the dossier and the mass of information that there was a process whereby the House was not told the truth and that there is a case to answer. Some people say that that should be done through an election, but elections are conducted on many issues. The Prime Minister and the Leader of the Opposition agreed at their respective party conferences that the key issue was one of trust.

I hope indeed that the key issue in the general election is one of trust. I have the results of a System Three Scottish opinion poll that asked which party is trusted in Scotland. The fieldwork was carried out on 27 October, and the Scottish national party came top. The "don't knows" came second, then Labour, and then the Liberals. The Conservatives had 7 per cent., which seems a bit high to me, and then came the other parties. Given that the Prime Minister identified the lack of trust in him as an issue that results from the Iraq war, I hope that the election will be about trust because that would influence the result and I would be very happy indeed. I suspect, however, that the election pattern in Scotland will not exactly reflect that question of trust but reflect other issues as well. An election is about many issues, not one in particular.

Some people say that there should be a vote of confidence, but such a vote is about confidence in a Government, not the actions of an individual Minister or a Prime Minister. Many Labour Members would gladly replace the Prime Minister with the Chancellor of the Exchequer if they could, but if it came to a motion of confidence in the Government they would vote loyally with the Government. Some people say that the matter should be, or has been, settled by inquiry, but there is something profoundly unacceptable about inquiries whose terms of reference and personnel are chosen by the person who should be inquired into. That is not the case in any proper judicial process.

Lastly, this issue comes down to whether impeachment remains to us in the parliamentary armoury. I am grateful to Lord Murray for some information that is pertinent to our consideration of that issue. In April 1977, a motion at the Young Liberals' annual conference in Weston-super-Mare was unanimously passed that called on the then Liberal leader, David Steel, to introduce a Commons motion to impeach Ronald King Murray, who was Lord Advocate for Scotland at the time. Presiding over that conference was a young man called Peter Hain, who is now, of course, the Leader of the House of Commons.

Ronald King Murray, now Lord Murray, notes:

"I remember the suggestion to impeach me, which was, of course, entirely misconceived . . . It is, nevertheless, perfectly permissible to move an impeachment motion in the Commons, and I do not think a debate can be avoided."

He went on to say that, in his opinion, impeachment remains part of the parliamentary process; indeed, it is an essential part of calling a Government to account. The evidence is there and the case needs to be answered. A shadow will be cast over the body politic until we parliamentarians find a way to make progress, and if we are to act with self-respect, we shall do just that.

5.32 pm

Mr. James Plaskitt (Warwick and Leamington) (Lab): I wish to return the House to development and planning, which several hon. Members mentioned earlier in the debate. I particularly appreciate the opportunity to do so on this occasion because it is timely. I understand that the Office of the Deputy Prime Minister is reviewing certain aspects of the planning regulations that are relevant to the issue that has arisen in my constituency.

The issue that we are struggling with comes from a group of people whom I label demolition developers—speculative developers who come into the area in search of perfectly good existing properties, offer the owners a considerable multiple of their values, buy them up in blocks and demolish the lot, replacing them with a much denser development.

Leamington Spa, which is part of my constituency, seems to have been targeted by demolition developers—in particular, Cala Homes—who have made repeated efforts to buy up groups of houses for exactly that sort of development. Some of the efforts we have successfully resisted; some we have not. In particular, a classic example—again, involving Cala Homes—on Lillington road was surprisingly lost on appeal, although it was fiercely resisted by the local authority and the community.

The problem when such applications succeed is that they result in inappropriate developments that are clearly in conflict with the character of the area and that significantly alter the landscape of the town. Our objection is not simply nimbyism in the sense that we do not want development of any sort. The local authority is certainly not opposed to development. We have seen a great deal of it, a lot is taking place and there is a lot more still to come.

We fully accept that there are pressures in our area that lead to the requirement for development and we are more than happy to respond to them. We have the benefit of enjoying a very vibrant economy, we are a highly favoured area for business location and our unemployment level is down to about 1 per cent. We completely understand the pressures that arise from that for first-time buyers. We accept the need to embrace development to respond to those pressures. However, the point is to have the right development in the right

places and to allow development to take place in such a way that we can maintain the integrity of the community and architecture and, indeed, the balance of the community.

We believe that it is possible for development and conservation to run alongside each other; they are not necessarily incompatible. The issue that we face is this: is the planning system adequate to allow our local authority or any local authority in similar circumstances to resist the demolition developers? In searching for an answer, one inevitably begins with PPG3, as last redrafted in March 2000. At first sight, it says the right things. For example, it says:

"Assessments of housing need which underpin local housing strategies and local plan policies are matters for local authorities to undertake in the light of their local circumstances."

That is what I would expect to find in a planning guidance note.

There is also helpful advice on development. PPG3 says that

"local plans . . . should identify sites for housing and buildings for conversion and re-use."

I would also expect to find that. The guidance is also useful on re-use, referring to policies

"to identify and bring into housing use empty housing, vacant commercial buildings and upper floors over shops."

Throughout the note there is much emphasis on using "previously developed land", and that is helpfully defined in the third annexe as

"land which is or was occupied by a permanent structure. The definition covers the curtilage of the development."

A helpful footnote even defines "curtilage"

"as the area of land attached to a building. All of the land within the curtilage of the site will also be defined as previously developed."

It has been suggested that PPG3 is the problem behind the ambitions of the demolition developers, but a careful examination of the guidance note shows that that is not the case. The crucial definitions predate the guidance and go back all the way to 1975. The definition of "previously developed land" has not changed in more than 25 years.

What else can we do to shore up our defences against the demolition developers? To research this, I approached my right hon. Friend the Minister for Housing and Planning, who wrote to me in March 2004 to provide extremely helpful clarification. His letter discussed his Department's interpretation of PPG3 and said that

"this doesn't mean through our policies we want to give carte blanche to new development . . . Our aim is well-designed residential developments that do not compromise local environments.

He added:

"Outside Conservation Areas, where the emphasis is on preserving the area's original character or appearance, it would be wrong to have a blanket ban on new development or rule out intensification . . . But this doesn't mean every and any site will be suitable for housing development . . . PPG3 does not intend a free-for-all . . . Considerations of design and layout must be informed by the wider context, having regard not just to immediate neighbouring buildings but the townscape and landscape of the wider locality."

He then helpfully went on to comment on demolition by saying that the Government

"are looking at the ability of local authorities to control the demolition of houses as part of our review of permitted development rights."

I referred to a recent incident on the Lillington road, where despite the council's objection the case was lost on appeal. The inspector said that local planning policy on intensification was overridden by PPG3, but that does not square with my understanding or, I think, that of the Minister, given the letter that I cited. PPG3 does not offer any encouragement to undertake such development. Nothing in the definition of previously developed land has changed. Decisions should be taken with reference to local policy, but we have the problem that that seems to be overridden by inspectors.

I still ask whether there is adequate protection against such speculative development. I am sure that our local planning authority could do more, although I am pleased that it has agreed to produce a supplementary planning guidance note. I have examined several such notes. For example, our neighbouring authority of Solihull has produced a note that deals effectively with the problem. However, we need further assistance from the Government, especially on demolition. I stress that perfectly good existing residential properties that are occupied, not derelict, are being demolished. The controls are insufficiently strong, although I appreciate that the situation is being examined and that the Town and Country Planning Act 1990, which currently governs the demolition of existing properties, is being reviewed. The Act currently permits the demolition of dwelling houses.

The Office of the Deputy Prime Minister is undertaking a consultation on the matter. It has thrown up the fact that there is a

"lack of control of demolition of locally important but unlisted buildings outside conservation areas."

The consultation document seems to recommend that there should be a change because it says:

"The desirable outcome in this case would be to enable control over demolition to a sufficient degree to protect the character and built heritage of areas . . . an amendment to control demolition of all buildings outside conservation areas would offer important benefits in situations where other potential forms of control have been insufficient."

I hope that the Deputy Leader of the House will tell us when the consultation process will conclude and when we may expect regulations on demolition to change.

In summary, we are asking for help to build stronger defences against the demolition developers. They are more interested in profit than posterity, so we must act to defend our local architectural integrity. Our architectural integrity has made Leamington Spa attractive, so short-term profiteering should not undermine the bequest that has been handed down by previous generations. Our ancestors developed our town with sensitivity, and that is what we want to be able to do.

5.43 pm

Tony Baldry (Banbury) (Con): I hope that the House will note that today is the 200th anniversary of the birth of Disraeli. It would not be right for the House to adjourn for Christmas without recalling Disraeli's many achievements and his quotation,

"power has only one duty—to secure the social welfare of the People".

[Tony Baldry]

The House might think that the matter that I wish to raise is local, but it has wider ramifications. I want to draw it to the House's attention because I never want it to be said that I was wise after the event. A couple of years ago, when asylum seekers were coming through the Channel tunnel from Sangatte, the then Home Secretary responded to nightly television coverage of the event by deciding to establish what were initially to be several trial accommodation centres for asylum seekers throughout the country. He decided that the centres would be situated outside the south-east on land owned by the Government. At the time, some 80,000 asylum seekers were coming into the country every three months. There was a trawl of the Government estate and a number of sites were identified, including one in my constituency on the outskirts of Bicester.

The House will understand that for the two neighbouring villages the prospect of an accommodation centre housing 750 refugees, when their combined population was about 750, was not met with unalloyed joy. It seemed that the right response was to petition Parliament for a public inquiry, which is what people did. A petition was signed by about 15,000 people, asking for nothing more than that there should be a public inquiry into the Government's proposals.

In due course, a public inquiry was held. One of the important things about a public inquiry is that people have to turn up and put forward rational arguments. One cannot make nimbyist or xenophobic arguments. They have to be based on why such a development should not go ahead on planning grounds. The Government and Home Office Ministers thought that it would be a shoo-in because the inspector would rubber-stamp their recommendations. In the event, having heard the evidence, which took some days to give, the inspector recommended to the Deputy Prime Minister and the Office of the Deputy Prime Minister that the development should not go ahead on a number of grounds.

The Deputy Prime Minister overruled that and decided that because it was Government policy, he would grant planning permission. The matter became a subject for judicial review, first to the High Court and then to the Court of Appeal, which found in favour of the Deputy Prime Minister, simply on the narrow grounds that because the land originally belonged to the Ministry of Defence, and was therefore Crown land, the Government could do whatever they liked with it without reference to planning norms, which should concern every Member of Parliament.

Time has moved on, and I hope that the new Home Secretary will take time over the Christmas break to review the relevant papers and consider whether it is not time to think again. The number of those claiming asylum status is down to 8,000 every three months—a substantial fall. The cost of building the accommodation centre is estimated at about £60 million, which is a substantial sum.

The Government have never managed to find a single organisation to support the project. The Refugee Council said only the week before last that it was wholly inappropriate for the needs of refugees. The idea that one sticks 750 asylum seekers in a transit registration processing camp in the middle of the countryside for up to six months is inappropriate. It is also a curious use of public money when Bullingdon prison, just over the road from the accommodation centre site, now houses 900 men when it was built to house 600. It is substantially overcrowded. We are told that the Home Office budget is so strapped that the governor has no discretionary spending. It is curious that the Government can find £60 million to build an asylum centre that no one who is concerned with the welfare of refugees believes is appropriate when we cannot find money to ensure that our prisons are kept in proper repair and are not substantially overcrowded.

As there has been such a substantial change in circumstances, with the number of migrants claiming asylum status dropping from 80,000 every three months to 8,000—a tenfold decrease—I hope that the Home Secretary and the relevant Minister of State will use the Christmas break to consider whether the centre is necessary. I ask them to think again.

That is the thrust of my remarks, and I hope that the Minister will promise to raise the matter with his Home Office colleagues.

5.49 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): It is a great pleasure to speak in this Christmas Adjournment debate. Christmas is a time for families, and I want to spend a few moments this afternoon reminding the House of the position of the families of the British nationals who are still detained in Guantanamo Bay.

As Members of the House know, the United States continues to detain hundreds of people in its naval facilities at Guantanamo Bay. The first of them were transferred there towards the end of 2001, so a number have been there for over three years. Originally there were nine UK nationals held in Guantanamo Bay. Fortunately, earlier this year five of them were released, but there are still four British passport holders there. They include Martin Mubanga, Feroz Abbasi, Moazzam Begg and Richard Belmar. Martin Mubanga, Feroz Abbasi and Richard Belmar are based in London, and I have had the privilege of meeting their families. The House of Commons needs to imagine what those families are going through this Christmas knowing that their loved ones are holed up in Guantanamo Bay with no immediate prospect of release.

As the US lawyer of one of the British detainees has said, these are individuals who have suffered a great deal of physical abuse, stress and torture, because—and this is the main point that I want to make to the House—all the evidence suggests that torture is going on in Guantanamo Bay. The essential position is this: by these detentions the United States Government have made a deliberate attempt to create a legal black hole into which they can place any foreigner for as long as they choose. The theory developed by Pentagon lawyers was that detainees held at Guantanamo could be treated entirely as the Executive saw fit. Indeed, in argument in the federal courts, the lawyer appearing for the United States authorities asserted that even torture, if it was perpetrated by the US authorities at Guantanamo, would not fall within the jurisdiction of civilian courts.

When the lawyer said that, the world did not know about the scandal of Abu Ghraib, but it is now clear that the disgraceful conduct there had its roots in an

interrogation system first developed and used at Guantanamo, and still, as far as we know, being used there. The techniques used there, as has come out in recent months, include stress; duress; manipulation by subjecting detainees to extremes of light and heat; threatening with dogs; attempts to force detainees to sign false statements; sexual assault; stripping; lengthy interrogation of detainees while they are shackled to the floor like dogs; failure to allow detainees to use toilet facilities with the result that they excrete on themselves; chaining detainees in a hog-tie position; mocking detainees' religious beliefs; and withholding basic items such as clothing and blankets.

It is no wonder that the Red Cross, which has the most access to the people held in Guantanamo, has dubbed that treatment torture. The treatment of the detainees at Guantanamo Bay, including the four British nationals to whom I referred, flouts every major human rights convention that the US and Britain have signed since the second world war. It also subverts the fundamental protections of liberty dating as far back as the 13th century and the Magna Carta. The Bush Administration, despite the findings of their own Supreme Court, continue to evade the application of any due process to the detainees. Guantanamo is the United States' domestic gulag.

We know from those British detainees who have been released, the young men who lived in Tipton, what is the US authorities' approach to evidence and confession. Two of the British detainees released, Rasul and Iqbal, had, according to the Americans, confessed to meeting Osama bin Laden and appearing in a video with him. Fortunately for them, MI5 established that their confessions, which the US insisted were genuine and could be the basis of a prosecution, were not only unreliable but false because there was a video showing that the two men, far from meeting Osama bin Laden, were working in a shop in Birmingham at the time. We can only imagine the sort of torture to which the two young men were subjected to force them to make confessions that could have resulted, had they not been released, in their losing their lives. We can only imagine the current conditions for British nationals and others who although not British nationals were British residents, and who are still held in Guantanamo Bay.

Even when one talks to Ministers, one encounters misconceptions about what is happening at Guantanamo Bay. One of the most common things one hears about the British nationals held at Guantanamo is that they are people who were in the wrong place at the wrong time—what were they doing in Afghanistan in the first place? It is important to note that two of them were not in Afghanistan at all: Martin Mubanga was arrested in Zambia and Moazzam Begg in Pakistan. The notion that George W. Bush and some Ministers like to put about, that the detainees were scooped from the killing fields of Afghanistan, is quite false. In that context, it is also important to remember that, at the commencement of the Afghanistan conflict, there was in the country a large community of aid-workers and religious pilgrims who had no military intent. When the American forces offered huge financial rewards to local Afghans in exchange for the capture of foreign fighters, many of those people—simply because they were foreign, not because they had anything to do with al-Qaeda—were scooped up and handed over to obtain the money.

As for the security threat posed by the detainees, three years after America put them behind bars it seems clear that the only information coming out of Guantanamo Bay has been extracted in the form of confessions. Against the background of international organisations categorising the interrogation techniques used there as "tantamount to torture", and given that the confession made by Shafiq Rasul and Asif Iqbal was proved to be false by MI5, there is real reason to believe that no weight can be attached to the information and that, furthermore, the confessions would not stand up in a court of law.

There was a time when no British Government would have stood by and allowed British nationals to be detained for so long without being charged and with no prospect either of being charged or of due process. No one is suggesting that the men should simply be released; all that is being suggested is that, as British nationals, they are entitled to due process. Yet despite the fact that Britain is supposed to be America's closest ally in the war against terrorism, we cannot even obtain due process for our own nationals. I believe that Guantanamo Bay, like Abu Ghraib, undermines the moral case presented for the war against terror.

I would not want to leave the subject of America's very own gulag without mentioning Belmarsh. We have heard what our own judges have had to say about the Muslim detainees at Belmarsh prison. At the weekend, newspapers reported that the evidence on which they are being held is mostly based on hearsay and guilt by association. I can do no better than quote what a Member of the other place said about the laws that led to the detention of those people in Belmarsh. Lord Hoffman said:

"The real threat to the life of the nation, in the sense of people living in accordance with its traditional laws and political values, comes not from terrorism but from laws such as these."

Whether the people in question are British nationals detained at Guantanamo Bay or the unfortunates detained in Belmarsh under laws that our own judges have stated are contrary to the European convention on human rights, it cannot be right, nor can it strengthen our war against terror, to hold people indefinitely without charging them or allowing them access to proper legal representation, and without due process. In the case of Guantanamo, we cannot ignore the serious allegations of torture. We, the British Parliament, must not let another Christmas go past with British nationals being held in that gulag in Cuba without due process and in the shadow of torture.

5.59 pm

Bob Spink (Castle Point) (Con): Merry Christmas, Madam Deputy Speaker.

As Christmas approaches, I shall speak about the hospice movement and especially about fair funding. I have raised the issue many times in the House, as hon. Members may recall. I shall continue to do so until there is a satisfactory solution. The national average statutory funding level for adult hospices is about 28 per cent., for children's hospices it is 5 per cent. and for Littlehaven's children's hospice in my constituency it is 1.8 per cent. This is wrong.

It is outrageous that the Government have tried to shift responsibility to primary care trusts. The Government must at least have the courage to admit to

[Bob Spink]

their own policy on hospice funding. Their policy, and the solution to that policy, lies entirely within Government control, yet they refuse to use their powers to change this untenable situation. Littlehaven gets 1.8 per cent. funding from the Exchequer—that is a shameful and almost an insulting amount—yet there are no limits on spending on bogus asylum seekers: social support alone has grown to more than £1 billion from about £400 million since Labour took power in 1997, while funding for my local hospice has fallen over that same period. Local people are aware of these facts.

The Prime Minister has acknowledged that 1.8 per cent. is unacceptable for my hospice, but he has done nothing, after years of my raising the matter with him personally. We are grateful, of course, for short-term fixes such as lottery money and single time-limited grants, but we need more than that. We need long-term core funding that is guaranteed, which we from the voluntary and charitable sectors can supplement through our fund-raising activities.

Conservative policy is to make available 40 per cent. funding for both adult and children's hospices, and I urge Labour to match that. If it does not, I do not see why anyone in Castle Point should vote for its parachuted-in candidate on 5 May. Politics aside, we can all admire the dedication, care and love of all those who work in the hospice movement. Similarly, we admire those volunteers who raise funds to support it. We can all thank the press—the *Yellow Advertiser*, the *Evening Echo* and the *Island Times*—for their campaigns to support our hospices and fair funding.

The hon. Member for Warwick and Leamington (Mr. Plaskitt) talked about demolition development, increased densities and destroying communities and well-designed settlements. I could not agree more with him, but he seems not to have made the House aware that the greatest demolition developer of them all in the south-east is the Government. The Government are seeking to destroy our environment and urban spaces by forcing on my community in Castle Point, for instance, an additional 4,000 houses. There are massive building plans throughout Essex, which is a betrayal of the people of Essex.

The Deputy Prime Minister is responsible for increasing building targets. He seems not to understand that this building will bring in hundreds of thousands of cars throughout Essex. There will be more sewage and waste to be disposed of along with more demand on hospitals, dentists, schools and police. There will be more pollution. This adds up to a disaster for Essex and for my community of Castle Point. That is the key reason why locals will be voting against the parachuted-in Labour candidate at Castle Point, to frustrate the Government's plans to build on our open spaces.

A key local issue is law and order. Under-age drinking is an important factor in antisocial behaviour. I am delighted that what was my private Member's Bill is now one of the most used Acts. Probably it is used almost every day and every night in most constituencies throughout the country. It is a key and indispensable weapon to enable society to deal with antisocial behaviour and street crime. I congratulate the Government on introducing antisocial behaviour orders, which are a key weapon, and also on the exclusion orders and curfew orders, which we in my constituency were one of the first communities to use, and we have used them extremely successfully, but there are two little problems developing.

When young hooligans or thugs—young kids who are bit misguided, as I was when I was a youngster—are given an ASBO and they breach it seriously, the courts must come down on them like a ton of bricks. If the courts give them 20 hours' community service and it has taken the police 120 hours to prepare the case and get it to court, that is a joke and does not give the right message to the other misguided kids who are going the wrong way. I would like to see the courts take much more decisive action. A few custodial sentences to some of the young thugs who take early action to breach their orders would send a strong message to all the others, and the orders will work a lot better.

The second aspect is legal aid. The Government will not tell us how much or by how many people, but legal aid is being used so that young thugs can resist antisocial behaviour orders and to appeal them when they are given. That is a misuse of public funds, time and effort, and we should be developing new systems. I know that the Government have taken the matter on board, and if they need to introduce measures in the House to deal with these matters I hope that those will receive a fair wind from the whole House.

On law and order, I must mention that funding for Essex police is not what it should be. In order simply to stand still, Essex police force needs another £2 million. I see the hon. Member for Thurrock (Andrew Mackinlay), who is as always in his place, nodding agreement, and I thank him for that.

One of the key duties of a Member of Parliament is to care for and be an advocate for vulnerable people. One of the most vulnerable groups is the sick and frail elderly, particularly those who suffer from neurodegenerative diseases such as Parkinson's, Alzheimer's and motor neurone disease, and from the impact of strokes. I note that this week the health service ombudsman brought out a report entitled "NHS Funding for Long Term Care". It is a follow-up to the report published in February 2003. The new report takes forward the work that was done in the earlier one, which found:

> "Some disabled, frail or elderly people, who were in fact eligible, had . . . been denied funding of their health care and accommodation by the NHS and had paid for means-tested services arranged by their local authority."

The ombudsman said that health authorities

> "should trace those people who might be affected . . . and where justified make restitution".

That has not happened as extensively as it might have done. It is not entirely the Government's fault, but they need to refocus on the issue and ensure the Department of Health is doing all it can to achieve that. The new report makes it clear that sufficient efforts have not been made to trace all those people, and those efforts should now be made.

The report also recommends that the Department of Health should review its guidance, making it much clearer who is eligible for funding. That is what the 2003 report stated, but the new report found that the Government did not do this. I am sure that they will

study the report and try to redress the problem. The new report states

"We believe there is a compelling case for establishing clear, national, minimum criteria for determining who is eligible for continuing care funding."

I have a major case in my constituency that I have raised on Adjournment debates on a couple of occasions and through many, many questions. I refer to the case of Derek Curran, which has been covered a number of times in the local press and in the national press—in the *Daily Mail* two weeks ago, for instance. His care is now being paid for—it should have been paid for years ago—but his family have not yet had restitution. That must be paid. The case must be looked at, and all the other cases that are looking to it for guidance will then be able to follow.

It is entirely appropriate for the House to try to defend vulnerable people as we approach Christmas, and there is no more vulnerable group than the homeless in society, so I congratulate Shelter, the Salvation Army and all the other people who work with the homeless. I wish them in particular a happy Christmas.

6.10 pm

Jane Griffiths (Reading, East) (Lab): I want to wish everyone present a very happy Christmas—none of this American happy holidays nonsense. I want to raise a couple of matters that have arisen over the past year that are important to my constituency. I will talk about my constituents' hopes for the future, as we should at this time of year.

I shall start with Crossrail. Since I took part in a debate on the matter in the House just over a year ago, quite a lot has happened. For example, the report by Adrian Montague that we were waiting for then was published this year. Throughout the history of Crossrail, Reading had been envisaged as a western terminus for the scheme, but last year, the company taking forward the proposal—Cross London Rail Links—envisaged the western spur going to Heathrow. There were all sorts of other barmy proposals, such as Richmond, so it was pleasing when the second Montague report reconfirmed that Crossrail offered good value for money and, even better, that the barmy proposal to go to Richmond was precisely that, and should be junked. According to the report, where to the west should Crossrail go? Its conclusion was that the best proposal in terms of financial value was for it to terminate at Reading.

It was therefore a disappointment and a shock when consultation was announced by the Secretary of State for Transport in July on proposals by the Crossrail team for a route that terminated at Maidenhead. Why did that happen? One reason put forward by the Department for Transport was that Windsor and Maidenhead borough council had been screaming and shouting, jumping up and down and demanding that the scheme should come to Maidenhead. At the same time we should remember that, according to the Department for Transport, Reading borough council had not bothered to do anything. Why would the council not bother to campaign for something that would so obviously benefit Reading? To answer that, I am afraid that it will be necessary briefly to intrude on some internal Reading Labour party grief.

The councillor with responsibility for transport for the past two or three years has been Councillor John Howarth—not a man that I would invite to my house to repair my toilet seat. In 2002, however, I invited him and a number of other key players in the Reading area to a meeting to lobby Crossrail to urge it to come to Reading. He attended that meeting and was very unenthusiastic. He spoke only about the Thames Trains services that would be lost if the Crossrail project were to go ahead. As we know, of course, Thames Trains is no more.

In the two years between that meeting and the July announcement, Councillor Howarth made no statement in support of Crossrail coming to Reading, nor did he communicate with Crossrail in support of that. The only communications between Reading borough council and anyone about Crossrail were official responses to the different consultations over that period.

Crossrail is something that I have worked to see happen for virtually the whole time since I became involved in public life in 1989. On my election in 1997, it was one of the key issues that I said I would pursue for the benefit of Reading. It is a very sad fact that, since 1997, Councillor Howarth has been leading attempts to deselect me from my position as the MP for Reading, East—and he succeeded, eventually. It meant that he could not work with me. He could not tell anyone that I had ever done anything good or achieved any successes. The whole thing is really sad. I believe that Councillor Howarth is not fit to hold public office.

Hon. Members will be relieved to discover that another factor related to the Crossrail decision has nothing to do with Reading Labour party. The other reason why Crossrail is not currently planned to terminate at Reading is money. In order for Crossrail to agree to Reading as its western spur, it would be necessary to electrify the track from Maidenhead to Reading. The chairman of Crossrail has said that will add £300 million to the cost of the scheme. That is the main reason cited publicly by the Crossrail team for not choosing Reading, but for a scheme costing up to £10 billion, £300 million is peanuts and cannot, in itself, be the real reason for not selecting Reading.

Reading is a major hub on the rail link connecting the main east-west routes from London to the main north-south routes from Birmingham. Outside London, only Birmingham New Street is a busier station than Reading in terms of people travelling through it every day. Why miss out on connecting with all these other opportunities, and end at Maidenhead, where there are connections with nothing? No, such opportunities should not be missed when their cost adds up to only 3 per cent. of the total scheme. It is clear that some other factor must be involved. In fact there are two, and they are no secret. Earlier this month, I met Crossrail representatives, who told me that the two factors were Reading station, and resignalling.

Network Rail has plans to resignal the area around Reading station, but they will be carried out in the future. I do not think that Network Rail has identified a pot of money in a future budget, so what could be better than having Crossrail pay for the resignalling? Crossrail understands that, and does not want to fund a scheme that, in the end, Network Rail will carry out. Therefore, the second reason why Crossrail will not come to

[Jane Griffiths]

Reading is that it does not want to pay for resignalling. That needs doing but, if Crossrail came to Reading, it might have to bear the cost.

Similarly, Reading is known to be a major bottleneck in the rail system. Its main capacity problems are caused by conflicts between north-south train movements, and east-west movements. The borough council and the Strategic Rail Authority have worked together on proposals to tackle those problems. My right hon. Friend the Secretary of State for Transport gave an answer to a parliamentary question, in which he made it clear that the council and the SRA were preparing a business case for major capacity enhancements at Reading station. Those enhancements would require an order under the transport and works legislation, application for which would be made in 2005. The business case will form part of that application.

If speculation in the local media about the scheme's scope is anywhere near the mark, it would be understandable that Crossrail would be concerned about having the scheme added in to its proposals. As a result, Crossrail—which could deliver substantial benefits to Reading—might not be coming to Reading. Why? Because there are other proposals that would improve the rail service at Reading, but the Crossrail people are worried that they would have to pay for those other improvements as part of their own scheme.

Is it not a topsy-turvy world when transport improvements do not happen because of other transport improvements? Could there be a better example of the madness created by rail privatisation? Crossrail will not come to Reading because Network Rail wants to improve signals at Reading, and because the SRA wants to improve capacity at Reading station.

However, I am pleased to say that, now that my deselection has taken place, Reading borough council is once more backing Crossrail. It is disappointing that, although the plan to terminate the service at Maidenhead was known in April, it has taken the council until the beginning of October to pass a motion in support of having Reading as Crossrail's western terminus. Even so, I am very glad that that has happened.

Although it is disappointing that the council responded to the consultation only on the very last day, I am glad that it has at least made a response. The delay meant that there was not time to build a proper campaign, with all parties working together. Yet I am pleased that the council has finally written to the Secretary of State asking for the route between Maidenhead and Scour's lane in west Reading to be safeguarded. As a result, if it is possible to change Crossrail's mind and have it come to Reading, nothing can be built over the line or alongside it that might prevent or jeopardise that.

A cynic might also find it interesting that we had to wait from April to October for a response to the Crossrail consultation, but that the request for safeguarding was submitted within two weeks. However, I said at the beginning of my speech that I wanted to talk about hopes for the future. As far as Crossrail is concerned, I want representatives from the SRA, Network Rail and Crossrail to gather in one room to talk about the different proposals for Reading, when they can be implemented and who will be responsible for paying for them.

If Reading borough council is serious about Crossrail now, one never knows—it might even come along and join us.

6.18 pm

Mr. Bob Laxton (Derby, North) (Lab): This Christmas Adjournment debate gives me the opportunity to share with the House my profound concern for the future of train building in Britain, and especially in my constituency of Derby, North. In Derby, we have been manufacturing trains for some 164 years. The industry has been a major factor in the economic growth of a city that is positioned in the middle of England. We gave this country the future of modern transportation as we raced into the age of industrialisation.

According to a local historian and writer, from 1839 until the 1960s most trains had to go through Derby to get from the south of the country to the north-east of Scotland. In the mid-19th century, the Midland railway company began making railway engines in Derby, and the rail workshop became perhaps the major employer in the city.

My concern stems from the decision taken about three weeks ago by Bombardier to dispose of approximately 650 of its employees in the UK, 560 of whom are in Derby. Bombardier is the only company left in the UK that assembles, manufactures and produces trains for use here and around the world. The demise of railway manufacturing in the city of Derby has had a sorry history. Back in the 1960s, locomotive manufacture was moved to Crewe. Later, there was the bodged Conservative privatisation of the rail industry, and it has all been downhill since then. British Rail Engineering was established and spun out as a privatised company.

That was then disposed of to a company known as ABBT. I will say for the people who worked for that company that during a time when there were no train orders whatever—it was an industrial desert—the chief executive in the UK, Bo Soderstrom, kept together the core design team for three years. That team was financed through the lean period in the knowledge that there would be jam tomorrow, and that was continued by Stig Svrad when he took over.

The company was then disposed of to Adtranz, which did a pretty good and effective job of building trains so that we saw a growth again of manufacturing as orders came from the privatised train-operating companies. Adtranz departed, and on to the scene came Bombardier. It has been through a huge, worldwide restructuring operation, and only a year or 18 months ago there was a real threat of closure at the Derby site. I offer my absolute gratitude to past and present employees in the rail industry, to the *Derby Evening Telegraph*, which ran a campaign—

Mr. Hoyle: To yourself?

Mr. Laxton: To myself, yes, and to local councillors who were involved in the campaign. The end result was that the organisation was saved, if somewhat

diminished. Now, though, Bombardier is in difficulties. The chief executive officer and president, based in Montreal, has gone. All the non-executive directors on the board in Montreal have walked. Another round of restructuring has culminated in 560 jobs being set to go in Derby.

Yet, the company has the biggest order ever for the London underground. For 2008, the order book is worth £3.4 billion. That will provide work for many years, but my real fear is whether as the company, based in and predominantly owned by a family in Canada, starts to shake and rock, it will be here to be able to execute that work for 2008. Will we see something like what happened with Alsthom of France, which, having won a massive order one day, said the very next that the work would not be done in the UK but in France. It has now closed its big site at Washwood Heath in Birmingham. Are we going to see that set of circumstances again?

This country invented the steam engine. We have 164 years of railway history in the town where I was born, and where I lived and worked all my life. I cannot conceive that we will not see train building in Derby. That would be a disgrace. The Department of Trade and Industry and the Department for Transport must urgently look at the issue to see what the future holds for train making in this country. They must do their best to ensure that additional work is steered into Bombardier in Derby to sustain it over the gap between now and 2008; otherwise, I fear that we may see the company topple, and with it 160 years of train making in the UK. That would be a tragedy that none of us wants to see.

When I wish everyone in the House a happy Christmas, people ought to spare a moment to think about some of my constituents—far too many of them—who now know that their jobs are really on the line. They will not have a happy Christmas this year as they move towards April 2005, when too many of them will have to face redundancy.

6.26 pm

Dr. Julian Lewis (New Forest, East) (Con): I do not know about you, Madam Deputy Speaker, but in among the gloom that one feels so often when looking at the general spread of news in the mass media, occasionally something glimmers through that raises at least the ghost of a smile. For me recently, it was the report originally in the *Daily Mirror* but picked up by the Press Association and put out on the internet. It was headed "British National party booked black DJ for Xmas party." The report said:

"BNP members walked out of their own Christmas party—after accidentally hiring a black DJ.

A member of the far right group booked the entertainer over the phone, reports the Daily Mirror.

The BNP organiser . . . admitted: 'There was a bit of a cock-up. The chap who booked him didn't realise. The DJ sounded white on the phone.'"

I have got news for them. The reason why they could not tell the difference was that the gentleman was as British as they were. That is the lighter side. Unfortunately, we pessimists always know that, to every silver lining there is a great black cloud attached. I know that hon. Members on both sides of the House will be as horrified as me to read in the press today about the young, brilliant Muslim student—someone engaged in doctoral studies at university—who had the misfortune to be attacked by a young thug. The attack has left him blinded and in need of care for the rest of his life.

With all the talk that we have had about war and peace, disruption and terrorism, we would all agree that we will achieve satisfactory outcomes to conflicts that are waged abroad only when we show our communities at home that it is how they behave and their character, not their origins, that count. Something that ought to disturb all of us is the leniency of the sentence imposed on the assailant. He got a few years in jail. There are many other examples of where the police do their job and catch criminals, and the courts proceed almost on the basis that they do not accept that the concept of punishment exists. It was this law and order theme that struck me in the remarks made by my hon. Friend the Member for Castle Point (Bob Spink). He is right. The whole concept of the antisocial behaviour order will fail if, when it is breached, condign punishment is not imposed.

The task that faces both the Deputy Leader of the House and me is to sum up a, by definition, variegated debate in as seamless a way as possible. In the meantime, in limited time, we also have to try to mention every Member who contributed to the debate. Here goes. I apologise in advance if I inadvertently overlook anyone.

The hon. Member for Reading, East (Jane Griffiths) talked of her attempts to bring Crossrail to Reading and she shed a sad sidelight on some of the internecine warfare in Labour politics in her constituency. I do not know the rights and wrongs of what happened to her, but I have always found her to be kind-hearted and considerate and I am sorry that she is in her present position.

The hon. Member for Derby, North (Mr. Laxton) was a passionate advocate for train building in his constituency. Other contributions have told us about industrial contamination in Derbyshire, a variety of problems in South Ribble, salt mines on Merseyside, the export of jobs from Sutton and Cheam, wind farms near Brigg and Goole, night flights over Putney and a pig with a missing ear, which is apparently running around somewhere in the Christchurch constituency.

Mr. Hoyle: Behind you.

Dr. Lewis: I shall not look, despite the hon. Gentleman's attempts to be helpful on the question of how many ears my hon. Friend the Member for Christchurch (Mr. Chope) possesses. At the last count, it was three.

It was a real pleasure to see the hon. Member for Bolsover (Mr. Skinner) back on top form. It was even more wonderful to hear him extolling the virtues of building a business park in his constituency. The hon. Member for North Cornwall (Mr. Tyler) reminded us of people who are battling illnesses at this normally joyful time of year. I know that we are all thinking about some people in that situation at this time and I would like to mention the Rev. Terry Abernethy, who is the much loved vicar of Beaulieu; Councillor Allan Glass, who is a prominent figure on Fawley parish council; and Mr. John Gulliver MBE, who when a teenager fought

[Dr. Lewis]

the Nazis as a Royal Navy serviceman and for many years has been the mainstay of the Totton Conservative club in my constituency. All those people are battling serious illnesses and our thoughts are with them, as I am sure other hon. Members' thoughts are with similar people of whom they are aware.

My hon. Friend the Member for Southend, West (Mr. Amess) touched on a wide range of injustices and the hon. Member for Tooting (Tom Cox) concentrated on a singular injustice, that of the Maxwell pensioners. The hon. Member for North Durham (Mr. Jones) went into the question of exploitative and unregulated middlemen who batten off claimants and skim off much of the money to which they are entitled. The hon. Member for Warwick and Leamington (Mr. Plaskitt) voiced concerns shared by many of us about changes in planning regulations that have led to unsuitable developments in towns and villages.

Many of the local campaigns and concerns that I have listed so far speak volumes for the single member constituency system that we have. How many of those concerns would have been raised in this House if we were anonymous Members from some list system with no particular patch to look after?

The concerns that have been raised also include more widely political issues. My hon. Friend the Member for North-East Bedfordshire (Alistair Burt) talked of the catalogue of incompetence surrounding Yarl's Wood. We heard from the hon. Member for Colchester (Bob Russell) about what he regards as a culture of secrecy in affairs in his constituency. We heard from my hon. Friend the Member for Banbury (Tony Baldry) about prison overcrowding and from the hon. and irrepressible Member for Chorley (Mr. Hoyle) about the naming of regiments and the importance of promoting the defence industry.

Some of the most broad political issues have also been raised, notably by my right hon. Friend the Member for Bracknell (Mr. Mackay), who mentioned Zimbabwe and Sudan, and my right hon. Friend the Member for South-West Surrey (Virginia Bottomley), who raised questions about the style and modus operandi of Ministers, to which subject I hope to return if time permits.

We heard a little about anniversaries, and it is worth noting that in a few days' time it will be the 25th anniversary of the Soviet invasion of Afghanistan. If we cast our mind back to the catalogue of action and reaction that flowed from that, it should give us pause to think about how unpredictable the development of international conflict and international relations can be. I am sure that if the Kremlin leaders had had the slightest inkling of what they were about to unleash when they set about that invasion in December 1979, they would have thought again.

The overriding theme, and the most concerted attack on the Government today, has been the question of Iraq. Not everyone attacked the Government on Iraq. The hon. Member for Ilford, South (Mike Gapes) was candid about the effects of the invasion and about the fact that it had turned out to be a much tougher proposition than he predicted. By contrast, his hon. Friends the Members for Halifax (Mrs. Mahon) and for Hackney, North and Stoke Newington (Ms Abbott) remained firm in the view that they have always taken—against the invasion and its consequences.

The main theme was articulated by what may be termed a rainbow alliance, including the hon. Members for Banff and Buchan (Mr. Salmond) and for East Carmarthen and Dinefwr (Adam Price), my hon. Friends the Members for Tiverton and Honiton (Mrs. Browning) and for Southend, West and my hon. and learned Friend the Member for Harborough (Mr. Garnier). If there was a single theme that united those disparate Members of Parliament it was that the Government by their actions have undermined the concept of trust that must exist between a Prime Minister and a Government on the one hand and the people of the country on the other, on any issue of war and peace.

If the aim was to change the regime in Iraq, that should have been both stated and debated. Had that been the case, I suspect that many of the people in that rainbow coalition who spoke so eloquently today would have found themselves on the opposite side of the argument. I have always believed that it was right to get rid of Saddam Hussein and I do not resile from that for a moment, but it was not right to do so in a way that undermined trust in the intelligence services, in the Government and in the alliance of the west on which so much has depended in the past and on which so much will continue to depend in the future.

Why did that happen? Obviously, there are many factors, but I strongly suspect that the single most important one was the decision to allow the process of propaganda and spin, which had worked so well for the Government in the domestic sphere, out on to the international stage. The process was further corrupted by the use of civil servants as some sort of air-raid shelter to try to protect the Government's skin. It is not sensible to try to use a body such as the Joint Intelligence Committee—a body of impartial professionals—if one wishes to advocate something as serious as a political and military attack. Such bodies should be kept behind the scenes. The Government should be able to say, "We have taken advice from the intelligence services and it has led us to this or that conclusion"; they should not seek to pull those services out of the shadows and shelter behind them. The Government should certainly not then seek to tell them how to rewrite their reports. Unelected special advisers, who are allowed to give orders to the professional civil service, must never again be appointed, and if there is a change of Government, and my party comes into government, they never will be appointed again.

The Hutton inquiry showed that crucial revelations were encapsulated in vital e-mails; one from Jonathan Powell, in particular, comes to mind, but there were many others. Have the Government learned from what happened at Hutton and afterwards? I do not think that they have, or if they have, they have learned the wrong lessons. The Budd inquiry, which reported today, emphasises the fact that a key fax is missing.

What is proposed to deal with a situation in which e-mails are key to one inquiry and a missing fax is key to another? What we have read about moves to delete automatically e-mails en masse when they are three months old and the parliamentary answers we have received from Departments about how many files

have been shredded in the years leading up to the implementation of the Freedom of Information Act on 1 January have serious implications not only for how government is carried out but even for the ability of future historians to follow the paper trail and find out what the Government were doing at a given time.

Let us just concentrate for a moment on what was said as a result of the Budd report. The BBC reports that Sir Alan Budd concluded:

"I believe I have been able to establish a chain of events linking Mr. Blunkett to the change in the decision on Mrs. Casalme's application."

But, he said, it was

"not a straightforward matter",

because few involved in it could recall the details. Well, if there is such a bout of collective amnesia, surely it is all the more important that e-mails should be preserved and faxes should be preserved, and not deleted and shredded respectively.

The report says:

"I believe there are two broad possibilities: Mr. Blunkett was seeking special help for Mrs. Quinn's nanny (or) he was raising the case as an example of the poor performance of the Immigration and Nationality Directorate.

I do not have direct evidence that allows me to choose between the two possibilities."

That means that even if the second possibility was the true one, we shall never know because proper records were not kept.

I think that the judge-led inquiry that my party called for would have been more sensible than the inquiry that we got, and my party certainly supports the suggestion of Alastair Graham, a distinguished retired trade unionist, that there should be a standing body for future inquiries and that membership of it should be agreed between Government and Opposition at the start of each Parliament.

I have said that I am concerned about the culture of records destruction, but I am not alone in that. The Information Commissioner is reported by the excellent Gallery News service to have said today, speaking of the Freedom of Information Act:

"The new Act of Parliament makes it very clear that to destroy records in order to prevent their disclosure becomes a criminal offence",

but he said that there was already clear guidance on the retention of e-mails contained in a code of practice from the Lord Chancellor:

"If in doubt, retain, that has been the long-standing principle of the civil service and public authorities."

We like to think in this place that we are involved in finding out everything that is available at the present time, and we like to think that whether we succeed or fail in putting one over on the Government or the Opposition, people in the future will be able to see what the truth really was. We look to the Government to treat the legislation that is coming into force on 1 January as an excuse to be more open, not as a reason to destroy the historical record.

On that happy note, I am delighted to join in the general wishes of a happy Christmas to all concerned.

6.43 pm

The Deputy Leader of the House of Commons (Mr. Phil Woolas): Thank you for calling me, Madam Deputy Speaker. May I start by wishing you a very happy Christmas and a prosperous new year? I extend that wish to all Members present and thank them for attending this debate, which is the best attended Christmas recess debate in recent times. Thirty-one Members have spoken. I will not repeat my commitment from last year to buy every Member present a Christmas drink, because the success of the turnout at this debate would leave the Family Woolas without some of its Christmas presents.

I shall stay on a note of consensus and thank the hon. Member for New Forest, East (Dr. Lewis) for standing in so ably for the hon. Member for North-East Hertfordshire (Mr. Heald). It was typical of the hon. Member for New Forest, East to start with a condemnation of the British National party. I know from my work in my constituency that he plays a key role, often behind the scenes, in providing information to undermine that invidious party, and I congratulate him on using this opportunity to raise the matter. I agree very strongly with him about the benefits of single Member constituencies. Recess Adjournment debates always show the House of Commons at its best, because Members speak with detailed knowledge about their local constituencies and what happens in them. There is cross-party consensus about certain issues. My hon. Friend the Member for Derby, North (Mr. Laxton), for example, spoke from his knowledge of the train manufacturing industry, and the hon. Member for Banbury (Tony Baldry) expressed concern about Piddington asylum centre. Whatever matters Members wish to raise, there is an opportunity for them to do so in our debate.

I suspect that I will strike a note of consensus on behalf of the whole House in wishing that the media would give the same prominence to these debates and the issues that Members raise as they do to the showtime activities in the Chamber. Local media, of course, will be informed of hon. Members' speeches. I want to continue our consensus, as I prepared a Christmas present for the hon. Member for North-East Hertfordshire. I want to undermine the accusation that the Government ignore Parliament's scrutiny role—it is said that we are a centralising Government who have turned their back on convention. Nothing could be further from the truth—it is a myth perpetuated by conservatives with a small "c", some of whom are Government Members and many of whom are Opposition Members, that harks back to a golden age that never existed. In the 1950s, the recess Adjournment debate was taken by the Prime Minister, who was also the Leader of the House and decided the business of the House and the timings of debates. The great era of parliamentary democracy on which Opposition Members look back through rose-tinted spectacles is therefore one of centralised control.

I shall give Members my Christmas present. At business questions last week, the hon. Member for North-East Hertfordshire used information from the House of Commons Library to point out that 706 questions remained unanswered at the end of the last Session. My right hon. Friend the Leader of the House could not allow such an accusation to go unchallenged, so he instigated an investigation and "got

[Mr. Phil Woolas]

the drains up", as he likes to say. Like any Member, I respect the information provided by the Library and, as I understand it, the data came with a few health warnings. Following a search on the POLIS database, it appears that the information is heavily reliant on answers printed in the *Official Report*. My right hon. Friend therefore requested the same information from the Library and since business questions we have quality checked the data with the parliamentary Clerks. We found out that many questions listed in the report were either withdrawn or had lapsed when the Member asking the question became a Minister. There were not, as the hon. Member for North-East Hertfordshire stated, 706 unanswered questions at the end of the last Session. In fact, there were about 100. That is 100 too many, but we are only human. The situation will be addressed by the new EPC database that the Leader of the House launched in November to help to provide even more accurate information. When Members consider that in the last but one Session 55,000 questions were tabled by hon. Members on both sides of the House, they will see that rather than being a Government who dodge scrutiny, we relish it.

The reason we are having these debates is that we introduced the Freedom of Information Act 2000. The only reason why Opposition Members can ask questions about the alleged shredding of data and the deletion of e-mails is that we introduced that Act. The only reason why they can ask informed questions about the workings of the Government in the decisions on Iraq and other matters is that we instigated the Butler inquiry. We put into the public domain the information that has been used. I cannot think of any example of a more open Government. What has happened certainly compares well with the dark days of the 1980s. The idea that a collective Cabinet governed this country when Mrs. Thatcher summoned the so-called vegetables and told them what they would decide is incredible, compared with the open, transparent, scrutinised Government that we have now.

Mr. Garnier *rose—*

Mr. Skinner: Oh no.

Mr. Woolas: I shall give way very briefly and then I must try to answer the questions that hon. Members have asked.

Mr. Garnier: I am very grateful to the honourable and elderly Member for Bolsover (Mr. Skinner) for coming out of retirement to intervene on my intervention. May I ask the Minister to explain himself? The very attitude that lies behind his remarks demonstrates what is wrong with this Government. They think that it is their right to give the people freedoms and rights to information. It is our right as elected Members of Parliament to question him and his co-Ministers. The balance of inquiry is entirely the wrong way around in his mouth. It is we Back Benchers who are entitled to cross-examine the Government, not the Government who are entitled to give us things out of a bountiful nature.

Mr. Woolas: That is exactly why the Government introduced the Freedom of Information Act 2000. If the Government were trying to hide away from scrutiny, we would hardly go around passing Acts like the Human Rights Act 1998 and the Freedom of Information Act 2000, which have enhanced Back Benchers' rights.

Let me try to provide some political attack the other way around because the Opposition should be scrutinised as well. They come along with motion 37 on impeachment knowing full well that the Joint Committee on Parliamentary Privilege has decided that the procedures for impeachment are completely obsolete. I shall quote what that all-party Committee of both Houses has said:

> "The circumstances in which impeachment has taken place are now so remote from the present that the procedure may be considered obsolete."

Even the hon. and learned Member for Harborough (Mr. Garnier), who tabled that motion, said in the debate that the procedures on impeachment are confused by the fact that the Executive is drawn from the legislature in this country. Those involved in that motion are trying to set up a smokescreen. By proposing a procedure that they know cannot be implemented, they hope that the inference that the Prime Minister is therefore guilty will be made by the wider public, when the Prime Minister is not being given the opportunity to reply to the points about impeachment.

Adam Price: Will the hon. Gentleman give way?

Mr. Woolas: No, I cannot give way; I am so sorry. Some 31 Members of Parliament have spoken. The hon. Gentleman has had his say; I am having mine on behalf of the Government.

The resolution of 18 March 2003 that gave the go-ahead for a military attack on Iraq was based on the failure of Iraq to comply with United Nations resolutions. The choice that faced the House was whether the international community should make threats and then allow a rogue state to ignore those threats, or whether to stand by our words and implement those threats. The retrospective justifications that have now been put into the Prime Minister's mouth by his political opponents do not address the reality of the debate that we had on 18 March 2003.

I believe that those hon. Members who come to the Chamber and say that they wish the sovereignty of Parliament to be re-established, as they see it, so that it becomes the cockpit of debate, as they rightly argue, have a responsibility on their shoulders to stick to the facts of the debate and not put into the public domain arguments that were not used at the time— *[Interruption.]* Opposition Members do not like it when accusations are made about their responsibilities to the House. They do not see themselves as responsible for the whole nation, but simply as oppositionist politicians who see their whole role as being to attack the Executive and not to take on to their shoulders responsibility for the reputation of this Parliament, as we also have to do.

This has been a tremendously successful year for this country. In the past year alone, the Government's policies have delivered record numbers of jobs, with 2 million more people in work and the lowest unemployment for 30 years. The minimum wage has risen again; it is now £4.85. We have record numbers of

police, some 12,500 more than in 1987. We saw crime fall again—5 per cent. last year and now down by 30 per cent. since 1997. There are more nurses and doctors, with 77,500 more nurses—*[Interruption.]* Opposition Members do not like the facts, but 77,500 is about the population of the average constituency represented by Members in this Parliament. The capacity of the national health service has risen again and waiting lists have been cut, as have waiting times. That is a tremendous record of improvement.

I shall come to some of the matters raised in the debate. However, with the experience of attending these debates, I have learned that it is more constructive for individual Members to take up the points that they have raised with the Ministers concerned and ensure that letters are sent. I hope that I can stand on my record on that. *[Interruption.]* If the hon. Member for North-East Bedfordshire (Alistair Burt) stops huffing and puffing, he will find that the reply on Yarl's Wood will be quite positive. However, any reasonable person would accept that with 31 Members speaking and raising an average of three issues each, I clearly cannot get through all those points in 15 minutes.

On the important issue of Cyprus—I failed to answer my hon. Friend the Member for Tooting (Tom Cox) in the previous debate—I am sure that Members will want to hear that my right hon. Friend the Foreign Secretary has said that recognition of the country is a matter for successful negotiations of entry and will be discussed in the negotiations with Turkey. My hon. Friend the Member for Derby, North rightly raised points about train manufacturers. I know that the Secretary of State is aware of his concerns. My hon. Friend the Member for Reading, East (Jane Griffiths) tried, I thought successfully, to put the Reading terminal back on the agenda. I congratulate her on that.

The most consistent participant in these debates is the hon. Member for Castle Point (Bob Spink). He raised the issues of hospices, development in Essex, under-age drinking, Essex police funding, the sick and elderly and the Derek Curran case. The hon. Gentleman is aware of Government policy on the hospices and the extra money that has been provided. He acknowledges that he would like to see more and I am sure that many Members agree with that objective. However, £50 million has been put in.

My hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), who is not in her place, referred to Guantanamo Bay and Belmarsh. The hon. Member for Banbury congratulated the Government indirectly on their success in bringing down the numbers of asylum seekers, but pointed out that that should lead to a review of the policy for the Piddington centre. I will ensure that his views are passed on to the relevant Minister.

When I have not been able to respond to individual points, I will, of course, undertake to do so and try to provide on behalf of my right hon. Friend the Leader of the House satisfactory answers to the political and constituency issues that have quite rightly been raised, even if it is inconvenient for the Government to do so. That further underlines our record as a Government of open transparency and co-operation. Merry Christmas, Madam Deputy Speaker.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

DELEGATED LEGISLATION

Electoral Commission

Ordered,

That the Motion in the name of Mr Peter Hain relating to the Electoral Commission shall be treated as if it related to an instrument subject to the provisions of Standing Order No. 118 (Standing Committees on Delegated Legislation) in respect of which notice has been given that the instrument be approved.—*[Mr. Kemp.]*

NORTHERN IRELAND GRAND COMMITTEE

Ordered,

That—

(1) the proposal for a draft Higher Education (Northern Ireland) Order 2005 be referred to the Northern Ireland Grand Committee;

(2) the Committee shall meet at Westminster on Thursday 20th January at half-past Two o'clock; and

(3) at that sitting—

(a) the Committee shall take questions under Standing Order No. 110 (Northern Ireland Grand Committee (questions for oral answer)), and shall then consider the legislative proposal referred to it under paragraph (1) above;

(b) the Chairman shall interrupt proceedings not later than two and a half hours after the commencement of proceedings on the legislative proposal referred to the Committee; and

(c) at the conclusion of those proceedings, a motion for the adjournment of the Committee may be made by a Minister of the Crown, pursuant to paragraph (5) of Standing Order No. 116 (Northern Ireland Grand Committee (sittings)).—*[Mr. Kemp.]*

PETITION

Luton Airport

7 pm

Andrew Selous (South-West Bedfordshire) (Con): It gives me great pleasure to present a petition signed by more than 7,600 of my constituents who are gravely concerned about the prospect of a new Luton airport flight path directly above Leighton Buzzard and Linslade, where they live. This has been a real community petition and it has the support of all local authorities. I am proud to present it tonight.

The petition states:

To the House of Commons.

The Petition of the residents of Leighton Buzzard, Linslade and the surrounding area,

Declares their opposition to Luton Airport's option 3a flight path proposals which would result in aeroplanes flying directly over Leighton Buzzard and Linslade.

The Petitioners therefore request that the House of Commons urge the Secretary of State for Transport to acquaint the Director of Airspace Policy with the Petitioners' concerns.

And the Petitioners remain, etc.

To lie upon the Table.

Adults Abused in Childhood

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Kemp.]*

7.1 pm

Tom Cox (Tooting) (Lab): I welcome the debate. We all know of the vital importance of safeguarding the welfare and protection of children and young people. Many issues concern youngsters. When I was a councillor in local government, I was the chairman of the children's committee, and as a member of the British delegation to the Council of Europe I was for three years the Chairman of the Parliamentary Assembly's Sub-Committee on Children. The Sub-Committee discussed and reported on a wide range of issues affecting children and young people, just some of which included abuse—both physical and sexual—the trafficking of youngsters, adoption, care in orphanages, street children, the abduction of children by a parent and child soldiers.

Last week, *The Sun* gave major coverage to the abuses that youngsters face in this country. One word describes that for me: appalling. Today, in 2004, such abuse is still happening. Two children each week are killed by adults who are supposedly caring for them. The paper said that such people are "getting away with murder". As we know, those youngsters cannot speak for themselves and are defenceless. The paper went on to detail the abuses, but sadly many of us know of them.

In recent years, we have become more aware of the abuses that children and young people have faced, often while in care, at school or in the family. They were often abused by the people who were supposed to protect them. Those youngsters are now adults, but the effect of the abuse is still with them. We knew little about that for years because the youngsters were told a variety of things to keep them quiet about the abuses that they suffered. They were told, "No one would believe you", "This is just our secret", "You would be sent away" or "You would break up our family." So, out of fear, youngsters said and did nothing.

In recent years, there have been more and more cases in which the people who did the abusing, often many years ago, are brought before our courts and, if found guilty of such charges, are sent to prison for a long time. Often in such cases, the prosecution case is supported by the youngsters who had been abused and who are now adults. That is what this debate is about: adults abused in childhood.

Hardly a day goes by without hearing about child abuse that took place long ago. The definition of abuse given by the National Society for the Prevention of Cruelty to Children is neglect, physical injury, sexual or emotional abuse inflicted or knowingly not prevented which causes significant harm or death. We know that abuse has that effect on children and young people, often for the whole of their lives. I do not know whether the Minister has spoken to a man or woman who was abused as a child, but whatever events they talk about, it is always a harrowing story. I could relate many experiences of people who have been abused, but I shall give just one.

A woman, now an adult, was sexually abused by her father as a child. First, she was told that it was "our secret." Then it was, "No one would believe you", followed by, "Tell anyone and you will break up our family." The girl said and did nothing. It was not until she was a teenager that she stood up to her father and said, "Stop abusing me or I will go to the police." He stopped the abuse. That lady later got married and has a daughter aged six. Her father and mother are alive and still live together. Her mother—her daughter's grandmother—often asks her, "Let our grandchild come and stay with us over the weekend." The mother never does and never will because she fears that her father who abused her—an abuse of which to this day her mother knows nothing—would attempt to abuse his granddaughter. What a horrendous background to have to live with.

Who can a woman with that kind of experience and fear talk to about her deep concerns? Who can she trust? From whom can she seek support? There is a charity—the National Association for People Abused in Childhood—that people who have been abused as a youngster can trust, talk to and seek guidance from, often for the first time in their lives. Those people can be 60, 70 or 80 years of age. The great burden that they have carried for much of their lives is often lifted because they have talked about it. Many have suffered great emotional problems because of that secret, now released for the first time.

We often hear about counselling being offered to people, especially young people, who have been involved in an accident or who know someone who has been killed. That is welcome. The advice and support offered by counselling is obviously a great benefit. No one can dispute that such support and advice is not needed by people, whatever their age may now be, who were abused when younger. It is estimated that more than 20 per cent. of all adults have experienced some kind of physical or sexual abuse in childhood. These are people who, whatever their age, carry the burden of those painful childhood memories every day of their life. The question is what we as a society are to do to help them.

In 1996, the national commission of inquiry into the prevention of child abuse headed by the late Lord Williams of Mostyn recommended the setting up of a national organisation for adult survivors of abuse. The inquiry received more than 1,000 letters from people who had been abused as youngsters. The National Association for People Abused in Childhood has received more than 20,000 phone calls to its helpline in the last two years. All who phone express the relief that they feel in having someone to talk to, to seek advice from and to give them support. What the helpline provides is of enormous value to those people.

I put the question to the Minister: who else could provide such a service? A doctor? Hardly—we know the pressures that doctors are so often under. Other organisations who work with children and young people have a different role, and they value very much the work of the national association. Often they will refer people to it.

However, and this is the reason for the debate, the valuable work that the association does is now under threat. It has run out of money. The Department of Health grant of £150,000 over three years ends next April, and the helpline, regrettably, closed in October. The funding that the association received was given under the Department's section 64 scheme. I understand

that the Government's scheme for victims of sexual offending is a possible source of future funding for the association, but there is concern about what will be the criteria for funding from that source. I should be grateful if the Minister responded to that today.

The association has, to its credit, successfully sought funding from other sources. I know who has made a financial contribution. Contributors include foundations, trusts, companies and individuals. The donations range from thousands of pounds to smaller amounts. Whatever the sum, all donations have been most welcome and have helped greatly. While the donations have meant a great deal, what also counts is the respect and support given to the association by those organisations and individuals who value its work.

As MPs, the Minister and I know from our own constituencies of groups who seek funding for their work and demonstrate the efforts that they have already made to raise money. We know what it means when other organisations, be it the local council, a charity or indeed a Government Department, are approached for further funding and see the efforts that have already been made by the body to raise money itself. That is what the national association has been doing and it still is, but it cannot continue its valuable work without future Government funding.

I can supply to the Minister moving letters from people who have been helped by the association. They are the reason the work that the helpline provided must be restarted. The national association is established and highly respected—if it were not, it would not have received Government funding in the first place. I put it to my hon. Friend that we cannot—indeed, must not—let the association fade away. I make a clear request that early in the new year she meet me and representatives of NAPAC to discuss the issues more fully. That will give all of us the opportunity that this debate, because of the restriction of time, does not allow us.

I shall await my hon. Friend's reply this evening on the issues that I have spoken about—above all, the future role of the national association and the work in which it is involved. I say again, we must not allow the work of that organisation to fade away for lack of adequate funding from the Government.

7.15 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): It is with pleasure that I congratulate my hon. Friend the Member for Tooting (Tom Cox) on introducing a debate on a subject so important to many men, women and children throughout England. I appreciate and share his concerns about meeting their needs.

First, by way of an overall response, let me talk for a few minutes about the extent of child abuse and domestic violence and their effects on the health of victims and their families. Domestic violence, child sexual and physical abuse and rape occur in all social classes and ethnic groups, but the prevalence rates of child sexual abuse are high—20 to 30 per cent. of girls and 5 to 10 per cent. of boys—and up to 20 per cent. of children are regularly subjected to physical violence. Research shows that in at least 40 per cent. of domestic violence cases, there is also child physical and sexual abuse involving the same perpetrator—usually the father or the father figure. Thousands of children witness domestic violence every day—not just hearing verbal abuse but seeing their mother being physically abused and sexually assaulted. My hon. Friend commented on the number of deaths of children that occur.

All of that has a huge effect on the general health, sexual health and overall well-being of victims. In addition, every week two women are killed as a result of domestic violence. Many studies show that domestic violence impairs children's emotional, behavioural and cognitive development. Its effects include anxiety, fear, withdrawal, highly sexualised and aggressive behaviour, reduced educational achievement, failure to acquire social competence, antisocial behaviour and use of drugs. None of us disputes or fails to recognise the sort of problem that my hon. Friend has described.

It might be helpful if I outline some of the Department's current work before dealing with the funding issue. Work is going on between the Department of Health and the National Institute for Mental Health in England on establishing a violence, abuse and mental health programme. The whole of that programme is being implemented in partnership with the Home Office. I am sure that my hon. Friend will be keen to learn that its objective is to address the health and mental health implications of domestic violence and child sexual abuse. Over the current financial year, it will be working with the Home Office to match existing services, of which the phone line of the National Association of People Abused in Childhood is one. It will be establishing expert groups to manage the development of service guidelines in this area.

Clearly, NAPAC will have a role to play in contributing to this exercise, but as one of the many organisations that are providing services of this sort. It is perhaps worth while mentioning that there are some 117 different helplines nationally to provide information and support of one sort or another to those who have been abused. There is an extensive network of different organisations that is currently providing support.

The Department wants also to ensure that issues involving the interests of adults abused in childhood are recognised through our White Paper on public health. It has ensured that the issue is also being addressed in the National Institute for Clinical Excellence guidelines on self-harm and post-traumatic stress syndrome, too.

There is a great deal of work going on in the voluntary sector and there are several relevant documents, including the mental health national service framework, the national suicide prevention strategy, the women's mental health strategy into the mainstream and the implementation guidance from that, the personality disorder policy, "No Longer a Diagnosis of Exclusion", and the public health White Paper, "Choosing Health".

My hon. Friend may be aware that the Department of Health, in partnership with the National Institute for Mental Health, is developing the programme that I have already mentioned. In September, the Department drew up a new strategic agreement with the NHS, the voluntary sector and the community sector. This agreement, exclusively between the Department, the NHS and the voluntary and community sectors, will benefit patients, carers and service users by providing them with real alternatives so that they can choose

[Miss Melanie Johnson]

services that are best suited to their needs. We recognise the tremendous role that these sectors play in the provision of our mental health services. That is why they are being recognised in the way that I have described. I am sure that every Member of this place has good examples of the way in which services are being provided by these sectors.

The Department has also supported and funded a considerable volume of work through the section 64 grant scheme, which my hon. Friend mentioned. The Government publicly supported NAPAC through section 64 funding over the past three years. My hon. Friend mentioned the £50,000 a year that was made available to do that. As a result, it has been possible to run the helpline, but sadly, recently, it fell into some difficulties of both a financial and a management sort. That led to the slightly premature closure of the helpline. As a consequence of that, the Department's health officials have met the chair of the organisation and its development officer to discuss how to help the organisation to move forward.

The Department is working closely with the Home Office in supporting the violence and abuse voluntary sector. NAPAC has been invited to contribute to the development of future services, especially the development of the national telephone helpline.

Ministers in the Home Office have already suggested that NAPAC might want to bid for Home Office funding in addition. However, the Department understands that NAPAC is liaising with the Survivors Trust about the future of the helpline. The trust represents some 80 organisations that provide specialist services and operates an umbrella organisation for adult survivors of child sexual abuse. It is a leading voluntary sector organisation nationally to advise on developing services in this area. It was established with financial support from the National Institute for Mental Health in England to support the work of the expert group that we have with that institute, and it is also in receipt of section 64 mental health grant core funding for 2004–05.

We are therefore doing a huge amount to help adults who were abused in childhood. It is a live agenda, which means that a great deal of new work is being done in collaboration with the voluntary and community sectors, and work is also going on between the Department and the Home Office and with the Survivors Trust. That should reassure my hon. Friend that we take the issue seriously.

The new mental health programme aims to address the mental health implications of domestic violence, child sexual abuse and sexual violence for services and professionals working to identify and respond to the needs of the victims of rape and sexual assault and the survivors of child sexual abuse. We have recognised that NAPAC has a role to play in that. Unfortunately, as I mentioned, we recently became aware of some of the internal financial and organisational difficulties that NAPAC has been experiencing, which led to its helpline being temporarily suspended.

The Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton) has met members of the organisation, and my hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) was also present at the meeting, where the difficulties were discussed. At that time, the problems relating to the continuation of the helpline were not known, so some of the suggestions made at the meeting might no longer be appropriate. I am pleased to say that the issues are being addressed, and I understand that NAPAC is liaising with the Survivors Trust about the future of the helpline. There is much work still to be done and some investigations to be undertaken. I cannot commit my hon. Friend the Member for Doncaster, Central to a meeting with my hon. Friend the Member for Tooting. This does not seem the best moment for such a meeting, but it may be appropriate at some future time.

I hope that I have conveyed the importance that we all place on the issue of abuse and the partnership working across Government and across the statutory and non-statutory sectors. I am confident that with the leadership, vision, dedication and skills of everyone involved, we can continue to transform the health and social care provision for all the victims and survivors of domestic violence and child abuse, recognising, as my hon. Friend has in raising the issue, how important these matters are and how much assistance people in that situation need and deserve.

I join my hon. Friend the Deputy Leader of the House of Commons in wishing everybody—Members and Officers of the House—a happy Christmas, and thank my hon. Friend the Member for Tooting for raising an extremely important matter on this occasion, as we close the debate for Christmas.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes past Seven o'clock.

Westminster Hall

Thursday 2 December 2004

[SIR NICHOLAS WINTERTON *in the Chair*]

The Caribbean

Motion made, and Question proposed, That the sitting be now adjourned.—*[Vernon Coaker.]*

2.30 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I thank Mr. Speaker for deciding to allow this debate. The Caribbean is a remarkable part of the world. Its intellectual contributions have been outstanding. It has produced three Nobel laureates and has a world-class tertiary education institution in the university of the West Indies. The sporting prowess of the region's people at Olympic events and, of course, cricket, are well-known and continue to draw international admiration. It has given the music world a global icon in the person of Bob Marley, and reggae, calypso and carnival have all entered British culture as a result of our engagement with the Caribbean.

Apart, too, from its beauty, it is a region of huge energy and creativity, with a very diverse history and rich cultural traditions. It is also a region that has made significant economic and social progress in, for example, the strides that it is making towards achieving the millennium development goals, its current progress towards economic integration and the ability of the region to collaborate politically and to support a thriving business sector.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Would my hon. Friend the Minister agree with me that the region has also produced one United States Secretary of State and one British Member of Parliament?

Mr. Thomas: My hon. Friend intervened too quickly; I was going on to point out exactly that fact, and I am more than happy to endorse her point.

A sun-sand-sea image of the Caribbean belies the image of a region in which there is still considerable poverty that must be tackled, and requires donors to provide continuing support. The English-speaking countries of the Caribbean include some 334,000 people living in extreme poverty: that is 8 per cent. of the population by international standards. That figure increases dramatically to about 8 million people if we include the troubled state of Haiti, and those people who move in and out of poverty. It is also a region in which every country faces risks to its gross domestic product out of all proportion to its population or its capacity. No other region of the world faces that potent mix of issues and challenges, all of which contribute to the unique vulnerability of the Caribbean islands.

So how can we expect those countries to protect, for example, their social services, their law and order or their arts, if levels of growth are consistently being undermined by the impacts of global shocks and the result of climate change? In the Caribbean, small economies compete in an increasingly globalised world, with the increasing indebtedness of those countries, and the damage that that causes to economies, such as the loss of preferential access to European markets for bananas, and the proposed changes to the European Union sugar protocol. There is also the real and increasing threat posed by HIV/AIDS in the region, the effects of the narcotics trade, and crime more generally, as well, as I have alluded to, the impact of natural disasters, of which there has been almost one a year on average since the late 1980s.

The challenges facing the Caribbean start with scale. These countries are small, open economies in transition from a narrow export and economic base, but carrying high levels of debt, a heavy reliance on trade preferences, rising crime rates due to drugs, and the second highest level of HIV/AIDS outside Africa. Three major hurricanes this year and, more recently, a severe earthquake in Dominica are a reminder of the impact that natural disasters have on the economies of the region. Tourism has become a mainstay of most economies, alongside financial services and, increasingly, medical training. Although those industries earn foreign currency, they do not help enough in terms of helping the poor with jobs and employment prospects.

Remittances from the Caribbean diaspora play a vital role in helping to keep poor people above subsistence levels. In Jamaica, remittances are estimated at $1.4 billion annually, which accounts for about 18 per cent. of Jamaica's GDP. Furthermore, countries such as Guyana, Grenada, St. Vincent and Dominica still depend strongly on primary agricultural commodities. So, growth and employment prospects in the region are mixed.

Greater economic integration will play a key role in responding to these economic challenges by improving the competitiveness of the region's economy and increasing economic growth. The movement towards the formation of a Caribbean Community single market and economy, starting with Barbados, Jamaica and Trinidad and Tobago on 1 January next year, signals an important shift in political will in that direction. Those countries will be role models for the region, demonstrating, in particular, that giving the private sector the right incentives can make a difference and that business can create jobs.

The UK's task is clear. As an EU member state, we must ensure that the Commission supports the single market process rapidly, effectively and coherently. To give one example of the private sector development that we are supporting, we are providing £550,000 in technical support, staff development and training to a Caribbean microfinance company, Microfin. The company provides loans of up to £5,000 to small and micro entrepreneurs in Grenada and St. Lucia. Another example of DFID's financial support to private sector development is our funding of technical assistance for the establishment of microfinance services in Guyana. Some hon. Members will also be aware of the support that we give to the Caribbean Development Bank. That, too, helps to support the micro-enterprise sector and to get round the difficulties of the formal banking sector's requirement for collateral guarantees for loans.

[Mr. Thomas]

Micro-enterprise clearly does not need such guarantees and it can help small and medium-sized business to grow and develop jobs.

On debt, the Caribbean is home to seven of the top 10 most highly indebted emerging economies in the world. As a result, Jamaica faced a currency crisis in 2002, Dominica faced economic collapse in 2003, and, following hurricane Ivan, Grenada faces a financing crisis that threatens its stability. Debt is undoubtedly impeding growth, and it was fuelled by Government spending throughout the 1990s. Again, our task is clear. Given the right progress by the countries involved, we need to complete the process of cancelling UK debt under the Commonwealth debt initiative. We need also need to support better debt management and fiscal management and the better delivery of services. In doing so, we should not only make use of our own technical assistance and financing, but seek the help of others, including institutions in the region.

Preferential trade access is probably one of the key issues for the Caribbean and its relationship with Europe at this time. As a result of trade preferences, bananas and sugar have been part of the platform for the development of the region's middle-income status, and access will remain important for the economic survival of some countries in the short term. However, as hon. Members will be aware, change to those regimes is inevitable. An agreement between the EU, the USA and Ecuador in the follow-up to the World Trade Organisation Doha round will trigger a major shift to a tariff-only regime for bananas exported to Europe, which will come into force before 2006. The level of the new tariff will clearly be important to Caribbean banana producers, many of whom struggle to compete under the current regime because of higher production costs.

There has been a dramatic reduction in banana production in the Caribbean over the past 10 years, and the region is having to deal with the economic and social costs. In Dominica alone, the fall in production has led to the loss of 4,800 of 5,800 banana-producing jobs over the past decade, with limited alternative employment opportunities being created. Instead, people are looking for jobs as taxi drivers, small traders and in root-crop farming, with which to eke out a living.

Research commissioned by my Department has shown that reform to the banana regime could still mean that countries such as Belize and possibly Jamaica should be able to compete under the new regime if their industries restructure. Clearly, it is incumbent on Europe and countries such as Britain to assist with that restructuring process. Other producers in the Windward Islands are unlikely to make a profit in the tariff-only regime, despite continuing attempts to diversify banana production with fair trade and other niche market strategies. DFID has commissioned further work to consider options for transitional assistance for affected countries, which could lead to some reform of the European Commission's special framework of assistance to banana-producing countries.

Reform of the unsustainable EU sugar regime is also inevitable and very much on the agenda not only of the Commission, but of Caribbean countries. We have lobbied hard, and will continue to do so, to ensure that any changes take account of the impact on African, Caribbean and Pacific sugar-producing countries, particularly the Caribbean. Reform will undoubtedly have significant impacts on Caribbean economies, and requires careful analysis.

On a visit to the Clarendon community in Jamaica last week, I saw the huge concern there about regime change. The community depends completely on the sugar-producing business, and all its members were clear that they are looking to Britain for support in their engagement with the European Commission. In turn, we were able to give reassurance that we will continue to work with the community, and consider those issues.

The EC has promised to initiate a dialogue with affected ACP suppliers on the basis of an action plan, which will be used to define transitional measures of assistance. Those measures will include finance and help with diversification where restructuring and improvements in competitiveness in the sugar sector are not sustainable.

We are working with affected countries, the Commission, other member states and international financial institutions to ensure that that transitional assistance is sufficient, effective, and properly targeted in line with the needs of each country. We are also working closely with Caribbean leaders on the challenge posed to the region by HIV/AIDS.

Ms Abbott: On the question of sugar: the region will be reassured to hear of the Minister's concern, but I am sure that some people will ask why, if the Government are so concerned about the social and economic effect on the region of the change of regime in sugar, they support a 24 per cent. price cut in sugar from 1 July 2005, and a 37 per cent. cut from 1 July 2007, despite the unified voice of the regions saying that such abrupt price cuts would be catastrophic in social terms.

Mr. Thomas: We continue to talk to the region and country leaders about the proposed changes, but we are and have been clear about the fact that change is inevitable and that we must recognise that those cuts are coming. Of course, we must get the transitional assistance right. When I was in the region, Caribbean leaders reaffirmed that message to me in strong terms, as they have to other members of the Government. With the Commission, we continue to look at what else we can do to support the transitional assistance that is needed.

Jeremy Corbyn (Islington, North) (Lab): Will the Minister be more specific about what transitional support is available, because the sugar crop is crucial to many islands in the region, as is the banana crop? Simply saying that world prices force change is not good enough, we have to be more specific about what will be done to help those economies, otherwise what do we do but drive people into unemployment or the arms of the drug trade?

Mr. Thomas: I accept absolutely my hon. Friend's point that there may be security implications if we do not get right the transitional assistance that we offer to help the region adapt to changes in sugar prices. That is why we are working with the Commission on its action plan, why we are seeking to galvanise the international financial institutions to work with us on getting the

package of transitional assistance right, and why, crucially, there is continuing dialogue with the region's Governments on the right measures to support effective transition from dependence on sugar.

The Caribbean has the second highest HIV/AIDS prevalence rate in the world after sub-Saharan Africa. In 2000, the total cost of the epidemic in the Caribbean was estimated to be close to 6 per cent. of GDP. Funding for HIV/AIDS has quadrupled in the past couple of years, and cheaper, high-quality anti-retroviral drugs and drugs to treat opportunistic infections are slowly becoming more widely available. We are supporting UK non-governmental organisations, such as International HIV/AIDS Alliance, to assist eastern Caribbean Governments, for example, to ensure that people living with AIDS and other vulnerable groups are directly involved in planning and implementing national programmes to respond to the epidemic.

One key challenge in using the support to get results on the ground is the high level of stigma and discrimination against people living with HIV/AIDS. That was the theme of a conference held in St. Kitts last week, which I jointly opened with the Prime Minister of St. Kitts and Nevis, Dr. Denzil Douglas. It came out of a discussion that Caribbean leaders had with my right hon. Friend the Prime Minister last year, when they specifically asked for UK support in challenging the stigma and discrimination that is undoubtedly fuelling the spread of AIDS in the region.

We know that people are too frightened, because of the potential reaction that they fear from their friends, neighbours and community, to be tested and to access treatment. As the epidemic spreads from particularly vulnerable communities, such as men who have sex with men, injecting drug users and sex workers, into becoming a more general epidemic, stigma is undoubtedly holding back an effective response. That is where the media, music industry and leading celebrities, as well as political leaders, can make a huge difference and positive impact.

Champions of change are emerging in the Caribbean, led by Dr. Douglas and Sir George Alleyne, who are respectively the Caribbean Community spokesman on HIV/AIDS and the UN special envoy for HIV/AIDS in the Caribbean. They both spoke extremely eloquently at the conference, alongside Courtney Walsh, the Mighty Gabby and other leaders from the Caribbean community, highlighting the successes that have been achieved and what other measures are necessary. The UK will continue to support Caribbean leaders, working through regional institutions, to establish a further programme of support directly to address stigma and discrimination, particularly working with the private sector.

The earnings of the narcotics industry in the Caribbean are estimated at $3.3 billion, which is nearly half the combined GDP of Jamaica and Trinidad. Drugs are transhipped through the Caribbean to Europe and the USA, and the criminal business is highly organised and very violent in both the recipient and transit countries in the Caribbean. In Jamaica, crime and violence continue to dominate the national development agenda and the response from the international community. The World Bank estimates that the public cost of crime and violence to the Jamaican economy is $350 million a year.

The costs to individuals are equally high. Jamaica's murder rate this year so far is the highest ever recorded for the country, with more than 1,100 people murdered by the end of October. Violence tends to be concentrated in urban areas, where the poorest and most marginalised live and where organised crime syndicates compete for control. For example, people living in some downtown Kingston neighbourhoods do not know that their children are entitled to go to school or that they are entitled to free health care or a passport without having to pay a fee to the controlling criminal gang.

The UK is co-ordinating its response in Jamaica across several Departments. My Department is providing support to modernise the Jamaica constabulary force and to ensure that security initiatives are implemented hand in hand with community development work and the strengthening of institutions in Jamaica.

At the end of October, my hon. Friend the Member for Harlow (Mr. Rammell), the Under-Secretary of State for Foreign and Commonwealth Affairs, signed the Caribbean Community and Common Market and United Kingdom co-operation plan on behalf of the UK. The plan will focus on four key priority areas: training security and law enforcement officials; establishing a regional information and intelligence-sharing network; maritime co-operation; and border security. Other Departments are leading the provision of assistance to the region to implement the plan, but the Government continue collectively to attach a high priority to continuing to work for better security and development in the Caribbean.

This year has also been a stark reminder of the last of the challenges that I flagged up. The Caribbean may have had the worst hurricane season in living memory. I alluded to the significant storms that have occurred almost every year since 1988. On my visit to Grenada last week, it was clear that efforts to tackle broader development challenges can all too easily be derailed by a hurricane or another natural disaster. The Governor-General's home in Grenada was completely devastated by the hurricane. Standing in the porch of what used to be his home and looking out at the community below, I could see a huge number of roofs covered with tarpaulins—another sign of the significant damage that had been done. I also visited several hotels; again, to speak to private-sector businesses. One hotel was employing only 40 people at a time of year when it would usually employ 240. That is one small indication of the damage done by the hurricane.

We continue to support the region in an attempt to increase its disaster preparedness.

Tony Baldry (Banbury) (Con): Will the Minister confirm that the money used to assist comparatively wealthy islands—overseas territories such as the Cayman Islands—will not come out of the budget of the Department for International Development?

Mr. Thomas: I cannot give the hon. Gentleman that assurance because the money that we provided to the Cayman Islands in the immediate aftermath of the hurricane came out of our humanitarian budget. It is absolutely right that it did, given the devastation on the islands. We sent a range of immediate goods and provided services such as access to water and a range of

[Mr. Thomas]

other vital commodities. We have also helped to fund the Bermudan regiment, which engaged in clear-up work on the Cayman Islands. It is right that we continue to provide that support.

The Royal Navy also stationed two ships in the region, which provided support in the immediate aftermath of the hurricane and were paid for separately. They provided immediate assistance not only to the Cayman Islands but to Grenada. It was right that that support was provided.

Jeremy Corbyn: I thank the Minister for giving way for the second time. I also thank him and his Department for the support that they gave to the victims of the hurricane and for the fact that he and the Secretary of State were prepared to meet me, my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) and others to discuss that aid and support. Will he say what lessons have been learned about both hurricane prediction and the preparedness of all the islands that were affected: Grenada, the Cayman Islands, Jamaica and Cuba? Some islands seemed to be much better prepared for the hurricane and more able to cope than others. Clearly, there are lessons to be learned. Perhaps we could direct our aid packages in future to provide better civilian protection and shelter. Hurricanes will happen and will continue to happen, and anything that we can learn from this particular disaster will mean that we can save lives in the future.

Mr. Thomas: We are considering the lessons that we can learn from the impact of the hurricane. We were not expecting the hurricane to strike Grenada. Warnings that it was likely to strike Grenada came very late in the day, and that is the explanation for the considerable damage and loss of life. My hon. Friend is right; we need to continue to review the support that we give, and our preparedness for disaster. We are doing that. I want to record the Government's gratitude to Baroness Howells of St. Davids, who visited Grenada in the immediate aftermath in order to help us to understand how we could provide assistance. That was particularly useful.

Last, but certainly not least, I should mention the UK's special responsibility to the overseas territories in the Caribbean. The hon. Member for Banbury (Tony Baldry) helpfully alluded to the support that we gave to the Cayman Islands in the immediate aftermath of the hurricane. Of course, there are other overseas territories in the region, not least Montserrat. We can be pleased with the progress that has been made since the volcano erupted there. The progress of other overseas territories towards self- sufficiency over the past 10 years has been impressive, and it is only Montserrat that needs bilateral development assistance. We will remain engaged in support of Montserrat's efforts to sustain and deepen its economic self-sufficiency. I was pleased to visit the territory in June and to meet the Administration.

We will continue to provide advice and support on issues such as HIV/AIDS prevention, disaster preparedness and environmental management. During my visit in June, I was able to announce further support for Montserrat of some £40 million for 2004-05 to 2006-07. I also saw the new airport, which is almost complete. That is a powerful symbol of Montserrat's progress since the volcanic eruption.

The Caribbean is a region of remarkable people with huge energy and vitality. It has made significant economic, social and political strides. However, it is also a region that remains uniquely vulnerable, and we have a responsibility to support it in its development journey. To that end, I look forward to the UK's continuing to work with Governments and to support regional institutions in the Caribbean.

Mr. Deputy Speaker. Before I call the spokesman for Her Majesty's Opposition, I belatedly welcome all hon. Members to this first sitting of Westminster Hall of the new Session. I also draw attention to the new clocks, which have been fitted by authority of Mr. Speaker after consultation with the appropriate Committee. The upper display shows the time of day and the lower will record the time when an hon. Member gets to his or her feet. They are intended to replicate the Annunciator in the House itself, and will enable hon. Members in this Chamber to know for how long they have spoken. I am sure that hon. Members will take my point.

2.58 pm

Mr. Mark Simmonds (Boston and Skegness) (Con): I am delighted that we are having this debate. Like the Minister, I have recently been to the Caribbean and I shall say a few words about that. Sadly, the region has received far less attention from the UK Government in recent years than it ought to have done—*[Interruption.]* I shall come on to why I think that if the right hon. Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) will contain himself. I make the point particularly in view of the strong historic ties that this country has with the Caribbean, both through the Commonwealth and the dependent territories and through the significant Caribbean community within the United Kingdom.

Caribbean issues should be higher up the Foreign Office list of priorities. Sadly, however, the behaviour of the Government following the recent hurricanes demonstrates that that is not the case. Like some other areas, notably Latin and central America, the Caribbean has steadily been demoted in the view of the Foreign and Commonwealth Office. We all understand that the conflict in Iraq and the rebuilding in Afghanistan are priorities, but they should not come at the expense of long-standing relationships with our close friends in the Caribbean and elsewhere.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I do not know what world or universe the hon. Gentleman is living in. This Government set up the UK-Caribbean forum to promote dialogue with the Caribbean. This Government moved quickly to help in the aftermath of the disaster. The Under-Secretary of State for International Development and the Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Rammell) have just returned from the Caribbean. There have been more ministerial visits to the Caribbean over the past few years than ever before. I think that the hon. Gentleman is barking up the wrong tree and should try a different one.

Mr. Simmonds: I am interested and intrigued by that intervention. I shall explain why I have come to my view—the evidence is there. If the right hon. Gentleman had spoken recently to some of the Ministers in some of the Governments of some Caribbean territories, he would know as I do that there are serious issues with the relationship between the United Kingdom Government and Governments in the respective Caribbean territories. I shall come on to specifics later.

I was pleased that the Minister visited some of the countries affected by the hurricanes in the Caribbean, and I wonder whether he or the Department for International Development have a view on whether those hurricanes were a consequence of global warning. What assessment have the Government made of that and of the impact that climate change has had on the Caribbean? What assistance and safeguards can be put in place to ensure that, if such events take place in the future, Caribbean countries will be better prepared to tackle them with assistance from the UK and other countries? I accept his point that early-warning systems do not always work, but I would be grateful to hear his thoughts. I hope that we are in a position to represent the views of the Caribbean on climate change through our standing in global organisations and communities, particularly the G8, in which Caribbean countries do not feel that they have a significant enough voice.

As we all know, the hurricanes and storms were particularly bad in Grenada and Haiti. The devastation caused in Grenada was immense, and it suffered more physical damage than during any other storm season. According to the Organisation of Eastern Caribbean States, it will cost more than £500 million to repair and rebuild the island. That is no small sum considering that the island's gross domestic product was half that—about £250 million—in 2002. The tourism industry has been destroyed, and the main crops of nutmeg and cocoa have been completely wiped out. It will take at least 10 years to re-grow the nutmeg groves. Many of the island's 7,500 farmers had no insurance and are left with nothing.

Rightly, the British Government provided immediate assistance to Grenada during the crisis. Fortunately, HMS Richmond and Royal Fleet Auxiliary Wave Ruler were in the vicinity to assist with the rescue and recovery efforts. I extend the Conservative party's gratitude both to the Department and to our armed forces, which did all that they could to provide assistance during the crisis.

In Haiti, already ravaged by chronic political and economic instability, the storms led to a humanitarian disaster. The devastation of tropical storm Jeanne was accentuated by wide-scale deforestation, which led to mass flooding and some 3,000 deaths. Haiti is in danger of becoming a failed state as lawlessness prevails and the UN Interim Government gradually lose their grip on the country. The implications of having a failed state in the Caribbean would be enormous. What are the Minister's Department and the Foreign Office doing in the international community to address the problem and the enormous migration out of Haiti that is causing problems in other Caribbean countries?

Cuba was also severely affected by the hurricanes, and I understand that there were a number of deaths. Although many people do not immediately recognise Cuba as being part of the Caribbean, it has the largest population in that region. During my recent visit to Havana, I discussed the emergency procedures in place in Cuba to deal with the hurricane season. While I was there, I visited the Havana trade fair where, I must say, I was extremely disappointed by the de minimis number of British companies. What are the Government doing, if anything, to facilitate and stimulate trade with Cuba, given that it has successful and strong trading links with many other European countries, such as France, Germany and Spain?

Jeremy Corbyn: Does the hon. Gentleman agree that an important and helpful development for Cuba would be pressure on the United States to lift its ludicrous embargo so that Cuba could trade reasonably, openly and fairly with the rest of the world, including the country 90 miles away?

Mr. Simmonds: I agree entirely with the hon. Gentleman. One of the things that I learned while I was there was that the embargo is hypocritical. Large amounts of agricultural produce come from the United States under the 2000–01 agreement reached with Cuba following the devastation that took place then. That produce includes wine from California. How wine from California fits into the humanitarian aid category, I am not particularly sure.

Ms Abbott: Would the hon. Gentleman agree that it has long been the position of British business and people who trade in the region that Her Majesty's Government could do more to put pressure on the US to lift the embargo? Cuba was successful in minimising the loss of life after hurricane Ivan. It has effective methods of evacuating its population, including farm animals, into underground shelters.

Mr. Simmonds: The hon. Lady makes a good point. However, the European Union has reacted properly to the recent human rights abuses that have taken place in Cuba. We should not be under any illusion that it is a pluralistic, democratic, open and transparent society. It is not. That does not mean that the facilitation of economic trade and growth should not go ahead, but we must also put pressure on the Cuban Government to make sure that they improve their human rights record and democratise society to enable people to live in a way that we all accept and understand as civilised and appropriate.

I want to make some specific remarks about the Cayman Islands, which I also visited when I was in the Caribbean. It became clear to me that much of the infrastructure was torn apart and that many people lost their homes. I have seen the devastation for myself. The scale of the damage in the Cayman Islands has been significantly overlooked by the UK media and, to some extent, by the Government. The successful financial centre has made huge efforts to return to normality, and I am pleased that the islands' 600 banks are once again open for business.

The Government's statement that the Cayman Islands are uniformly wealthy and affluent is, in my view, incorrect. Well over 50 per cent. of the population live in poverty. Many people from the socio-economically challenged groups in the Cayman

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Islands are now homeless. They have had their homes and livelihoods destroyed. Inevitably, the poorest in society have been worst affected. Many who have lost their homes are unable to rebuild them because they had little or no insurance. It is certainly the view of the Government of the Cayman Islands that the Foreign Office and the Department for International Development could be doing more to facilitate and help the Cayman Islanders to get back on their feet.

In British dependencies, it is the duty of Her Majesty's Government to ensure that adequate emergency procedures are put in place to deal with such wide-scale devastation. In my view, the Government have a moral duty to ensure that adequate resources are provided to rebuild dependencies. Although the Government rightly provided considerable assistance to Grenada, it seems that the view taken that the Cayman Islands and other dependencies are rich enough to sort the problems out themselves is not necessarily always the case. There is significant poverty, as the Minister rightly pointed out, across the Caribbean, including in our own overseas territories. The Government should recognise that when prioritising aid and assistance packages.

It has already been stated absolutely correctly that poverty is closely linked to the spread of AIDS.

Tony Baldry: There is considerable poverty in Florida. We do not suggest giving development assistance to Florida. The Cayman Islands and other overseas territories, such as Bermuda, have an average income that is substantially greater than that of the United Kingdom. It is wrong that such countries should continue to expect first call on DFID's budget for ever more, simply because they are overseas territories. They are substantially wealthy countries, which should be planning contingency reserves to meet such disasters themselves, just as the United States has to do for Florida. Just because they are small islands does not mean to say that, given their wealth, they should not provide adequate protection. The idea that one should take money away from very poor people in other parts of the world to give to the Cayman Islands is wrong.

Mr. Simmonds: I have a tremendous amount of respect, as I know all Members of the House do, for the work that my hon. Friend does as the Chairman of the International Development Committee and his tremendous knowledge in this area. However, I think that the statistic that he has given for the average GDP wealth of the population of the Cayman Islands is misleading. The Government, too, have used that statistic as a reason why more aid does not go to the Cayman Islands, but there are some very poor people there and in other Caribbean countries. I do not see why they should not benefit from aid, when they need it, from the development Department budget of this Government and those of other affluent countries, just as poor people in other countries should benefit too.

Before we get too bogged down in specifics, I want to say a few words about the spread of HIV/AIDS. I am sure that we are all aware that yesterday was world AIDS day. However, few people realise, although the Minister said this earlier, that the Caribbean is second only to sub-Saharan Africa in that respect. Last year, 52,000 people in the Caribbean were newly affected by HIV and up to 60,000 children and adults died. I am pleased that the Caribbean Heads of Government have recognised the problem and taken steps to combat the spread of the disease, securing substantial aid assistance from the United States through the Caribbean community. I hope that the British Government continue to be involved in programmes to combat the spread of that terrible disease throughout the Caribbean.

The key to fighting disease and poverty and to maintaining robust civil society and democratic governance lies partially but importantly with transparent macro and micro-economic policy. The success of Caribbean economies to date has relied heavily on tourism from Europe and north America, but that industry has been particularly damaged by the recent devastation caused by hurricanes.

I shall give an example. Last year, the Bahamas had a GDP of $5.3 billion, 70 per cent. of which was generated from tourism-related businesses. However, it is estimated that as a result of the damage done by the storms and hurricanes, tourism will contract by 25 per cent. this year, resulting in lost revenues of about $26 million. The reliance on foreign tourism leaves Caribbean economies particularly vulnerable to national disasters and the prosperity of other countries' economies.

Key to resolving the problem is trade with the European Union, which has played an important role in the development of Caribbean economies. The 1975 Lomé convention and its successor agreement have provided the Caribbean, as part of the African, Caribbean and Pacific group, with preferential prices for agricultural products, such as sugar, bananas, rice and rum. Those agreements have provided a certain amount of economic security and stability to Caribbean country economies by providing jobs for local people, generating local wealth and bringing much-needed capital flows into the region.

The agreements, however, have failed to spur on Caribbean development and diversification as much as had been hoped. Unfortunately, the region's economies still depend largely on remittances and a limited range of agricultural and mineral products. A Caribbean trade policy consultant has stated:

"By using tariff barriers that would allow 'infant industries' to grow and develop, the objective was to use trade, as well as aid, to contribute to development. Today after more than 25 years, these barriers persist, protecting 'mature industries' that have not grown or developed significantly".

I believe that that shows that tariff barriers supposed to protect infant industries can have the opposite effect and stifle development and efficiency.

We must recognise, as the Minister set out in some detail, that the banana and sugar industries continue to account for a significant proportion of many small island nations' economic activity. That is why the decisions that will be made in the remaining stages of the Doha round of World Trade Organisation talks are so vital to the future of Caribbean states. Trade liberalisation poses a real challenge to the viability and vitality of the region's economy. During the negotiations, the UK must stand up for the interests of the dependencies and Commonwealth countries in the Caribbean.

I welcome the efforts made by CARICOM to deal with the difficult economic issues facing the Caribbean. The development of a single Caribbean market to stimulate production and trade in goods and services throughout the region is a necessary step in stimulating growth. However, although it is important that the Caribbean further develops economic alternatives, it cannot realistically be expected to embrace full-blown free trade in bananas and sugar. It simply cannot cope with the lower-cost and higher-volume producers in south America.

Many Caribbean countries support the view of EU Commissioner Lamy that the EU should set a tariff for non-ACP countries exporting bananas into the EU at €275 per tonne rather than the €75 proposed by south and Latin American countries. This issue is complex and I will not go into it in great detail this afternoon. Suffice it to say, it is immensely important to resolve it satisfactorily in an agreement between all sides.

If the fragile industries on which the Caribbean has relied for so long are allowed to diminish without global assistance to facilitate a transition, the consequences may be immense for the entire region. One example is the enormous dependency of the St Kitts and Nevis economy on sugar. As the Minister will know as he visited the islands recently, that was a major factor in their recent general election campaign. The sugar production makes an enormous loss per annum, which is subsidised by the taxpayers.

I shall say a few words about the relationship between education in the Caribbean and education in the UK. If the Caribbean's core industries diminish and they are unable to compete in the freer market against countries with lower cost bases, not only will the consequences be felt immediately in that industry and that sector but the countries may have insufficient resources to fund much needed infrastructure developments such as education and health care. That in turn will lead to a further decline in their innovation and economic competitiveness.

Many of the Caribbean's brightest young people are educated here in Britain. That is already expensive given the strength of sterling and the rising cost of overseas student fees and visa costs. As the Caribbean countries' economies continue to adjust fewer able students can afford a British education. That is to the detriment of the UK and of many Caribbean countries where the majority of Heads of State and Government figures have attended British universities. Therefore it would to the detriment of vital UK-Caribbean bilateral relationships.

The cost of studying here has already been significantly increased now that students from the Caribbean have to pay £250 just to renew their visas annually. That charge looks set to increase dramatically to more than £400 a year if Home Office proposals are brought into force. Would the Minister care to comment on that potential barrier to entry, which may dissuade bright, capable, foreign students from coming here to be educated and possibly to continue to work in the UK?

I shall make a few specific points about the overseas territories. This country has a duty to look after and act for those countries internationally. The 1999 White Paper which sets out the framework for that relationship, "Partnership for Progress and Prosperity", outlined a four-point future partnership between the UK and the territories. I understand that the territories were particularly hopeful that the document would pave the way for better working relationships.

I am sure that we would all agree that the term partnership implies mutual benefits for both sides. However, as I am sure the Minister is aware, the view is that the relationship is far from a partnership. I have had meetings with several representatives of Caribbean countries and the consensus is that London imposes its will on the territories. If a territory is unwilling to comply with a particular request, the Government threaten to legislate, and if the territory still will not come into line it is swiftly reminded of the alternative, which is independence.

When Lord Hurd was Foreign Secretary he made it clear that the Foreign Office would no longer issue instructions to the territories. Things have clearly deteriorated subsequently. The Government have been less than helpful about contingent liability issues. Dependencies like the Turks and Caicos face real problems raising the necessary capital to invest in and build adequate infrastructure, including schools and hospitals. The Government, despite their so-called partnership for progress and prosperity, appear to remain unwilling to assist in resolving the contingent liability issue. Perhaps the Minister could tell us what progress is being made.

My final point relates to the EU's savings directive. The Government have failed to recognise the significant implications of EU laws on the territories. Whether we like it or not, British law has become increasingly entwined with that of the European Union. The territories are therefore subject not only to British law but to that of the EU. That has created serious issues for the British Virgin Islands and the Cayman Islands, which have developed into successful international financial centres.

If the directives are fully implemented, the effects on the territories will be immense, not only economically, but socially and politically, as set out in the Maxwell Stamp report. For example, 70 per cent. of the British Virgin Islands' income comes from the financial services sector. Should the directives be fully implemented, there is likely to be a 20 per cent. fall in the GDP of the British Virgin Islands.

It is no secret that the Government have failed to keep the dependencies up to date on EU initiatives. A briefing paper that discusses the impact of such initiatives says:

"However, no-one was more surprised than us when a matter of months later the latest EU Communication . . . was announced making specific reference to and demands on overseas territories. Prior to the announcement certainly we were not involved in any discussions or given . . . notice."

That is hardly a harmonious partnership.

The overseas directives are clearly misguided. It is right that all in the banking sector should provide greater transparency and information exchange in the tax field. That is what the respective Governments are working towards and wish to do further.

I think that I have spoken for long enough. Many hon. Members wish to participate in this debate. I conclude by saying that it is essential that the UK continues to enable and to encourage good relationships with the Caribbean, rather than turn its back on historic

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friends. Many Caribbean countries look to Britain for guidance, assistance and advice in the spirit of national partnership. We should not disappoint.

3.22 pm

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I, too, welcome the debate and congratulate the Government, who get an awful lot of criticism—most of it unwarranted—for taking their time to initiate this debate. You have been here for a long time, Mr. Deputy Speaker, and, as you indicated, it is really fantastic that the first debate in Westminster Hall this session should be on development in the Caribbean.

I congratulate the Minister and the Secretary of State on their work generally. We have a superb team in the Department. They are second to none and do an extremely good job.

Ms Diane Abbott: Will my noble Friend give way?

Mr. Foulkes: Right hon. Friend.

Ms Abbott: Can I share my right hon. Friend's appreciation of the Secretary of State's keen interest in the situation post-Hurricane Ivan?

Mr. Foulkes: I appreciate that. Incidentally, I am not "noble", but I am now "right hon.", although I do not mind what anybody calls me—and my goodness, I have been called some things in my time.

The hon. Member for Boston and Skegness (Mr. Simmonds) did himself no favours. There are areas in which we can ask the Government to do more and I will do that. However, we must first give them credit for what they have already done, and then say that we should do a little more.

I want to concentrate on sugar. I shall mention a few other things, but sugar is the most urgent problem, as my hon. Friends indicated in their interventions. I want also to pay tribute to the work of Derrick Heaven, the distinguished former high commissioner for Jamaica and now chief executive officer of the Sugar Industry Authority in Jamaica. He is doing a superb job lobbying on sugar. He has come to Parliament and met hon. Members and Ministers—most of us here will have met him—as well as the trade commissioner in the European Commission. He is putting the case effectively and forcefully, and deserves a good hearing.

I can do no better than use Derrick Heaven's words, from his recent address to a European Parliament committee. He went back to 1975 and the historic Lomé convention, which gave the Caribbean clear guarantees on cane sugar. He then mentioned the Cotonou agreement, which was signed in 2000, overtaking and subsuming the Lomé convention. He specifically noted that article 36.4 reconfirmed the importance of preserving the benefits of the sugar protocol and that the provision had given Caribbean countries some reassurance.

Three months later, however, before the ink on the agreement was dry, a leaked document told the Caribbean Governments that the EU was proposing, without consultation, to make provisions for the least developed countries, including many African, Caribbean and Pacific countries, that would have an impact on arrangements under the agreement that had just been made. As my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) noted, the leaked document said that there would be major price cuts, with a 20 per cent. cut in the first year and a 37 per cent. cut overall. That was devastating news for the region, and Derrick Heaven noted:

> "All along we were assured at the highest levels in Europe that any change to the treaty would be gradual and designed to be least disruptive. How wrong were we to have accepted these assurances of the European Commission and some member states."

As Derrick Heaven pointed out, the sugar industry provides by far the most important economic activity in rural Jamaica. Indeed, in most of rural Jamaica it provides the only economic activity. It directly employs about 40,000 people and provides a livelihood for thousands of small farmers. In many areas, sugar is grown alongside the banana crop, but as we know, that, too, is under threat. As my hon. Friend the Member for Islington, North (Jeremy Corbyn) told us, if those industries collapse, many people are likely to resort to growing other things, which will be less acceptable and will create huge problems for those countries and ours.

Derrick Heaven went on to say that Governments in the Caribbean are not complacent; they accept that change must take place and have been preparing and planning for it. However, that change should not be as rapid or as dramatic as has been proposed. He said:

> "We are looking at the ways in which we can produce bio-ethanol, sugar refining for our soft drinks industry, co-generation and a range of other options."

However, he stressed that the successes

> "of such endeavours are predicated on there being a secure market for our sugar at a price and in a time frame that is viable. Unless this is secured, there is no solid commercial base on which to finance the added value of diversification."

Jeremy Corbyn: Does my right hon. Friend agree that when powerful western countries such as ours encourage countries such as Jamaica to diversify and produce other goods, it is incumbent on us to ensure that trade barriers to the added-on value of processed sugar, processed fruit and anything else are lifted? At the moment, those barriers impose prohibitive costs, which mean that countries simply cannot gain entry to European markets.

Mr. Foulkes: My hon. Friend makes a good point. I cannot add anything to it or express it better.

Derrick Heaven went on to say not only that countries are facing immediate, sudden and drastic cuts, but that any measures to help them would not enter into force until 2007. In a familiar phrase, he describes that as "too little too late".

The point that I want to put to the Minister, and with which I hope he will deal in his reply, is what should be

done. Derrick Heaven said:

"In the interest of fairness, transparency, integrity and the spirit of partnership, we would suggest . . . that the proposals that the Commission has placed on the table, be redefined to reflect a more gradual approach with a reasonable start-up time. We would also suggest that before any action plan is proposed that the Commission might find it useful to engage with all of the sugar industries of the ACP, their views and objectives for their industries in order that any action might have relevance to those that their plan is intended to benefit.

For these reasons we believe that measures be immediately put in place to encompass the modified proposals that will compensate for the losses of our economies and industry, and an easily accessed fund"—

that is important in the European context, as some funds are not very easy to access—

"be established to provide support, before, during and after an agreed period of transition."

I hope that the Minister will reassure us. We have allies on the issue, including the French and the Spanish. I hope that he will push strongly within the Council of Ministers, and will press the Commission to ensure that it has a rethink. It is a crucial issue, as the Opposition spokesman said—I agree entirely with his comments on the sugar industry—and as my hon. Friends have made clear.

I turn now to bananas, but before doing so, I thank the Minister for the written replies that he gave me today, which indicate what the Government are already doing. Although I appreciate that, I think that the issue is so urgent that more must be done.

The new banana regime repeats the problems that there were with sugar. Again, there is the potential for small producers to be devastated. Britain is a key export market for Caribbean bananas and any move to reform the system will inevitably have a severe effect on small farmers, particularly in rural areas. When one contrasts what is happening in our overseas territories with what is happening in the French dependencies, specifically where they are departments, one sees that they are part of the European Union and receive all the assistance of the common agricultural policy. Our territories are therefore at a particular disadvantage. I hope that the Minister and his colleagues will continue to pursue a vigorous approach to sugar and bananas.

I shall deal now with one or two specific Caribbean countries and shall pick up on what the Opposition spokesman said about Cuba. If he is keeping up with what is happening, he will know that the Cuba initiative has just had a major trade mission to Cuba, led by Lord Moynihan. *[Interruption.]* I do not know that the Opposition spokesman should dismiss Lord Moynihan in such a cavalier way. There were representatives of 40 countries, wanting to develop, improve and increase trade with Cuba. I know that the Foreign Office has been initiating, within the European Union, a review of our approach to Cuba, and I hope that that will result in some changes in our diplomatic relations with Cuba within the near future.

Mr. Simmonds: To correct the record, I have great admiration and time for Lord Moynihan and the excellent work that he has done on building relations with Cuba, as the Cubans also do. What I was trying to put on the record and emphasise is that when I was there, only about three weeks to a month ago, just before Lord Moynihan's visit, the British representation at the Havana trade fair was negligible, in fact almost non-existent. However, our other European competitor countries had significant business opportunities that were being facilitated with Cuban companies. I am delighted to hear that the Foreign Office is now starting to move in that direction.

Mr. Foulkes: Clearly, things looked up as soon as the hon. Gentleman left Cuba. Perhaps he could encourage his friend, Lord Ashcroft, to take an interest in Cuba as well. I am sure that he would also see many opportunities for trade and investment in that country.

I should like to mention another country, from which I have just returned: the Dominican Republic. It is often overlooked in the United Kingdom and in this Parliament. On this occasion, the trade mission to the Dominican Republic was led by me, as president of the Caribbean-Britain Business Council, and we had a very good visit with 15 companies represented. There is a huge opportunity for trade and investment in the Dominican Republic. Now that President Leonel Fernández has taken over, the economy is improving rapidly. The Dominican Republic is the largest exporter to the United Kingdom of organic bananas. That is our biggest import from the country, and our biggest export there is whisky. I am glad to say, as an MP representing a constituency that produces a lot of whisky. Trade between us amounts to only about £80 million. Considering the size of the country, it should be substantially more than that.

I commend our excellent ambassador in Santo Domingo. Andy Ashcroft is the epitome of what a British ambassador should be. He is actively involved with industry, politics and the local community and is a personal friend of the President and of the Foreign Secretary. He looks after our interests extremely well. We can be proud of that; it indicates the vital importance of our diplomatic posts in such countries. The country would like to receive a ministerial visit. I am not sure whether my hon. Friend the Minister is the most appropriate person, but I hope that he might encourage one of his colleagues from the Department of Trade and Industry to visit the Dominican Republic with a view to increasing and developing trade between our countries.

I want also to mention briefly—I know that other hon. Members are waiting to speak—a country that is often forgotten, although it has been mentioned today. Haiti is the poorest country in the western hemisphere. It has been through awful political problems and natural disasters. I do not think that it has been fully understood that, in the hurricane, nearly 2,000 people were killed and 200,000 lives and livelihoods were affected, as the Christian Aid briefing that we have received pointed out. I know that, because it is not part of the Commonwealth and is not in our traditional sphere of influence, we do not always see it as having a high priority. However, I hope that, because it is such a poor country, the Department will look at it again to see what more can be done to help poor people there.

I shall finish where I started. The fact that we are having this debate in Government time is good. The fact that we are here—not in huge numbers, but many of us are involved deeply in the Caribbean—will be a source of comfort to the Governments and people of the

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Caribbean that they are not forgotten in the United Kingdom Parliament. They are certainly not forgotten in the UK Government, as I hope will become clear to the Opposition spokesman over the next few weeks and months. We understand that small island economies are particularly vulnerable and that because of our colonial past we have a particular responsibility. I am glad that our Government recognise that and are fulfilling their responsibility.

3.38 pm

Tony Baldry (Banbury) (Con): I agree with everything that the right hon. Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) has said on sugar, and I shall say more about trade.

It would be helpful if we had a clear indication from the Government that in the Cotonou discussions they will, as far as possible, speak up for the Caribbean Commonwealth. Often, there is an ambiguity about the line that the Government seek to pursue. I agree entirely with the Minister's comments on the fact that because the Caribbean is seen as sun, sand and sea, we often do not take its needs on board.

Let me return to the bee in my bonnet about the overseas territories. The Government give money to the Cayman Islands—not on development grounds, but because, under the British Overseas Territories Act 2002, the overseas territories top slice. Let us be clear about that. We are closing Department for International Development offices in Honduras and Lima, so it is strange that wealthy countries such as Bermuda, the British Virgin Islands and the Cayman Islands expect an indefinite contingent liability in respect of the UK. That is the bee in my bonnet, which I shall return to whenever it comes up.

Mr. Thomas: I reassure the hon. Gentleman that only Montserrat and St. Helena will continue to receive direct budgetary assistance. My point about the Cayman Islands is that we believe it was right to respond with immediate humanitarian assistance, given the devastating impact of the hurricane there, as we did in the case of Grenada and Jamaica.

Tony Baldry: I entirely understand the Minister's point. I simply believe that places such as Florida, or anywhere else that is prone to hurricanes, are sufficiently wealthy to be able to provide their own contingency. That is the only point I am making.

I shall now make some comments that are unbelievably tedious, for which I hope colleagues will forgive me.

Jeremy Corbyn: What a health warning.

Tony Baldry: Indeed. I simply hope that colleagues bear with me, because I am concerned that we have got so far in this debate without undertaking any real analysis of Cotonou and trade discussions on Cotonou. We have all spent an enormous time on the World Trade Organisation.

The International Development Committee produced two very substantial reports on the WTO: one before Cancun and the other after it. The Minister's officials are all extremely good, and we are grateful to those of them who gave evidence on Cotonou to the Committee earlier this week. Every member of the Committee, having heard that evidence, believes that collectively we have not kept our eyes sufficiently on the ball on Cotonou and on the impact that discussions on Cotonou could have on the ACP countries. The "C", of course, stands for the Caribbean. The Committee will seek a very early meeting with Commissioner Mandelson to voice our concerns. If the House will bear with me, I shall summarise some of them.

Unfortunately, it is impossible to read into the *Hansard* report of this sitting a diagram of the chaos of the EU trade system. However, a great advantage for the Caribbean countries of the ACP group was that they benefited from the pyramid of preferences. They had more generous tariff preferences on a broader range of products and were subject to less restrictive rules of origin. Some agricultural products received tariff preferences and some ACP countries benefited from special trade protocols on bananas, sugar and rum, all of which are important to the Caribbean.

In 2000, the Cotonou agreement replaced Lomé, and marked a shift from non-reciprocal tariff preferences to establishing reciprocal trade agreements for all ACP countries. Now the Cotonou agreement proposes to create WTO-compatible economic partnership agreements between the EU and the six regions of the ACP, one of which is, of course, the Caribbean. Those EPAs will be regional trade agreements between a group of developed countries—the EU—and groups of development countries, which in this case means the Caribbean.

The ACP group will continue to exist, but its role and scope will be radically altered. There will be strange circumstances, so providing differential treatment to ACP states at different levels of development within defined regional arrangements will remain problematic. As the Overseas Development Institute has pointed out, Haiti, about which we have heard quite a bit this afternoon and which is the least developed Caribbean country, will participate alongside Barbados in CARICOM negotiations or in an EPA.

The EU has said that the EPAs will have a strong developmental emphasis, but that they will also include reciprocity. In other words, as the markets of the EU open up, the EU is expecting the markets of the poorer countries to open up.

In evidence to the Select Committee, officials stated that economic partnership agreements will

"promote development through trade by maintaining ACP preferential access to the EU market".

They also said that the regional trade agreements "must include reciprocity". As I said, this is a technical but important point. I would welcome an indication from the Minister as to how these two seemingly incompatible objectives—maintaining preferential access and including reciprocity—will be put into effect in a WTO-compatible manner. If that does not happen, which side will the UK be on? Will we support the Caribbean countries or simply be part of a tidying-up exercise for the EU?

Officials have also said that

"further analysis will need to be done to look at which sectors, and on what time scale, reciprocal market opening by the ACP would best meet their developmental needs".

We know that the economies of the Caribbean are pretty fragile and that they do not have a huge number of markets. Who will conduct the analysis and, given that the economic partnership agreements are due to begin in 2008, when will it be carried out? I suggest, as others have, that it might be sensible to try to postpone the Cotonou negotiations until after the Doha development round is completed, not least because St. Kitts and Nevis has precisely four officials dealing with all the WTO and Cotonou negotiations.

Indeed, the Minister has more officials in his private office than St. Kitts has to negotiate the WTO and Cotonou agreements, so I do not see how the small island countries can be expected to act in the time frame. They just get rolled over, which leads to considerable resentment. If the economic partnership agreements are to be tools for development, fundamental changes need to be made to the process and substance of negotiations.

In a recent speech to ACP Heads of State, Kofi Annan said:

"A major concern, for example, is the impact that the trade liberalisation to be wrought by EPAs would have on fiscal revenue. Many of your countries are heavily dependent on income from tariffs for government revenue. The prospect of falling government revenue, combined with falling commodity prices and huge external indebtedness, imposes a heavy burden on your countries and threatens to further hinder your ability to achieve the Millennium Development Goals."

That is powerful stuff from the Secretary-General of the United Nations—he is telling ACP states that the negotiations will make life a lot more difficult for them rather than a lot easier.

I hope that the Government produce a timetable and their own action plan for work on EPAs, while recognising that the aim is to promote development in ACP countries, including those in the Caribbean. We should seriously consider dropping the principle of reciprocity in the EPA negotiations, because reciprocity between the EU and ACP countries constitutes a substantial threat to ACP economies—and not just those in the Caribbean. When the Prime Minister is rightly focusing on Africa, and the Commission for Africa, it would seem somewhat strange for us to make life more difficult for it.

It is perverse that while everyone in the House worked hard to get the Singapore issues withdrawn from the WTO negotiations, they are still in Cotonou. We understand that the reason for the Singapore issues dragging on through Cotonou, despite having been put to one side in the WTO, is that Cotonou started before the WTO. That is Nurofen-inducing; it must be a complete nightmare for trade negotiators in Jamaica, Antigua or any other Caribbean sovereign state, who are trying to work out how best to protect their interests.

The Government are suggesting that there could be alternatives to EPAs. One suggestion is for a generalised system of preferences. What are the limits of such systems? It is probable that it will prove impossible to offer all developing countries "Everything but Arms" access. What steps are the Government taking to ensure that a viable alternative, with at least as good access, is available to those ACP states not wishing to pursue an EPA? The House needs to know.

Jeremy Corbyn: I am grateful for the hon. Gentleman's health warning, given to us earlier, because it has helped us to get through his speech. I think I understand what he is saying about the Singapore issues living on long after they died in Cancun, but what does he propose to replace them with? The problems at Cancun were dumping of food and refoulement of profits by multinational companies in third-world countries.

Tony Baldry: The Singapore issues specifically involved investment, competition and public procurement. I realise that the subject is technical and I did not want to trespass on the House's good will, so I am talking in political shorthand, but I suggest to the Government that the Singapore issues should be withdrawn altogether from EPA negotiations. The EU must acknowledge ACP countries' opposition to commencing negotiations on those issues. They were opposed to them during the WTO talks and it is wrong that they be obliged to negotiate them now.

I hope that we hear a clear statement from the Minister on where the Government stand on Cotonou. I cannot understand how we can examine the Caribbean without considering trade preferences, which requires a focus on Cotonou. This matter may seem technical and tedious, but if we get it wrong it will be to the detriment of Caribbean countries.

Mr. Foulkes: I think we should absolve the hon. Gentleman from blame for tedium, because that stems from bureaucrats at the Commission, who are probably the world's experts on producing enormously tedious material. However, some people have seen through the tedium and understand the implications. I have received several letters from constituents expressing concerns such as he is expressing.

Tony Baldry: The coalition against the Commission's proposals is enormous. I have a briefing—I have not quoted from it at length, but I am sure that the Minister and his officials have seen it—from ActionAid, Oxfam, Christian Aid, the Catholic Fund for Overseas Development and a number of development non-governmental organisations, which is entitled, "Six Reasons to Oppose EPAs in their Current Form". Although the House has been lobbied extensively for months over the WTO, I am concerned that Cotonou is slipping under the wire. This is an issue of EU competence and Mandelson competence.

Those of us concerned about development in general and particularly about the Caribbean should focus collectively on the issues. That is a mea culpa to us all, and I give notice to the Minister that the International Development Committee intends to try to achieve redress.

I hope that the Minister tells us that the Government are alive to these concerns and to the concerns of the individual countries and the development community. I hope that he confirms that they are doing their best to ensure that we avoid the risk, which Kofi Annan described, of many of these countries moving even further back from meeting the millennium development goals.

3.55 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab). I am grateful to have an opportunity to speak in this important debate. Let me join my noble—sorry, my right hon. Friend the Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) in congratulating the Government on holding the debate in Government time.

As someone who has been a Member of the House since 1987, I want to begin by saying that there is no doubt that since the mid-'80s the Caribbean region has slipped down the Government's agenda. That is to take nothing away from the indefatigable efforts of former Ministers in previous Governments and this Government or the indefatigable efforts of Baronesses Amos and Scotland, friends of mine who have worked very hard in the other place to represent the interests of the region. Whatever Heads of Government tell Ministers over cocktails, they tell everyone else that over the past two decades the region has slipped down the agenda.

I do not blame any particular Government for that. There are historic trends: the end of the iron curtain and of the cold war meant that regions that were once cockpits of the cold war fell from the attention of the United States, and to a lesser extent that of the UK. With the rise of the Asian tigers and the emergence of the massive economies of Taiwan, China and Korea, our economic focus has moved. The importance of eastern Europe and Russia has led attention, capital flows and economic interest away from the region to other parts of the world.

Undoubtedly, the Department for International Development's otherwise laudable emphasis on helping the very poorest countries has been at the expense of allegedly middle-income countries such as Caribbean countries. It is regrettable that the region has dropped down the Government's agenda. It is regrettable philosophically because of the historic links between the region and Britain and because of the existence of large and passionately engaged Caribbean communities in all our great cities. It is also regrettable practically.

I come to this debate having spent the morning at a conference on gun crime organised by the Metropolitan police. I am sure that Ministers appreciate that in a globalised world we face globalised crime and globalised social disorder. Ministers cannot pursue policies in relation to trade liberalisation, and the so-called modernisation of the public sector, which will inevitably lead to job losses in the region, without that having an impact on security and crime issues right here in Britain.

If people sneeze in west Kingston, we catch a cold in Hackney. The criminals are as globalised as any multinational company. I regret that for all the energy that Ministers put into security, crime and drug issues, they do not link it to their trade liberalisation policies and modify them accordingly. Of course change has to come—to bananas, to sugar and to the whole region—but the pace of change and the ability of the countries to draw down funds to manage that change is crucial if this is not to result in social disorder and dislocation in that region, which directly impacts on us here in London.

I am sure that hon. Members will forgive me if I return to sugar, because it is a major issue. People are very unhappy with how things have developed. I join my right hon. Friend in congratulating the distinguished former ambassador, Derrick Heaven, on his work defending the sugar industry of the region and Jamaica specifically. I do not want to repeat what my right hon. Friend said, but these new proposals on sugar—whether they are in technical breach of the Cotonou agreement or not, they certainly breach its spirit—specifically reconfirm the importance of preserving the benefits of the sugar protocol.

Although I may not say this over cocktails with Ministers, as far as the region is concerned, the new proposals on sugar and the precipitate slashing of the sugar price are a breach of faith. There has been a lot of talk about transitional arrangements, but, like my right hon. Friend, I quote the ambassador's recent speech:

> "As our region's experience with bananas and rum shows, the delivery of development assistance to industries undergoing finite transitions as a result of trade liberalisation measures bears very little relationship to the reality of the situation that the ACP now faces."

The ambassador is a diplomat, but I am a politician, so let me put the matter in clearer language. People were promised money and aid in relation to bananas, but until now they have not been able to draw down even a fraction of that money, nor do they want to repeat that experience with sugar.

For Ministers, trade issues are in some sense abstract, as they have to fit in with a wider Government agenda. Perhaps Ministers think it is enough to say that change must come, but I remind hon. Members of the economic, social and psychological importance of sugar to the region. We are, after all, talking about sugar islands that were the jewels of the British empire precisely because of sugar production. The structures of the societies on those islands—their economies and internal social relations—are still based on the world that sugar made. Those economies are still major employers of unskilled and semi-skilled labour.

The Minister will probably tell me about diversification, but I want to know how an unskilled sugar cane worker in Portland, Jamaica, is going to diversify and become a computer programmer. That is the reality that people across the region face, not just in Jamaica, but in St. Kitts and Nevis and elsewhere. Ministers talk too glibly about diversification without considering the reality of the work force that they are trying to diversify and the work available.

Ministers must also remember, when they glibly talk about diversification, that there is no major political party in the sugar-producing islands of the region that does not have its political base in the sugar unions. What politicians are being asked to do is turn to their bases and say that an economic structure and source of work and prosperity that has been relied on since the beginning of those island societies is going to go, and go much more rapidly than anyone anticipated at the time of Cotonou.

Let me remind Ministers that those sugar industries were originally constructed as suppliers to the metropolitan market. Unlike British beef producers, they do not enjoy sizeable domestic purchasing bases, which is one of the things that makes the current price proposal so untenable. Let me also repeat that most countries want to diversify. They do not want to rely on the same economic and social relationships that existed in the 18th century.

There is sufficient surplus land and labour to diversify, albeit not at the expense of the industry. Having been a Member of the House since 1987, I have seen Ministers with responsibility for the Caribbean come and go, but there is a list of large-scale experiments that the Caribbean islands have entered into in an attempt to diversify their agricultural production for the large and lucrative US market. Many of those experiments have failed, owing to all sorts of structural difficulties.

When Ministers talk about diversification, they also ignore the fact that in most islands the structure of the economy, small populations and underdeveloped internal and international transport militate against the establishment of new businesses. Where there are communications structures, people have realised that they could, for instance, move out of bananas and into other crops. But guess what—up to now, how would they have transported those new crops to Europe and America? The answer is on a banana boat. If we smash up the banana industry, we also smash up the transport infrastructure with which the agricultural produce of those islands could be moved about as a whole.

There is a lack of joined-up thinking among International Development Ministers about diversification. Ministers also need to remember that the economic pressures affecting sugar are also hammering other industries, such as bananas and citrus.

Finally, Ministers need to remember that in the long-term search for diversification in infrastructure and added value, many ACP countries have become deeply indebted and will simply be unable to attract new finance for that diversification.

Mr. Foulkes: My hon. Friend has directed her criticism at DFID Ministers. I wonder whether she ever thinks that, as agreement has to be reached within the European Union, 25 countries have to agree. It may well be the case, as I believe it to be, that Ministers go to meetings and argue the case that she has been arguing, but cannot always convince the 24 other countries to go along with them. I hope that she understands that process and that she will not necessarily criticise Ministers for not making these arguments. I believe that they are making exactly the arguments that she is.

Ms Abbott: One has to listen to my right hon. Friend with respect as he was a Minister, but I have noticed that even when Ministers come back from the region and have seen what devastation a precipitate, savage cut in the sugar price—I am not saying that it should not be cut—will lead to, they still refuse to consider staggering that price cut. It is argued in such debates that Her Majesty's Government are among the keenest proponents of a price cut, but I defer to my right hon. Friend.

The other issue that the region would want raised is the unequal treatment meted out to the ACP countries compared with the European producers. They are bearing the full brunt of the introduction of tariff-free access by the least developed countries. Under the new proposals, they are also required to bear the cost of the removal of the cane sugar refining subsidy by bearing a larger price cut than European producers. How can it be fair that sugar producers in one of the poor regions of the world have to bear a larger price cut than European producers?

When pressed on the sugar question, Ministers will tell us that it is all about British consumers and that they want them to have cheaper sugar. Consumers in Hackney call me for lots of reasons, but they do not call for cheaper sugar. Let us be clear: consumers in Britain or Europe will not benefit from lower sugar prices. The main beneficiaries will be an oligarchy of sugar producers in Brazil and the large sugar-using industrial manufacturers.

I can only concur with what my right hon. Friend said about the significance of sugar, stress my disappointment that the Minister is still unwilling to consider phasing in the price cut and re-emphasise what I am sure he was told on his visits to Clarendon, my parents' parish: what will be the social consequences of a precipitate collapse of the sugar industry?

The people in the precise categories of the labour market that the sugar industry employs are not those who will find it easy to diversify into new industries. They will not just grow ganja—if they were growing ganja alone, that would be one thing—but we will see an accelerated drift of young men from the rural areas of St Kitts, Jamaica and elsewhere to the big cities, where they will find themselves involved in criminality and then fan out into international crime between New York, London and the region. That is the consequence of trade liberalisation if sufficient thought is not given to the transition.

I want to touch briefly on the post-Hurricane Ivan situation. There can be no question but that the Government's response immediately after the hurricane was exemplary and much appreciated in the region. It was also appreciated that the Foreign Secretary sent my noble Friend and colleague, Baroness Howells, as his personal envoy. I said at the time, as Ministers will be aware, that the test of the Government's commitment to the region would be not the immediate sending of tarpaulins, bandages and plastic sheeting—wonderful as the immediate assistance was—but what they did in the medium term.

Some islands, such as Jamaica and Cuba, will do their best to make good their economies, but let me repeat that Grenada has had its tourism industry and its nutmeg wiped out. There is an economic vacuum in Grenada, and let me say this plainly and clearly: if that vacuum is left for any length of time, the drug industry will step in.

Ministers must start to link their concern about security with trade policies and aid and development issues. It is also important, post-Hurricane Ivan, that efforts be made to intensify disaster mitigation processes. I am aware that the Department for International Development is doing work on that, but let me return to what was said about Cuba. I listened with great interest to what my hon. Friend the Minister said, but the Government should do more to put pressure on the United States over the Cuban trade embargo. The fact is that the US position on the embargo is conditioned more by electoral concerns in Florida than by any strategic approach to the region and how it is possible to help to lead a post-Castro Cuba to genuine free-market democracy. Her Majesty's Government—having such a close relationship with America under George Bush—could do more on the embargo.

[Ms Abbott]

It would be wrong to end my remarks without saying a few words about Haiti. I know that we do not have the historical relationship with Haiti that we have with the English-speaking countries in the region, but it is the very poorest country in the Caribbean. It lost thousands of people as a result of Hurricane Ivan, and DFID could make a difference there. I have read what DFID has to say about whether it can add value to Haiti in the next few years, but there must be a plan actively to explore what difference the Department could make in Hackney—sorry, Haiti. Hackney is never far from my thoughts.

There must be long-term support from DFID in Haiti. We must consider cancellation of Haiti's debt and mitigate future emergencies. Part of the reason why Haiti lost so many people post-Hurricane Ivan and Cuba lost so few is the disorganisation and social chaos in Haiti as opposed to Cuba, which is a well-run Stalinist society.

I would not want the debate to end without a repetition of what was said about the importance of the British overseas territories and of considering our policies in the region not just as they affect the sovereign states there, but as they affect the British overseas territories. The point was well made about the financial services industry in the British Virgin Islands and other British overseas territories: those countries understand the need for a level playing field, but are concerned that EU institutions may simply try to take out competitors.

As I said at the beginning of my remarks—I speak as one who has been a Member of the House since the mid-1980s—there is no question but that the region has, although not through the fault of any particular Administration, gradually slid down the agenda of Her Majesty's Government. We can see that. People protest and talk about the UK-Caribbean Forum. That is very nice. They talk about visits by junior Ministers—it is always a treat to have such a visit—but we can see that the region has slid down the Government agenda when we look at the institutional arrangements in DFID and the Foreign Office for dealing with the Caribbean.

Mr. Foulkes: My hon. Friend is chairman of the all-party Caribbean group, and its secretary, the hon. Member for Totnes (Mr. Steen), has just arrived in the Chamber. Does my hon. Friend not think that there is an important role for that group to play in raising the profile of the Caribbean, tabling questions and motions, and pressing the Government not only in this forum, but in every other one?

Ms Abbott: Absolutely. Within days of Hurricane Ivan, we organised a very successful meeting in the all-party group, which was attended by all the Caribbean high commissioners, my right hon. Friend the Secretary of State for International Development and relevant non-governmental organisations. The secretary of the all-party group, my hon. Friend the Member for Totnes (Mr. Steen), and I continue to table questions on Haiti, the British Virgin Islands and Jamaica post-Hurricane Ivan. I am committed to using the all-party group to help to drive forward the agenda I have set out.

Mr. Anthony Steen (Totnes) (Con): I apologise to the House for coming in late, but I have been attending the fisheries debate in the main Chamber. As I now have the largest fishing port in the UK in my constituency, I am sure that hon. Members will understand why I had to be there.

I pay tribute to and thank my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) for her wonderful work as chairman of the all-party Caribbean group. Does she agree that the most effective way of operating is to have all the islands as sub-groups of the main committee, and that to have fragmented groups is not the best way to operate in this place? Does she also agree that she should welcome, as I do, the many people involved with the Caribbean and in raising its profile in the House of Commons, but under the auspices of an established all-party Caribbean group?

Mr. Deputy Speaker: Order. The House does not look well on people coming in and immediately intervening in a debate to which they have not listened. However, we understand the hon. Gentleman's position, and I am in a very agreeable mood this afternoon.

Ms Abbott: I am grateful for the support of my hon. Friend the Member for Totnes in building up the all-party group. Let me say this on the dangers of fragmentation: most people in the Chamber may not remember or have learned about the history of the West Indies Federation, but when Britain sought to oversee the move to independence of different Caribbean islands, the original idea was that they should form part of that federation, because it was clear all those years ago that individual islands and dependencies would find it difficult to impact on international institutions, let alone the British Government.

Those countries, led by Jamaica under Alexander Bustamante, resoundingly rejected the idea of the federation, but as we move into the 21st century the islands of the region need to act more collectively and to have a common view on issues. In recent years, I have tried to lobby on issues such as bananas, but I have often found it difficult to establish the common view of the region, despite the fact that it has been represented by distinguished diplomats.

The region is building and reinforcing its common institutions and is trying to take more of a common view on issues. Here in Parliament, it is wonderful to have a multiplicity of groups, but in the context of making an impact on Ministers, the more that we can move together in a common organisation the better.

It is regrettable that the region has moved down the Government's agenda, but it will never move down the agenda in the hearts and minds of those of us whose parents and grandparents came from the region immediately after the second world war. I constantly urge diplomatic representatives here to do more to harness the passion and concern of the Caribbean diaspora because, as well as building up the parliamentary work, that would be an important weapon to help the region.

On the weekend of Hurricane Ivan, I remember sitting with friends watching the news bulletins hour by hour. We all had friends, family and villages of which we

were thinking. I would like to see a time when the institutional arrangements in DFID and the Foreign and Commonwealth Office, the funding, the concern, and the approach to trade matters reflect in their understanding of Caribbean issues the genuine love and concern that so many of us have for the region.

4.19 pm

Tom Brake (Carshalton and Wallington) (LD): I welcome this debate and the focus that it puts on a region that is experiencing serious problems and that, as many Members have said, has close links with the UK. All Members who spoke made valuable contributions, but I particularly thank the hon. Member for Banbury (Tony Baldry) for highlighting the importance of economic partnership agreements and the implications of reciprocity. I will listen carefully to the Minister's response on that, because the economic partnership agreements are setting alarm bells ringing not only in the Caribbean, but in regions such as the Economic Community of West African States.

Debates such as this are significant and play an important role in keeping track of the Minister's whereabouts and travels. I want to start by focusing on the regional assistance plan for the Caribbean, which has identified three key themes that I fully support: economic and fiscal management and public service delivery in the framework of poverty strategies; trade, competitiveness and economic integration; and HIV/AIDS and violent crime. That shows the right focus and, as today's debate has shown, the issue of trade is key to the process.

I will abbreviate the regional assistance plan to RAP from now on—I understand that the Minister is familiar with a couple of forms of rap, which I will come on to later. The RAP helpfully sets out the scale of poverty in the Caribbean, with 8 per cent. of the population living in extreme poverty. Although, with the exception of Haiti, the Caribbean countries are middle-income countries, there are still considerable levels of poverty and there is great inequality. For that reason, it is unfortunate that as part of the changes related to the reconstruction of Iraq, a budgetary shift was made away from middle-income countries. As today's debate has underlined, that was regrettable to say the least. As the RAP sets out, the overall challenge facing the Caribbean is whether it can maintain and develop the gains that it has made and whether it can put in place the measures needed to limit vulnerability and take the opportunities available for sustained pro-poor growth.

I will now touch on other issues raised in the RAP, including drugs, hurricanes, bananas, sugar and HIV/AIDS. All of those point to a strong challenge facing the region—one which I hope that it can overcome with the assistance of the UK Government. The RAP raises a couple of important questions. The Government identified the need to increase efficiency in aid delivery and I hope that the Minister will set out some ways in which the Government intend to do that. It is interesting that the RAP identifies co-ordination as a problem in terms of the donor community and its different projects, yet the Government are promoting bilateral programmes, certainly for Guyana and Jamaica. I hope that the Minister will explain the reasons behind that. Will he also explain what exit strategies will be put in place for middle-income countries for when they reach the end of their bilateral funding arrangements with the UK?

Development in the Caribbean will be severely hampered, if not stopped in its tracks, if the drugs issue in the region is not tackled. The statistics are grim. It is estimated that $60 billion in drug trafficking and organised crime proceeds is laundered through the Caribbean every year. Drugs trafficking organisations move about 90 tonnes of cocaine from Colombia via Jamaica, the Bahamas and the Dominican Republic. The Caribbean is also one of the principal smuggling routes for cocaine towards north America and Europe.

There is evidence that, at a local level, Caribbean criminals are moving large quantities of drugs by boat, air and person through the region, which clearly has a negative effect on the area. Smugglers are paid in cocaine rather than cash, so have to create their own local markets to raise funds from the merchandise that they receive. Perhaps the most obvious evidence of that trade in the UK are the drugs mules, often single mothers coming to the UK, who are caught and serve prison sentences here.

It has been suggested—I hope that the Minister will be able to say whether there is any evidence to support it—that the US-led war on drugs in Colombia is having a negative effect on the Caribbean, because as the effectiveness of the campaign in Colombia increases, the drugs barons may be shifting their attention to a region where they are perhaps under less pressure. Are the Government aware of that concern and do they have any evidence to support that allegation? If so, what, if anything, can the UK Government do about it?

As has been acknowledged by many hon. Members, bananas are a key crop for a number of islands in the region, and are particularly important to the Windward Islands. It was estimated in 1999 that roughly a third of the entire labour force was dependent on bananas and that there was no other economic activity in the eastern Caribbean that had similar multiplier effects on employment levels. In the last 10 years, there has been a significant decline in the number of registered banana farmers, but the number is still significant and would suggest that about a sixth of the labour force might still be employed in that sector.

I hope that the Minister will be able to set out what assistance can be provided. As other hon. Members have suggested, simply to argue that diversification provides the solution is not as easy as it sounds, particularly in islands with small populations and, in many cases, very few natural resources. Tourism can play a part, but alternatives are limited and there have already been significant increases in unemployment and poverty, as well as emigration, particularly from Dominica.

On the sugar regime, a number of hon. Members have referred to the remarks made by Ambassador Derrick Heaven. I shall try to ensure that I do not quote comments that have already been quoted, but in his submission to the European Parliament on 30 November 2004, he highlighted a number of items. First, he said that the sugar industry had been given the impression that it had until 2008 to make the transition and is now being asked to achieve it within a much shorter time scale. Secondly, he highlighted the fact that

[Tom Brake]

the Commission was going to encourage European countries to put in place defined compensation measures to minimise the impact on European farmers, refiners and others to whom the Commission has commitments. However, in relation to the ACP, very vague language was used, such as "accompanying measures" and "action plans" that would be "put in place". In his statement, he goes on to outline the scale of the human impact of what will happen as a result as those changes.

Other hon. Members referred to the 40,000 people whose livelihoods are dependent on the sugar industry and to the loss to the Caribbean of some $120 million per annum. For Jamaica alone, the loss is expected to be $37 million. Derrick Heaven talked about the impact that that would have on the social and economic fabric of the country and went on to say that it was clearly going to be impossible to manage a price cut of 20 per cent. in the first year alone—it could simply not be absorbed. Like other hon. Members, he pointed out that the industry was not complacent, but was looking to diversify. However, with no guarantees of secure markets for the areas into which it would diversify, the prospects are not good.

I know that the Government are aware of the issue. The Secretary of State for Environment, Food and Rural Affairs has recognised that there are considerable problems, there is a need for reform, that the issue will have a particular impact on the ACP countries in the Caribbean, and that the UK attaches particular importance to transitional measures. Added to that are the problems associated with the WTO ruling against the European Union. I hope that the Minister will give some comfort to Ambassador Derrick Heaven. Is there any scope for making more funds available for diversification and what is the Government's position on the appeal by the EU Commission against the WTO ruling on sugar subsidies?

Other Members have referred to the devastating impact of hurricanes across different islands, which runs into literally hundreds of millions of dollars. The Bahamas suffered economic losses worth $550 million—10 per cent. of the previous year's current gross domestic product—which will lead to an activity fall of 1.7 per cent. in 2004. In Jamaica, Hurricane Ivan caused $575 million of damage—the equivalent of 8 per cent. of GDP. Jamaica's recovery, which had seen three years of straight growth, will be badly hit and is likely to reach only 1.9 per cent. in the current year.

I accept that the Government have responded with emergency funds and have made humanitarian aid available. However, now that we have a clearer picture of the impact that the hurricanes have had and will have on the economies in the region, do the Government believe that sufficient aid has been provided to the region? If not, what efforts is the UK making in working with the EU, the US and any other partners to provide additional assistance? As the hon. Member for Islington, North (Jeremy Corbyn) asked, have any lessons been learnt? Is there a significant difference in the way in which, say, Cuba is organised to respond to these challenges compared with other countries? If so, how will that information be analysed, how will it be provided to other countries in the region, and how will it be acted on?

Finally, on HIV/AIDS and homophobia in the Caribbean, as spokesman for the Liberal Democrat Opposition, I reminded us that yesterday was world AIDS day. The Minister made a high-profile statement a few days ago about his concerns about singers in the region promoting homophobia. His comments have been challenged and questions asked about whether he knows his rap from his reggae: he may confirm that he does in his winding-up speech. More importantly, however, Human Rights Watch has said that widespread violence and discrimination against gay men and people living with HIV/AIDS in, for instance, Jamaica is undermining measures to tackle the HIV/AIDS problem.

As I stated at the beginning, the regional assistance plan identifies HIV/AIDS and violent crime as an area on which the Government should focus. Does that mean that funds will be made available to tackle homophobic crime in the Caribbean? What role does the UK Government have there? Are the Government supporting or initiating schemes that will deal with homophobic crime in the Caribbean or in Caribbean communities in the UK?

Ms Abbott: On the question of homophobic crime, of course the lyrics by these dance hall artists—they are not rap or reggae artists—are obnoxious, sexist, racist, homophobic and encourage violence. However, the fundamental issues underlying the HIV/AIDS problems in the Caribbean are to do with absolute levels of poverty, which lead very young girls into sexual relationships with older men and to a proliferation of AIDS. Terrible as these lyrics are, it would be a shame if Her Majesty's Government's analysis of the reasons for the AIDS epidemic in the Caribbean began and ended with the lyrics of Sizzla and the rest of them.

Tom Brake: I thank the hon. Lady for her intervention, which was very appropriate. She rightly drew attention to the real issues in the region: the absolute levels of poverty and the availability of systems to deliver the health care that is needed. The Minister and the Government are working hard with our EU partners and the G8 to get the funding needed to make anti-retrovirals available in the Caribbean and elsewhere.

Mr. Steen: Is not it galling that islands such as Martinique and Guadeloupe are seen as part of mainland France and receive EU finance and support to tackle these problems, while Commonwealth countries get no help at all from the EU and must depend on the British Government for finance?

Mr. Deputy Speaker: Order. That was a very relevant intervention, but I must tell the hon. Member for Totnes (Mr. Steen) that the matter was dealt with before he arrived. However, if the hon. Member for Carshalton and Wallington (Tom Brake) wishes to deal with it again, I am sure that hon. Members will be happy for him to do so.

Tom Brake: Thank you, Mr. Deputy Speaker. I am quite happy to refer the hon. Gentleman to *Hansard* or to the Minister's response, in which he will no doubt pick up that important point.

The Caribbean clearly faces multiple challenges, including natural disasters such as hurricanes, health disasters such as HIV/AIDS and man-made disasters such as drugs, crime and climate change. The Caribbean cannot survive those punishing body blows without our help, and the UK and the EU must step up their involvement in the region. We have called on the people of the Caribbean in our hour of need; we must not ignore them in theirs.

4.37 pm

Jeremy Corbyn (Islington, North) (Lab): I am pleased that the debate is taking place, and I thank the Government for providing time for it. The debate is welcome, and this is an appropriate time to be holding it. It is also valuable, because we are talking about an important part of the world. Above all, however, it is a part of the world from which a great deal of British wealth came, and the grossest disfigurement of human rights occurred there. The slave trade brought wealth to the Caribbean, but none of it stayed there; it all came back to this country. Therefore, out of sense of historical justice, we should be far more generous to the Caribbean than we have been hitherto. In our future dealings, we should be far more understanding of its trade relationship with Europe, and in particular with this country.

The most exciting and most formative experience of my life was teaching and doing youth work for Voluntary Service Overseas in Jamaica in the late 1960s. I did not teach very much, but I learned a great deal from the experience. All along, one had the feeling that the structure of Caribbean society and the development of the region were the product of the grossest form of greed on the part of European colonial and imperial powers. Indeed, the relationship between particular colonial powers and their former host community—for want of a better word—has not gone away. France has decided that its former colonies, apart from Haiti, to which I shall come in a moment, will be part of metropolitan France and will be treated as such. Most former British colonies, however, have become independent in one form or another, and their relationship to this country is therefore much looser. Nevertheless, there is an enormous community tie.

I have the privilege of representing Islington, North, the neighbouring constituency to that of my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), who is the excellent chair of the all-party group on the Caribbean. We both have a large group of people in our constituencies who came to this country from the Caribbean and endured the most awful racism when they arrived in the late 1950s and 1960s. They dedicated their lives largely to working in the public sector, because the private sector did not want to employ them—they worked on the buses, in the transport system generally, and in the health service in London. In some cases, they now wish to go back home. Many people, especially from Jamaica, wish to return to their land, their farm or whatever else. Above all, they wish to see a sense of justice towards their communities and islands.

We should reflect on all the wealth that this country has obtained from the Caribbean. Many fine companies in the City of London, including Barclays Bank and Booker McConnell, made their initial money out of sugar and the slave trade and have done well ever since. In a spirit of equity and justice, we should think about that and about our teaching of Caribbean history in schools. During a previous debate in Westminster Hall on the history of the slave trade, I suggested that it would be appropriate to commemorate one of the great leaders of the liberation of the Caribbean people, such as Paul Bogle who led the slave revolt in Morant bay in, I think, 1862. We would be foolish to ignore that history.

The more recent history of the Caribbean is also relevant. The huge campaigns that led to the independence of British colonies in the Caribbean ended with the curious notion of the West Indies Federation—a typical colonial Foreign Office easy fix during decades of obsession with federations. Everywhere around the world, the Foreign Office saw small colonies and felt that the solution was a federation. I do not think that officials looked closely at a map of the Caribbean and realised that it is nearly 1,000 miles from Jamaica to Trinidad, but they decided that it was a handy place for a federation. One of the few remaining vestiges of this particular federation is the West Indies cricket federation, which I wish well in the future—I am a great supporter of West Indies cricket. There is a need to respect and, where possible, strengthen cross-Caribbean institutions, such as CARICOM, trading institutions and educational institutions in the English-speaking Caribbean, such as the university of the West Indies.

The area has also not been free from other interference and ambitions. I am thinking back to 1983, when I was first elected to the House, when President Reagan of the United States was pursuing something called the Caribbean basin initiative, in which he decided that the Caribbean was the US backyard. That resulted in the invasion of Grenada by US forces. I had the privilege of visiting Grenada that year with the late Bernie Grant to see what had happened and to witness the situation in the Caribbean. Fundamentally, the Grenadian revolution was about a sense of liberation from poverty. That poverty was caused by poor prices for export products and partly because of the loss of markets for spice in Grenada, and because of banana sales being under pressure in other islands. We should have respect for and understanding of the history of the region.

Mention has been made of Cuba. I have had the good fortune to visit Cuba twice and thoroughly enjoyed both visits. We should have much respect for what Cuba has achieved, despite the embargo since 1959, in health, education and economic and social development. We should tell the United States that the ludicrous and hypocritical policy of the economic embargo on Cuba says more about them than it does about Cuba. We should do everything possible to ensure that it is suspended.

We have more normal trading relations with Cuba, and British companies wishing to export to and trade with Cuba should be given the normal export credit guarantees that are available anywhere else. The hon. Member for Boston and Skegness (Mr. Simmonds) is right; it is unfortunate that there was not greater British representation at the recent Havana trade fair.

The fundamentals of this debate are our economic approach and our approach to aid to the Caribbean. Aid projects are important; we should provide whatever

[Jeremy Corbyn]

aid we can to assist development and all that goes with it. However, the basic issue is trade fairness. The colonials started the plantations, particularly for sugar, and other islands developed trades in bananas and other fruit. While it is convenient to say that sugar can be grown more cheaply in Brazil or elsewhere—perhaps it can—the social and economic effects of running down the sugar industry are enormous. We should think carefully, not only about the high unemployment created in the sugar-producing areas, but about knock-on effects such as the islands' loss of spending power and of self-esteem, and the quality of the product that comes from cane sugar compared with the greatly subsidised European beet sugar for which we pay through our taxation.

My hon. Friend the Member for Hackney, North and Stoke Newington and others have mentioned bananas. We can look at the issue in several ways. It is possible to grow bananas on enormous plantations in Costa Rica and other places that are probably cheaper per unit. Interestingly, those dollar bananas, as they are called, are nearly all produced by plantations wholly owned by United States corporations, all of the profits of which go straight back to the United States, leaving little behind for investment, whereas Caribbean producers tend to be smaller. They are small farmers and the price that they receive for their bananas remains entirely in the community in the island; it does not disappear into a glass-fronted building somewhere in Manhattan.

Ms Abbott: Does my hon. Friend agree that those dollar bananas are large and soapy and do not taste very nice, and that the Caribbean bananas are the most delicious in the world?

Jeremy Corbyn: I could not agree more. At the risk of boring the House, I will share a tiny anecdote. In the 1960s and early 1970s, a Mr. Lightbourne was the trade minister for Jamaica—the argument about bananas has been going on since then. He had the duty of entertaining members of a trade mission, I think from western Europe, in Kingston, and he had to give them lunch. He gave them soup, he gave them a main course, he gave them a dessert, coffee and liqueurs—and he had a fantastic imagination. Every single course of that extensive lunch was bananas in some form or another. They had banana soup, fried bananas, grilled bananas, boiled bananas, banana liqueur, banana ice-cream and all the rest of it. At the end of it, he asked "What do you think of bananas?", and they said, "We have had enough of them for today, thank you very much," but he managed to make the point. I urge the Minister to put this to the Government: please remember that what might seem to be a simple deal, or a simple decision by the EU—or even a simple matter for the World Trade Organisation—can have devastating consequences for very small islands, and for the sugar industry on larger islands such as Jamaica.

The argument is that the country must diversify and develop. Sure, diversification must take place. However, if we are telling small islands that they must diversify—process the fruit, develop it, go into light manufacturing or whatever—where is the market for the products? Where are the trade barriers coming down to allow them to export into western Europe or the United States? One of the arguments in Grenada was that it was trying to develop a Grenadian jam process. It made lots of Grenadian jam at the time of Maurice Bishop's Government. The trouble was that it could not be sold anywhere because nobody could afford to buy it at the price at which it appeared in western Europe. There should be justice in such matters.

I am conscious of the time, so will quickly make two final points. First, tourism: there is no question but that it is a major industry throughout the Caribbean. There are two serious drawbacks to the development of the tourist industry. One is that it creates a local economic imbalance. The development of the tourist industry, and all the baggage that goes with it, causes a degree of cultural harm. Secondly, and equally importantly, the major benefits of the tourist trade do not remain in the islands. Most of the tourist hotel chains are western European or American owned. The profits disappear rapidly. In many cases the food served is imported from western Europe or north America. It is possible to go the Caribbean and have a wonderful Caribbean holiday but with the only Caribbean contribution being the sand and the sea. The rest comes from abroad and the money spent goes back abroad. There needs to be a greater sense of justice in many cases in the way in which the tourist industry is organised.

Mr. Simmonds: Will the hon. Gentleman also acknowledge that while some of what he said is accurate, the major hotel chains provide a large amount of employment, which is part of the diversification away from traditional agricultural industries in many of the Caribbean islands?

Jeremy Corbyn: Of course these hotels provide a large amount of employment. I would not deny that for one moment. I would ask some questions about the salary levels and the reliability of that employment. Those are legitimate questions to ask. The interest that the Department is prepared to take in tourism concerns is important. It would be ridiculous to ignore certain issues.

We need to learn the lessons of Hurricane Ivan and assess how we prepare for and deal with the effects of hurricanes. I know that the Department is doing that. We had a useful meeting with the Secretary of State and the rest of Department when it hit. We could see its effects. Fortunately, Cuba was largely spared. Most of it went to the west of the islands. Obviously Hurricane Ivan saw Fidel Castro's speech live on Cuban television and thought better of it. It turned left and went away. It clearly shows that state broadcasting has an effect even on hurricanes. Every island can learn from the preparations that Cuba was able to make in the mass evacuation of its population and the building of shelters. I want to thank the Secretary of State for the action that the Department took at the time of Hurricane Ivan and its preparedness to offer assistance to any country that wanted it. That was extremely welcome.

This debate is about an area that has seen a great deal of interference by the rest of the world for a long time. I would hope that by our small contributions here today we can promote some sense of justice towards the way we treat that region that will encourage British Governments to be strong in defence of the interests of

the many people in the Caribbean who have made enormous contributions within the Caribbean and within our society. We must ensure that good livelihood and prosperity continue in that region and we must not, by sleight of hand, remove whole industries that have sustained people for a long time with all the devastation that that brings.

4.53 pm

Mr. Anthony Steen (Totnes) (Con): Your remarks just a minute ago, Mr. Deputy Speaker, about arriving in the middle of a debate and perhaps missing some of the earlier exchanges remind me of Danny Kaye's comment about a film. He said that it was a picture that began in the middle for the benefit of the people who arrived in the middle. I hope the House will understand—

Mr. Deputy Speaker: Order. I assume that the hon. Gentleman is not being in any way critical of the Chair in that entertaining remark.

Mr. Steen: On the contrary, Mr. Deputy Speaker. I was congratulating the Chair on the wisdom of reflecting Danny Kaye's profound statement. I would like to apologise to the House for not being here at the outset. On the whole, one can move pretty easily between places here, but not at the same time. I had to do that today and I hope the House understands.

I want to make one or two observations. First, I nearly always enjoy listening to the hon. Member for Islington, North (Jeremy Corbyn), who made a fascinating speech highlighting what all of us feel. I am sorry that I missed the presumably deep and profound contribution that my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) would have made and probably did make. I am sorry too that I missed the exchange about the islands.

My one point is to do with my concern about the overseas territories linked to the UK, such as Anguilla, the Cayman Islands, the South Sandwich Islands, South Georgia, Montserrat, Pitcairn Island, St. Helena, the British Antarctic territories, Bermuda, the British Virgin Islands, the Turks and Caicos Islands—

Mr. Deputy Speaker: Order. This is a very interesting lesson, but I hope that the hon. Gentleman will direct his remarks only to those islands and territories in the Caribbean.

Mr. Steen: Obviously I was just giving the range, although the Caribbean islands are the majority and those are the ones on which I shall concentrate. My concern is that those Caribbean islands have only one advantage, which one might think the major advantage, although it is also a major disadvantage. We have set those territories free, so to speak, and made them independent, but in fact they are wholly dependent on selling the few goods that they have to a market that is principally, although not entirely, in Europe.

Martinique and Guadeloupe enjoy the advantage of being wholly part of metropolitan France and, most importantly, are therefore eligible to receive any number of grants. I would not like to stray to other islands—for example, the Canaries and suchlike—which also receive enormous grants as they are part of metropolitan Spain, but the French islands get all the advantages, although none of the disadvantages.

The odd thing is that the independent Caribbean islands have to follow all EU rules and regulations. That is one of the arguments for opposing any concept of Britain leaving the EU. If we did so, we would be bound by EU rules and regulations, but we would have no say in them. That is the exactly the situation of the Caribbean islands. They are independent, but they have none of the advantages of independence, because they are caught, hook, line and sinker by EU rules and regulations over which they have no control. They have to do as they are told.

One of my points is about the inequality of the former British colonies, which have to follow a course of action that does not give them prosperity. If the independent islands were fiercely prosperous, we would have to say that that was an advantage. The odd thing about the islands is that some are very poor. Dominica is a good example of that. Parts of Jamaica are dramatically poor and, but for tourism, a lot of the smaller islands have no source of income other than British Government aid.

Will the Minister deal with the question not of how that happened, but of whether something can be done to give islands such as Dominica the same prosperity opportunities as, say, Martinique and Guadeloupe?

Ms Abbott: Before the hon. Gentleman leaves the issue of Caribbean overseas territories, does he agree that many of those territories—Bermuda, the Bahamas, the British Virgin Islands, Montserrat and the Cayman Islands—have diversified? They did what they were told to do and in the 1990s successfully diversified into financial services. However, those islands now struggle with a raft of regulations that they believe are less about driving out money laundering and creating a level playing field and more about preventing those islands from becoming competitors to the established financial services industries in Europe and America. It is no good telling those islands to diversify when, just as they find something to diversify into, the ground is cut from under their feet.

Mr. Steen: Clearly, judging from the hon. Lady's intervention, the House will realise how much I missed of her speech. She understands the subject so clearly, and I am grateful for her intervention.

I am asking the British Government and the Minister whether there is anything on the table, such as a plan to renegotiate the deal with the EU, so that Commonwealth Caribbean islands are not so disadvantaged. If they are independent, how will they receive the same financial benefits? If they cannot receive the same financial benefits from the EU as the French islands, will the British Government, who can give grants to the Commonwealth Caribbean countries, match them?

That is what concerns me: there is desperate poverty in the Caribbean, and it happens to be on the islands that were encouraged by the British Government to gain independence. However, they are now left high and dry like whales out of water, without anywhere to go, having to follow the rules and regulations of the EU without any chance of contributing to them, or gaining any of

[Mr. Steen]

the advantages and grants that the EU makes available to countries such as Martinique and Guadeloupe. That is my main point.

I have made a lengthy contribution, mentioning some other areas; it applies to Spain as well. For this debate, however, I shall confine remarks to saying what a great pleasure it is to be in the same debate as the hon. Member for Hackney, North and Stoke Newington and to serve under her chairmanship of the all-party parliamentary Caribbean group.

5.1 pm

Mr. Thomas: With permission, Mr. Deputy Speaker, I shall try to address many of the points that have been raised in what has been an extremely interesting and useful debate. I shall pick up some of the points initially made by the hon. Member for Boston and Skegness (Mr. Simmonds), who spoke for the Opposition. On Hurricane Ivan, I do not think that the Government's response has been anything other than extremely positive, in seeking to engage with the immediate difficulties facing Grenada, Jamaica and, in particular, the Cayman Islands. Cuba has also benefited from some assistance. For example, as well as the urgent relief supplies to the Cayman Islands, to which I alluded in an intervention on the hon. Member for Banbury (Tony Baldry), we provided similar relief supplies to Grenada. We provided emergency assistance through organisations such as Oxfam into the Clarendon community of Jamaica, which was one of the areas particularly hard hit by Hurricane Ivan. We funded the Royal Bermuda Regiment's engagement in clear-up operations on the Cayman Islands immediately after Hurricane Ivan hit. We provided some additional £5.5 million to Grenada to help it to meet the short-term funding gap, so that public sector employees will continue to be paid.

However, I accept the point made by my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott). We must continue to watch the situation, particularly that in Grenada, and I assure her that we shall continue to do so. One of the reasons for going to Grenada was to have discussions with senior officials and Government Ministers about how they saw the medium-term and long-term financial situation facing Grenada.

On the subject of overseas territories more generally, I do not accept the charge made by the hon. Member for Totnes (Mr. Steen) that Britain lags behind France or is not fighting the corner for British overseas territories in Europe. I know that he has a particular interest in airports in the overseas territories, so I am sure that he will be delighted to hear that he will soon have the chance to fly to one of Britain's overseas territories in the Caribbean, Montserrat, and into an airport that has been constructed with not only British but European Commission assistance. I hope that that reassures him about Europe helping the direction of travel.

We seek to support our overseas territories moving towards self-sufficiency. As alluded to by my hon. Friend the Member for Hackney, North and Stoke Newington in her intervention on the hon. Gentleman, that has been, broadly speaking, extremely successful. For example, the Turks and Caicos Islands saw a 15 per cent. increase in its revenue stream last year—again, that is a sign of success. Montserrat and St. Helena have particular challenges, which is why we continue to provide budgetary aid to them.

From our initial soundings, our expectation is that the Cayman Islands should be able to meet the recovery costs from Hurricane Ivan in full and on its own, through private sector resources, insurance and possible borrowing. However, a study is being undertaken. We are in close contact with the consultant working for the Cayman Islands Government on that issue and we will receive the work in due course.

On disaster preparedness, a point raised in particular by my hon. Friend the Member for Islington, North (Jeremy Corbyn), we have committed £3.75 million to disaster mitigation and preparedness programmes of the Pan-American Health Organisation in the Caribbean. We also fund through our assistance to the European Commission work that seeks to strengthen early warning systems. I hope that gives confidence to my hon. Friend that we are learning the lessons from the impact of Hurricane Ivan, although inevitably it is impossible to be fully prepared for everything.

The hon. Member for Boston and Skegness raised the EU savings directive, particularly in the context of the Turks and Caicos Islands. As he knows, that was agreed in January 2003 and the overseas territories have until June next year to implement the necessary measures. We have funded consultants to help the OTs to put in place the measures that they need under that directive.

Several hon. Members mentioned Haiti and asked, in a sense, why Britain was not doing more at a bilateral level. Although I recognise the huge poverty and ongoing conflict issues in Haiti, I believe that while we continue to provide humanitarian support, particularly after the recent hurricane and conflict, and to put substantial resources into Haiti through multilateral institutions, it is right that we continue to concentrate our bilateral resources on Jamaica and Guyana rather than divert them to Haiti. There has been a donors conference to examine the situation in Haiti and its needs in the next two years. The needs identified totalled some $924 million, and the donors have already pledged a total of $1 billion. We will continue to monitor the situation in Haiti through our staff in the Caribbean, but I repeat that we are putting considerable resources into the country through the funding that we give to multilateral organisations working in that area.

Jeremy Corbyn: Haiti is by far and away the poorest country in the region, and it has the worst life expectancy and standard of living, and all that goes with that. Its needs are immediate. As I understand it, most of the health service is currently provided by Cuban doctors giving what assistance they can. I am pleased about the donor conference, but could the Minister give us an idea of how much the British contribution is? He could also write to me separately if that is more convenient. Most importantly, how quickly will the aid reach Haiti? The situation is desperate.

Mr. Thomas: Let me reassure my hon. Friend that we have provided humanitarian assistance to Haiti. We have not pledged to provide any bilateral assistance at the donor conference, but I will write to him with the specifics of who has committed funding for Haiti and the size of contributions from multilateral organisations and other donors. As I said, those contributions are considerable and, as things stand, will meet the needs identified to donors.

The hon. Member for Banbury, the Chairman of the International Development Committee, tried to make us relax by telling us that his contribution would be tedious. I was always told that one should beware of anyone who said that their speech was going to be tedious, and I think that his points are particularly important in the context of the Caribbean, but more broadly in terms of the African, Caribbean and Pacific countries.

I want to start with the hon. Gentleman's point about the capacity to negotiate of particular countries in the Caribbean. I accept absolutely that small countries will find that extremely difficult given the number of trade negotiations that are taking place. St. Kitts is taking part in four negotiations and, as the hon. Gentleman said, has just four staff working in its Ministry. That is why we need to develop the strength of the Caribbean's regional negotiating machinery. We are providing about £1.6 million to strengthen the negotiating machinery precisely because of the point about capacity identified by the hon. Gentleman.

When it comes to economic partnership agreements and the Cotonou agreement, I understand the concerns about reciprocity. There has to be some reciprocity in order for EPAs to be World Trade Organisation compliant. When I was in Brussels this week, I received assurance that the EU does not by any means expect full reciprocity. We have received continual assurances from the EU that it sees EPAs as tools for development rather than as an attempt to provide a back-door ramp for the Singapore issues to come back on to the negotiating table.

The current EPA negotiations are focused on regional integration. For that reason alone—although there are others—I do not think that we should delay the start of negotiations. They need to continue in tandem with the Doha round negotiations. I welcome the fact that the hon. Gentleman's Committee is engaged in the inquiry and I reassure him that Ministers are following closely the nature of the submissions and discussions coming up to that.

The hon. Gentleman also mentioned the possibility of alternatives to EPAs. We are commissioning research on all the possible alternatives, including the generalised system of preferences to which he alluded. I flag up to him the fact that no ACP country has yet said to us that they do not want to be part of the EPAs. They have until 2006 to set out to us and the EU whether they want to propose some other alternative. I hope that our research will allow Caribbean countries, and ACP countries more generally, to make their own decisions as to whether they want to go down an alternative route.

I come penultimately to the key point that has emerged from the debate: the completely justified concern of all hon. Members about the impact of changes to the sugar regime on Caribbean countries. I pay tribute to the passion with which my hon. Friend the Member for Hackney, North and Stoke Newington made the case, which was also made by a number of other hon. Members, about the need to get right the transition from the current regime to the new. I would have expected nothing less from my hon. Friend, given her close links to my constituency.

It is inevitable that the sugar regime will be reformed. I recognise that, on occasion, that is a difficult message. It is certainly a difficult message for the people in Clarendon who I met, who made similar points to those made by my hon. Friend about the lack of skills that people have to look for alternatives. Of course, one cannot expect them suddenly to become computer programmers. I accept that we have to get the process of transition right. However, we need to recognise that the current sugar regime also has a negative impact on developing countries that have a sugar industry but do not have the preferential access that many Caribbean countries have.

Ms Abbott: If my hon. Friend accepts that the current sugar regime is not necessarily helpful to the least developed countries, the argument is the same argument that was made after Cotonou, which was that we should trade anything but arms. It is quite wrong to try to help the least developed countries at the expense of middle-income countries, such as Jamaica, because one runs the risk, if it is done badly, of turning middle-income countries into least developed countries. That is a lose-lose situation.

Mr. Thomas: I agree absolutely that if we get the process of transition wrong, there are considerable implications for security and crime in the Caribbean, as hon. Members have suggested. That is why we made a particular effort to ensure that the Commission included a reference to assistance for ACP producers in the July 2004 communication. It is also why we are paying particular attention to the discussions that countries in the Caribbean are having with the Commission about the action plan that is needed to sort out the transitional arrangements. We are working very closely with several countries in the Caribbean that are going through their own exercise to identify what alternatives there might be for people who are displaced and lose their jobs when there are changes in the sugar regime. I assure my hon. Friend that we will continue to remain very closely engaged in that process.

Mr. Foulkes: Before the Minister leaves the subject of sugar, several Members have said that any assistance should be easily accessed, which I believe was the phrase used by Derrick Heaven. My hon. Friend pointed out that some countries are still waiting for promised assistance in relation to bananas. It is vital that the British Government press to ensure that that fund is easily accessed. Will the Minister provide that assurance?

Mr. Thomas: I accept absolutely that we need to learn lessons from what has happened with bananas to ensure that that does not happen with sugar. Ministers have already had contact with the Commission to press exactly that point, as I did on my visit to Brussels this week. We will continue to watch the situation extremely closely.

Several hon. Members mentioned Cuba. I suspect that many hon. Members recognise that our policy is governed by the EU common position that was formed in 1996. We are evaluating the effectiveness of the measures that were put in place on 5 June. As my right hon. Friend the Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) made clear in his speech, the UK in particular is pressing for us to return to a policy of constructive engagement and dialogue with Cuba as opposed to one of isolation.

I hope that I have done justice to the points that hon. Members have made today. I recognise that we will continue to have discussions about the situation in the Caribbean, and I for one welcome that continuing debate.

Question put and agreed to.

Adjourned accordingly at eighteen minutes past Five o'clock.

Westminster Hall

Tuesday 7 December 2004

[MR. EDWARD O'HARA *in the Chair*]

ncapacity Benefit (Coalfield Communities)

Motion made, and Question proposed, That the sitting e now adjourned.—*[Vernon Coaker.]*

.30 am

Chris Bryant (Rhondda) (Lab): I sought this debate ecause incapacity benefit is one of the most important ssues in my constituency. The founding idea of IB and s predecessors is sound, in that those who are not able o work through illness or disability, whether of body or ind, should be supported by the state and supported enerously. Indeed, we can judge how civilised a society s by the level of support that it provides to the disabled nd those who are most vulnerable.

Contrary to ill-informed myth, which is all pervasive, B is not a scrounger's reward. For the majority of eople, IB is a contributory benefit. Apart from those ho were incapacitated early in life, many of whom are he most vulnerable in society, all those who receive IB ave made national insurance contributions because hey have been in work. However, IB is ripe for reform. The figures are startling. When a person has been on IB or a year, he has only a one in five chance of returning o work within five years. Once the person is on IB for year, he is on average likely to be on it for more than ight years.

Moreover, the longer claimants remain on IB, the ore their mental and physical health is likely to eteriorate. Evidence suggests that one in five men who re out of work for more than six months will contract serious depressive illness. Yet, as the Government's Pathways to work" White Paper stated, nearly three uarters of new claimants have more manageable edical conditions such as back pain, depression and ild circulatory disorders rather than a severe, acute or egenerative condition such as Parkinson's disease, chizophrenia or severe learning difficulties.

In other words, despite its founding principles, in any communities IB saps the strength of the local conomy. It makes many claimants sicker. It keeps eople in relative poverty and it hinders their ambition. early every extended family in the Rhondda has meone who is either on or has been on IB. Indeed, ith Manchester, Central, Merthyr Tydfil and hymney, and Easington, the constituency of Rhondda mes equal second of all the constituencies in the untry for the percentage of people of working age on B, beaten only by Glasgow, Shettleston. For the record, l per cent. of people of working age in the Rhondda are n IB, which is more than one in five and three times the ational average.

Why did I include coalfield communities in the title of e debate? Well, we have to take only a cursory glance t the list of the top 25 of IB claimant constituencies to now the reason. I am talking about not only Rhondda, erthyr Tydfil and Rhymney, and Easington, but beravon, Blaenau Gwent, Cynon Valley, Ogmore, Caerphilly, Neath and Barnsley—a roll call of coalfield communities. Indeed, when we add that other great British industry of yore—shipbuilding—we have a virtual map of the British IB world, with six Glasgow and five Merseyside constituencies completing the list. Of course, that is no coincidence. The decline of the mining and shipbuilding industries—or their systematic dismantling by successive Tory Governments—saw vast numbers of former miners and shipbuilders consigned to the statistics. As it suited the Government of the day, who ironically were elected on the campaign slogan "Labour isn't working", to pretend that they were strong on the economy, many thousands of those former miners and shipbuilders, and subsequently their sons and daughters, were massaged off the unemployment statistics and on to the invalidity list—off the dole and on to the sick.

The Government, who have done so much to tackle the scourge of unemployment, with 2 million extra jobs and an historically low work-force-based unemployment figure of only 2.5 per cent. in the Rhondda, have a major task ahead of them, which is to tackle poverty and social inequality in a constituency such as mine by reforming IB and giving everyone a real chance in life.

Certainly, numbers have fallen; in every ward in my constituency bar one—Cymmer—the number of IB claimants in 2002 was lower than in 1998. The fall has been largest in Treherbert, one of the most geographically isolated and most beautiful wards in the constituency, where the number of claimants is down from 915 to 780. That fall came before the introduction of the pathways to work pilot scheme in my area.

However, that still lands us with a situation in which one in five people of working age is on IB. I believe that that is not primarily down to fraud. In fact, every systematic analysis of IB—as opposed to the various anecdotal back-of-a-postcard analyses that have been undertaken—shows that there is a remarkably low rate of fraud. It is less than 1 per cent; it is something like 0.5 per cent. To all intents and purposes, it is virtually and statistically irrelevant.

The real challenge is that although 40 per cent. of new claimants do not think that their health is a major obstacle to returning to work, and 90 per cent. of claimants expect to get back to work swiftly, many get caught in a vicious circle of dwindling skills, poorer health and greater isolation from the job market. It must be for a socialist Labour Government to tackle that, because the only point of a Labour Government is to tackle poverty and its root causes. Of course, in large measure, the Government are tackling the problem through the pathways to work pilot, which was launched in September 2003, first in three and then in seven Jobcentre Plus districts.

I know from my own experience that the pathways to work pilot that covers the Rhondda is having a significant effect. It is being coupled with the Jobcentre Plus roll-out, which, by bringing together the two arms of the Department for Work and Pensions, has managed to achieve a much better, client-focused approach to the needs of people presenting themselves for jobseeker's allowance or IB. That has led to a significant increase in the number of people moving off benefits and into work, which is welcome.

[Chris Bryant]

At first, some criticised the mandatory job-focused interviews, arguing that their mandatory nature would undermine their effectiveness. However, the fact that those interviews have been better resourced than they were previously, the new back-up rehabilitation services and the much improved collaboration with the new deal for disabled people job-brokers have meant that claimants have seen the value of sticking with trying to get back into work, despite the many complex obstacles that there may be. Those obstacles might relate to finding a job that is local, or to their health.

Equally important has been the return to work credit of £40 per week, which has effectively overcome the traditional fear that many claimants have felt about the insecurity of work income as opposed to the security of benefits income. The results are quite impressive. In the seven pilot areas, almost twice as many claimants were helped into a job this August as were last August. More than one in 10 claimants have joined the new deal for disabled people in those pilot areas. That is more than double the national average.

I warmly welcome the announcement made last week that the Government intend to roll out the pathways to work pilot across another 14 Jobcentre Plus districts next October. Many of the other measures announced by the Chancellor last week are a step in the right direction, too. For instance, it makes sense that the permitted work rules are to change. They allowed claimants to work part-time for only up to 26 weeks, but that will now be extended to 52 weeks. There is to be a yet more generous arrangement for those with advanced or progressive health conditions. It must be good news that we are allowing people to build up their working hours over a period, allowing them to build on what they can do rather than always focusing on what they cannot do, and guaranteeing their income over a substantial period.

However, there are additional issues that we need to address. First, there are mental health issues. It is a hideous cliché—but what politician can avoid a cliché?—to describe mental health services as the Cinderella of all health services. The largest group of IB claimants in the land comprises those who suffer from mental and behavioural disorders. The latest figures suggest that there are 908,400 such claimants. Unless we significantly invest in mental health provision, we do not stand a chance of helping nearly 1 million IB claimants into work that might help their mental health. The term "mental and behavioural disorders" covers a wide range of problems, from stress to eating disorders and substance abuse, but we have to engender a sustained and deliberate assault on the wide range of mental health issues if we are to achieve success.

It is worrying that too many general practitioners are still over-prescribing anti-depressants, such as the selective serotonin re-uptake inhibitors like Prozac. There were 19 million such prescriptions in England last year and we know from research undertaken for the Welsh Assembly Government that Welsh GPs prescribe on average 19 per cent. more drugs per patient than their English counterparts. So, it is a pretty good guess that there are more people on IB who are on anti-depressants unnecessarily in the Rhondda even than in England.

For patients with mild to moderate depression, including many patients on IB, counselling would be far more effective and less addictive than anti-depressant drugs and more likely to enable people to come back into work. However, psychiatric services everywhere in the country remain under-resourced and counselling is almost non-existent in many less affluent communities.

Similarly, it will always be difficult to help someone with a substance abuse problem back into work, because they have some of the most difficult problems. However, a special pilot project in the Rhondda is trying to do precisely that and it is bearing some fruit. In large measure that is thanks to the dramatic increase in drug treatment services in the in the past year in Rhondda: an extra £1 million has been pumped in because only two years ago we had a two-year waiting list. Of course, for any young person with a substance abuse problem, who is often leading a chaotic lifestyle, having to wait two years is not an option. We saw the depressing sight of young people deliberately trying to get arrested to get into prison, because they knew that there were better drug treatments there than they would find in their local community.

I am glad to say that through the extra money—and through the opening of a new service in Llwynypia earlier this year—we now have a far more effective drug treatment service and young people are able to move into treatment. We are talking not only about a one-off counselling session, but a serious attempt to give people an opportunity to turn their lives around. However, there is still a long way to go in helping people with alcohol and drug problems back into the mainstream. Poor mental health, poor self-worth and being out of work can all too easily be a vicious circle of depression and government has a vital role in breaking that cycle.

The second largest group of IB claimants is people with musculoskeletal problems. Again, we have to invest further—and do so intelligently—if we are to tackle economic incapacity in an area such as the one that I represent. I know dozens of constituents who are ill and anxious to work, but have waited too long for operations and descended into depression and anxiety, so that the illness that they first presented with, which drove them onto incapacity benefit, has become the secondary problem in their life and their main problem is their mental health. We owe these people a health service of which they can be proud.

It is particularly depressing that two police officers in my constituency who took part in a raid on a house three years ago, during which they both fell rather badly, have had severe back problems ever since and have not been able to return to work because they do not have the health support and surgery that they need. Unless we are able to turn around waiting lists for orthopaedic surgery in south Wales, we do not stand a chance of getting many such people back to work. Of course it is good news that waiting lists for orthopaedic surgery are falling in England, but unless we can match that trend in Wales we will never get the large numbers of valleys claimants back into work, and we will have failed in our moral duty.

We need to bring forward the moment at which the first job-focused interview is held. At present, many people pass through their 20 weeks of statutory sick pay without any clear discussion of how they could manage their illness to ensure that they do not end up

permanently excluded from the job market. We need to change that situation. The Government are right to argue that GPs should play a key role in supporting the recovery and rehabilitation of patients and, when appropriate, encouraging them to return to work. I hope that the Minister will be able to say a little more about how the Chancellor's announcement last week of help in GPs' clinics will work with the devolved parts of the United Kingdom. What discussions have been held between the Welsh Assembly Government and my hon. Friend's Department to try to make that a possibility in Wales and Scotland as well as in England?

I shall raise an issue that pertains directly to the Department for Work and Pensions, although I suppose that it is not directly relevant to IB. I am talking about the Department's own staffing. In the Rhondda we have two splendidly and elegantly refurbished Ikea-like Jobcentre Plus offices in Tonypandy and Treorchy. A brand new one is being built in Hannah street in Porth, and so swiftly that it looks as though it might even be open by Christmas.

The new office environment, which takes away screens for the vast majority of clients, has been dramatically helpful in changing people's attitude towards work; it has helped get more IB claimants off benefits and into work. However, the Department plans to take nearly 85 processing jobs out of the Rhondda and send them to Caerphilly or Merthyr Tydfil; it wants to create larger processing units so that the back offices are concentrated into units of more than 100. I understand that Ministers might think it a little churlish of me to mention that. After all, Merthyr Tydfil and Caerphilly are not far from the Rhondda and they are deprived valleys communities that suffer many of precisely the same problems as the Rhondda. However, it seems something of an own goal to deprive the Rhondda of 85 good Government jobs—some of the very few national Government jobs there—and I urge the Government to rethink any plans to take DWP jobs out of any of the 25 constituencies with the most claims for IB.

There is a phenomenal misconception that those of us calling for a reform of IB do so out of an old-fashioned campaign against malingerers. That is not my argument at all—far from it. I happen to believe those million or so claimants, my constituents among them, who say that they want to get back into work. It is the job of the Labour Government to remove every obstacle that prevents people with illness or disability from finding and enjoying a satisfying job with a decent living wage. In my experience, people are not looking for handouts; they want a chance to work, to provide for themselves and their families and to retire in dignity. They also want support when they need it, and they look to this Government to provide it.

9.49 am

Paul Holmes (Chesterfield) (LD): I congratulate the hon. Member for Rhondda (Chris Bryant) on securing this debate on an important and major issue. The problem of incapacity benefit claimants is general across the country although, as the hon. Gentleman pointed out, it is particularly focused in certain areas. If one maps the claimant numbers for incapacity benefit, one gets a clear picture of the traditional industrial areas of Britain that suffered wholesale job losses when entire industries were closed down in a very short space of time.

As has been said, the general problem of IB is that the number of people claiming it has increased in a quarter of a century from about 700,000 to about 2.7 million. Some two thirds of those who are claiming have been doing so for more than five years. Therefore, the average IB claimant is now long-term unemployed. We heard that where someone is claiming IB for one year, on average they will be unemployed for about eight years, and where they are claiming it for two years they are more likely to die or retire than to find work again. There is a major problem across the country, which is particularly concentrated in certain deprived and formerly industrial areas. They are the heavy and traditional industrial areas; we could be talking about steel in Sheffield, where I grew up, shipbuilding, to which the hon. Member for Rhondda referred, or engineering.

It is especially noticeable that the top of the roll-call of IB claimant areas includes most of the former coalfield areas. Parts of my Chesterfield constituency fall in the north Derbyshire coalfield and suffer from the problem, particularly the Staveley end of the constituency. Across the country there are the examples of Easington in County Durham, Sedgefield—the Prime Minister's constituency, where one in 10 men of working age are claiming IB—or even worse, as the hon. Member for Rhondda mentioned, the problem in the Rhondda, where 21 per cent. of people are claiming it.

The general problem of IB is a national one, which is particularly concentrated in certain areas. In considering it, we need to tie it in with the question of hidden unemployment. One quarter of men aged 50 to 64 across the country are economically inactive: they are neither employed nor recorded as unemployed. The hidden unemployed are concentrated in the areas of highest unemployment, be it the inner-city areas or coalfield areas. The Government tell us that there are far more in employment than ever before, which, by the way the figures are measured, is true, but there are also more in hidden unemployment than ever before. It is an issue that we need to tackle.

What is the cause of the increase in hidden unemployment and the increase in the number of people who are claiming IB? That has been ably dealt with by the hon. Member for Rhondda. The main cause that many—such as the *Daily Mail*, *The Daily Telegraph* and, often, the Conservative party—cite is that it is all to do with scroungers, malingerers and fraudsters.

Mr. Paul Goodman (Wycombe) (Con): The hon. Gentleman has just said that the Conservative party claims that IB claimants are fraudsters—or he used words to that effect. Does he have a quote to back that up?

Paul Holmes: I do not have any quotes with me, but I can certainly dig some up and send them to the hon. Gentleman.

Regrettably, in recent months even the Prime Minister has made what might be interpreted by many as pre-election noises—to satisfy certain parts of the press—about cutting entitlement to IB, in order to

[Paul Holmes]

change the mindset of claimants. That seems partly to be predicated on an idea that many of the people who are claiming are doing so falsely or unjustly.

Chris Bryant: Does the hon. Gentleman have a quote to back up that sentence?

Paul Holmes: I have indeed, although I am unsure whether you will give me time to leaf through all my notes to find it, Mr. Deputy Speaker. However, I will certainly find it and show it to the hon. Gentleman at the end of this debate, or, when I have dug it out of the pile of quotations, I will intervene later in the debate to make the point.

We hear a lot of noise from all sorts of quarters about the fact that this major problem is down—in one sense—to whether some people are malingers. As we have heard, that is nonsense. Yesterday, in his statement on the uprating of welfare benefits and other changes in welfare reform, the Secretary of State for Work and Pensions pointed out to the House that this country has the most stringent gateway into IB, as measured by the Organisation for Economic Co-operation and Development.

Professor Steve Fothergill and Christina Beatty, of Sheffield Hallam university, who head up a renowned research unit that looks into economic and social matters in areas of deprivation, pointed out in one of their reports that it is nonsense to suggest that people can just get a "sickie" from the doctor, be on IB for the rest of their lives and live a life of luxury—the level of IB would not allow anybody to do that. As Professor Fothergill points out, that could no longer be true—if it ever was—because after six months everybody who signs on for IB has to undergo stringent medical checks. They are not carried out by the family GP, who allegedly might just sign people off on the sick for all sorts of reasons. They are formal medical assessments made by doctors working for the Benefits Agency.

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle): Does the hon. Gentleman acknowledge that the Benefits Agency was abolished some time ago and that its functions are carried out by Jobcentre Plus or the disability and carers service?

Paul Holmes: I am sure that the millions of people who are hanging on every word of this debate and who will read it avidly are interested in the minutiae of the correct names of the departments. The doctors were initially employed by the Benefits Agency, which has since undergone various name changes and mergers.

The checks are so stringent that the number of successful appeals has risen over the past four years. I have frequently raised that point in questions, letters to the Minister and debates such as this, and I received the most recent written answer from the Minister yesterday. In that answer, the chart of successful claims against denial of incapacity benefit shows that since 2001, when about a third of appeals against denial of benefits were successful, the number has risen steadily to just under a half. People who suggest that the large number of people on IB is down to malingering and a sick-note culture are wide of the mark. It is not that easy to remain on incapacity benefit for any length of time because of those checks. To say that scroungers are the problem is a facile analysis.

The IB claimant rate is rising as the nation's health is improving in general. The nation's health is not improving uniformly across all groups and social classes—disadvantaged groups have experienced a smaller improvement—but in general, it is improving in all groups, yet the number of people claiming sickness benefit is increasing. What are the causes of that?

As the hon. Member for Rhondda has already mentioned, one cause is economic circumstances. Twenty-five years ago, we began a process of mass closures of particular traditional industries, such as shipbuilding, engineering, steelworks and, in this case, coalfields. Twenty-five years later, if one maps IB claimants across the country, the comparisons are stark. In the south-east, where 86 per cent. of men of working age are employed, the number claiming IB is the lowest in the UK. In areas of the country where employment was based on traditional industries, such as the coalfields, there are the highest numbers of IB claims.

There is a clear link between the traditional industries that were shut down virtually overnight and the number of people claiming IB. However, it is interesting to note historically that although coal mining was a dangerous occupation, the number of people claiming sickness benefit in coalfield areas was not especially high before the pits were closed. The surge in IB claimants came after the pits were closed, rather than when they were working at full tilt. We need to delve deeper into why there has been an increase in IB claimants.

As the hon. Gentleman pointed out, incapacity benefit was initially a way of massaging unemployment figures in the 1980s and early 1990s. It was much simpler to sign large numbers of people up for IB than to see unemployment figures soaring to even greater heights than they had already reached. That led to a vicious circle of expectations and lack of opportunity. Professor Fothergill has pointed out that about 1.2 million of the 2.7 million adults claiming sickness-related benefits are hidden unemployed, in the sense that they could reasonably be expected to be in work in a genuinely fully employed economy. According to Professor Fothergill, the problem is that some people have given up looking for work because they think that they are incapable of getting jobs or that jobs do not exist in their area.

That view is reflected in research carried out by the Unemployed Workers' Centre in Chesterfield. Volunteer workers went to Staveley, in the north of my constituency, which was a traditional coal mining area. They spoke to people going to Jobcentre Plus and claiming IB, and undertook a careful statistical analysis of the reasons people gave for being unemployed and why they thought they would remain unemployed. The most frequent reason given—in 76 per cent. of cases—was that there were not jobs around to apply for. An almost equally large number said that they did not believe that they were qualified for existing jobs. As long as the emphasis of Jobcentre Plus—which has dramatically improved in its new guise, as the hon. Gentleman said—continues to be on the motivation and job-readiness of the individual claimant, we will be ignoring the reality that the jobs have to exist. In places

such as the Rhondda, County Durham or Staveley in the north of my constituency, many of those jobs simply are not there.

Chris Bryant: There are the jobs in the Rhondda. One problem is that anyone who has been economically inactive, to use the inelegant phrase, for a considerable time does not know what is going on in the job market. Their perceptions may be wide of the mark. The process needs to change; it must ensure that people have an opportunity to understand what is available out there.

Paul Holmes: The hon. Gentleman is right that the job market is changing dramatically. Back in the 1980s and early 1990s, unemployment in Chesterfield was well above the national average and although it is still above the national average it has come down significantly. There are many more job opportunities, including, I am pleased to say, in the new IT industries that have been attracted into the area. Nevertheless, as one former Minister who now chairs a Select Committee recently pointed out, many of the jobs that have been created across the country are relatively low paid and low skilled.

When a 59-year-old miner, who worked in a dangerous but well paid industry, looks at some of the low-paid alternative jobs that are available—or, as the general myth has it, are all that is available—he may be put off seeking a job. There is a psychological barrier as well as the reality that in many of the former heavy industrial areas the job market is by no means as buoyant, well paid or attractive as it is in the overheating economy of the southern part of the country.

We must ask the Minister to consider—in the context of the whole Government strategy, not simply from the perspective of the Department for Work and Pensions—trying to move jobs from the south to the north. We hear today that the BBC plans to move a large number of jobs to Manchester. The strategy of moving jobs from the south to the north where possible makes sense both to the taxpayer, because the costs are lower in the north, and to the areas of high unemployment in the north.

Other areas of Government strategy need to be examined, such as the over-concentration of university research funding in science and engineering in the golden silicon triangle around London, Oxford and Cambridge, which is to the detriment of northern or Welsh universities. Such a strategy is very short-sighted. If all the money is put into a few centres of excellence, it undermines the economies of other parts of the UK. Just this last week the Government talked about creating science cities such as York, which is my old university town. That is a welcome step. We need to help the economy of areas of England outside London and the south-east. We need to alter the mindset and the job availability in those areas.

What are the other solutions, apart from general Government policy on economic development? The hon. Member for Rhondda has already touched on a number of those. The Government are now talking about putting advisers into GPs' surgeries to get around that old notion that GPs sign people off automatically. That is not a new idea. An organisation called Tomorrow's People—a private company that works in this area—has been doing that successfully for some years. That may be the inspiration for the experiment that the Government are going to undertake.

Tomorrow's People produces statistical documentation to show how effective it is to put advisers into a GP's surgery to give assistance straight away. At least half a million of the people who claim incapacity benefit are not claiming the higher rate, which suggests that at least 20 per cent. on incapacity benefit are not barred from work in the sense of total physical incapacity by any stretch of the imagination. They are capable of degrees of work, although they may not be able to go back to the sort of job that they used to have.

Maria Eagle: Does the hon. Gentleman accept that many people who get the higher rates of disability living allowance do full-time work and are perfectly capable of doing it?

Paul Holmes: Absolutely. One good example lives just two streets away from me in Chesterfield. She is a young lady who has been in a wheelchair since birth and yet works full-time. However, on top of that particular incapacity she now has recurrent multiple sclerosis, which makes things even worse. However, she still works, but without the support that she gets from the Government, such as mobility allowances, she could not do so. Even the most disabled people can often work, if they are given the assistance to overcome particular obstacles.

One step forward would be to give more advice to people at the point at which they become unemployed, whether the cause is stress, mental health, depression or back pain, because the earlier the intervention, the more successful it is.

One of the problems is the structure of incapacity benefit. That point was made in great detail in the report that was published yesterday by the Institute for Public Policy Research. Another problem with incapacity benefit is that claimants must demonstrate that they are incapable of work in order to get the benefit. Not only does that encourage the wrong mindset, but once people have obtained the benefit by demonstrating that they are incapable of work, they then risk losing it should they try to return to work. Many people who are trying to claim incapacity benefit fear that if they try to get back into work and find that they cannot manage it or cannot manage full-time work, they will then have to go through all those obstacles and hurdles again. As the Secretary of State said yesterday, those barriers are the most stringent in the OECD lexicon in relation to claiming incapacity benefit.

Maria Eagle: The hon. Gentleman is forgetting the linking rules which, although they are not as well known as we might like, enable people to try out work for up to two years in some circumstances and then to go back on to incapacity benefit at the point at which they left it, if they cannot manage the job, without having to re-qualify.

Paul Holmes: As the Minister rightly points out and the hon. Member for Rhondda mentioned, steps have recently been taken to improve the situation. The return-to-work benefit, mentioned by the hon. Member for Rhondda in connection with pathways to work, has been very successful. The personal advisers in Chesterfield, which was one of the early pilots for pathways to work, are full of praise for it, because it

[Paul Holmes]

overcomes the problem that I was outlining before the Minister's intervention: that people fear going back to work and losing their hard-won benefits if they cannot manage the work or can only manage it part-time.

The situation is improving, and the return-to-work benefit is good, but it lasts for only 12 months. Given that the initial pathways to work experiments are still less than 12 months old, we cannot fully measure the effect of what will happen in the second and third years to people who have been able to go back to work because of the return-to-work benefit but might not be able to continue in full-time work without that benefit.

The Liberal Democrats have long advocated that there should be more research in that area and that the idea of a partial benefit should be examined. Some people on incapacity benefit—some disabled people—could never work full-time but could work part-time, if they were sure that a partial benefit was available. A partial benefit would mean that they could work and pay taxes for part of the week, and would be entitled to that partial benefit as well. In addition to the personal benefit to individuals, that would be a win-win situation for the taxpayer, because every extra day that someone works rather than being on benefit the taxpayer is not only not paying the benefits but is getting the tax back.

The measures that are being adopted in that area should be expanded. In general, there has been early success in the infancy of the pathways to work pilots; it is therefore welcome news that they are being expanded to a third of the country—mostly to the hardest hit areas, such as the coalfield areas. I hope that the Government will continue in that direction in the future and that they will not—as the Prime Minister seems to have been doing on and off over the past few months—pursue the tabloid newspaper headline agenda of cracking down on benefit abusers and benefit scroungers and of time-limiting the entitlement to benefits.

Finally, Kate Stanley from the Institute for Public Policy Research, who played the largest part in producing its report, said yesterday:

> "The idea of reducing the number of claimants or time limiting the benefit in order simply to make public spending savings is not an acceptable motive for reform."

If the intention of getting people off incapacity benefit is to save money for the taxpayer and perhaps to put it into other things such as pensions, that in itself is not an acceptable motive for reform—*[Interruption.]* The Minister appears exasperated. However, the IPPR is the Labour party's favourite think-tank and is influential on the Labour party's thinking. Kate Stanley continued:

> "Such an approach could lead to entrenched poverty"

for people who lose out. Some of the reforms that are being introduced are welcome and I have given lots of support to them. However, we must not lose sight of the fact that in general, as all the statistics show, the 2.7 million people claiming IB are not malingerers or scroungers. At least half of them would be capable of getting back to work quickly if they had appropriate support and if jobs existed in the areas of the country where they tend to live.

10.10 am

Mr. Paul Goodman (Wycombe) (Con): I congratulate the hon. Member for Rhondda (Chris Bryant) on securing the debate. He represented his constituents very effectively in what he said, and we all know that he is a brave and energetic parliamentarian. Of course, he came close to losing his opportunity to represent Rhondda for ever in 1997, when he stood as the Labour candidate in the constituency that I represent. He is still remembered in High Wycombe as a former curate at All Saints, where he was before he moved on, as I have, to higher things. I apologise, Mr. Deputy Speaker. I should of course say "lower things", because the Church, as we all know, is a more exalted institution than Parliament. *[Interruption.]* I should perhaps not be drawn into these matters more deeply.

The hon. Gentleman made a very good speech. He was right to draw attention to the serious rise in the number of mental health claimants. There has been a 53 per cent. increase in that group since 1997, and such people now account for 38 per cent. of the total. The serious problem with people coming on to incapacity benefit, which the Government now have to deal with, is those coming on to it for mental health reasons. Although the Government are relatively successful at stopping other types of claimant coming on to IB, they are not successful at all, as far as I can see, at stopping those coming on to it for mental health reasons—but more of that later.

What I particularly appreciated about the hon. Gentleman's speech was that it gave the IB nerds among us, of whom the Minister and I must count as two, a chance to concentrate on what IB nerds sometimes describe as the problem of the stock—that is, those who have been on IB for a long time. That is a rather dry way of putting it. As the hon. Gentleman reminded us, it would be more accurate to talk about the problems faced by those described as the stock, many of whom have been stuck on IB for a long time and are thereby losing the opportunity to fulfil their talent and potential. His constituents are still losing that opportunity in regrettably large numbers.

As the Institute for Public Policy Research pointed out recently in its reform proposals—I think that I am the third person to cite the IPPR—once people have been claiming IB for a year, the average duration of their claim is eight years. The hon. Gentleman alluded to this. Once people have been claiming for two years, they are more likely to die or retire than to leave the benefit for a job.

Maria Eagle: Everyone is mentioning the IPPR, but will the hon. Gentleman accept that it has taken those figures straight out of the "Pathways to work: Helping people into employment" Green Paper and that they are Government figures? That should not be a matter of controversy.

Mr. Goodman: The Minister is correct, and it is reasonable to repeat the figures often, as they go near the core of the problem. While we are on the subject of the IPPR, with which the Minister appears to have shown a little impatience, I shall take the opportunity to ask her a question. The IPPR has produced a series of interesting ideas, which Opposition Members will want to consider.

However, I am not as well linked into the world of left-leaning think-tanks as I might be. Have the Government ruled out incorporating the IPPR proposals into their own policies?

I will return to the subject of the stock. However, as this is the first opportunity that the official Opposition have had since the pre-Budget report to do so, I shall comment on the Government's announcements on IB. We welcome the extension of pathways to work to one third of the country. We also welcome the extra £30 million for the new deal for disabled people—I will comment on that later—and the plans to place employment advisers in doctors' surgeries. Like the hon. Member for Chesterfield (Paul Holmes), I am curious about that proposal; perhaps the Minister will tell us how many advisers she expects to be in place and by when, what the cost will be, and how many people the Government believe the advisers will get into work and keep in work.

I want to address the problems faced by the people, such as the constituents of the hon. Member for Rhondda, who are the stock of IB. Under this Government, fewer people are going on to IB but fewer people are getting off it. That is the core of the problem that Ministers and other politicians have to face. The number of claimants who receive IB pure and simple—the so-called beneficiaries—has declined from about three quarters in 1997 to about two thirds at present. The remaining third of claimants mostly receive means-tested income support with a disability premium. That is why the claimant figure has risen slightly since the Government came to power, from 2.3 million in 1997 to 2.4 million this year. Indeed, between 1999 and 2003—I shall comment on the significance of 1999 in a moment—the average quarterly figures for terminations fell from 136,000 to 113,000, cancelling out the positive effect of the rise in commencements. The figures for IB terminations for the first half of the current year show a further decline.

Why has that happened? In 1999, the Government decided to means-test IB. The consequences were exactly as we predicted at the time. People who came off IB faced the prospect of returning to it at a lower rate, as they do now. As the Minister said in an intervention on the hon. Member for Chesterfield, there is the return-to-work credit of £40 a week. However, it is little understood; indeed, the Minister said that it is not as well known as it might be.

Maria Eagle: I was talking about the linking rules, not the return-to-work credit.

Mr. Goodman: I am grateful for that correction, but I still think it is true to say that, like the linking rules, the return-to-work credit is not as well known as it might be.

That is part of the problem that the tax and benefit system has become much more complicated under this Government. Benefits were never easy for claimants to access at the best of times, but that is even more so now as the Chancellor's bewildering maze of credits—he remains the real power and architect of policy of the Department for Work and Pensions—is extremely complicated.

Chris Bryant: I am slightly confused—or maybe the hon. Gentleman is confused and is therefore confusing me. He seems to be arguing that there are people who make a judgment about whether to go into work or remain on benefits on the basis of whether they will be financially better off, and yet at the same time he is saying that the Government have made the system so complicated and difficult to understand that no sane and sensible person would be able to figure out whether they would be better off. Surely those two points are incompatible?

Mr. Goodman: Perhaps the hon. Gentleman is confused and he is confusing me and therefore I am confusing him, but I think that both of those critiques are true. Like most of the rest of us, many claimants try to work out what will or will not make them better off. They have some difficulty trying to assess what will make them better off as they negotiate their way through the current system.

Pathways to work has had some encouraging early results, although figures are scarce, and we do not know if it will prove as effective at keeping people in work as it has apparently been at getting them into work, as it has not been around long enough for us to tell. It can also be argued that pathways is getting back into work the people who are easiest to get into work—part of the flow—rather than those who are hardest to get into work—the stock. We know that pathways is due to start on the stock soon, because the Secretary of State said so in a recent oral questions, but we will see.

Maria Eagle: The hon. Gentleman is overlooking the fact that although it is people coming on to IB in the pathways areas who have the mandatory participation, those who have been on benefit for a longer period of time can and do volunteer.

Mr. Goodman: They can and do volunteer, but we have not yet seen from the figures proof that substantial numbers of people who are on the stock are returning to work through pathways. I do not think that there have been any figures relating to that, and I will return to the matter later.

We welcome the fact that pathways is soon due to start on the stock. However, pathways alone will not get and keep enough people off the stock and get them into work quickly, because the stock is simply too big. However, there are ways of getting people off the stock and into work more quickly, and bringing people such as the constituents of the hon. Member for Rhondda into work and fulfilling their potential, and my colleagues and I have been looking at those ways very closely. Although I am too junior in the food chain to make any announcements this morning—announcements tend to be made by people who are more senior than I am; perhaps the Minister knows what that experience is like—I want, as ever, to be positive and to offer some ideas for reform.

The most effective part of the Government's programme, both for the flow and the stock, is not pathways but the new deal for disabled people. As the Minister knows, we do not support the other new deals. However, we think that the NDDP is on the right lines because it is aimed at the people who are least likely to find and keep work without it. The NDDP is not

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without its faults and problems, which I will mention later, but it is the most effective part of the Government's programme.

Chris Bryant: One of the anecdotal findings of the pilot scheme in the Rhondda, which can be seen in the available figures for the past year, is that through pathways, double the national average of people are going on to the NDDP.

Mr. Goodman: Yes, that is correct. I am sure that the hon. Gentleman has given an accurate figure. As I said, we do not have figures for pathways that tell us how long the people who go into work stay in work. As he knows, that is a very big problem for disabled people once they enter the labour market.

Chris Bryant: Yes, but the hon. Gentleman is saying that he supports the NDDP but does not think that pathways to work is necessarily the right way forward.

Mr. Goodman: I did not say that pathways to work was the wrong way forward. I said that the NDDP was the most effective part of the Government's programme, although it is not without its faults and problems, which, as I said, I will come to later.

The key element of the NDDP, which the hon. Gentleman touched on in his intervention, is the participation of the voluntary sector. I pay tribute to the work of organisations such as the Shaw Trust, whose advisers have the proven expertise and commitment to re-energise people who have often been absent from the labour market for a long time. For example, the Shaw Trust's success rates to date are higher than Jobcentre Plus success rates per se. As usual, the voluntary sector is proving more effective at re-energising and motivating people than the state. The hon. Gentleman offered some anecdotal experience and I will do so, too. From talking to organisations such as the Shaw Trust, I have learned that they believe that if they can get in quickly, as it were, for people with mental health problems, they are relatively likely to be able to get them back into the labour market and keep them there.

Chris Bryant: Indeed. Where the voluntary sector can play a particularly important role—we have heard this anecdotally—is in trying to help people with substance abuse problems. The combined work of the public sector and the voluntary sector can make a dramatic difference because people have so many different routes into addiction that a variety of routes out of addiction must be provided. The voluntary sector, with its web of connections, can often be far more effective than the public sector.

Mr. Goodman: The hon. Gentleman is right about that, and that touches on a point with which he is unlikely to agree. The role of the state, by and large, is to plan and administer the system, but the voluntary sector is very often a more effective provider than the state.

Maria Eagle: I would not want to denigrate the positive impact of the voluntary sector, particularly in respect of the NDDP, but I presume that the hon. Gentleman is aware that one of our best and most effective NDDP providers is Jobcentre Plus.

Mr. Goodman: The figures that I have seen suggest that the voluntary providers are more effective than Jobcentre Plus. Perhaps we shall be able to exchange figures on that. However, nobody here doubts the beneficial role of the voluntary sector.

Paul Holmes: I am listening with interest to the hon. Gentleman, but before he moves on, could he elaborate on why he thinks that the voluntary sector does better? It strikes me, having visited several Shaw Trust projects over the past two or three years, that one of the differences is that it takes a much longer-term view. The hon. Gentleman talked about early intervention with people with mental health problems, for example, but I have seen Shaw Trust projects where a lot of long-term work, for perhaps a year, is done before even trying to get people back into employment. Those are people who have been disabled and unemployed for a long time.

Phoenix, a private company with charitable funding that started in Rotherham and now does a lot of work in Chesterfield with drug abusers, delivers Progress2work, which the Government introduced. However, before that, Phoenix helped people with long-term drug problems back into work, because it could use private charitable funding as well. They were longer-term projects, not the short-term tick-box targets of the NDDP.

Mr. Goodman: I respect what the hon. Gentleman says, and I am sure that he is right. The answer to the question that he asked me is: I do not know. I do not think that anyone has an authoritative answer as to why the voluntary sector is much more effective at close work with people than the state. The answer usually given is that the voluntary sector is closer and more motivated. I suspect that that is right, but I do not know for sure.

We think that real substantial reform is likely to have the following characteristics. First, it will spend to save. We believe that there is more capacity to spend and save than the Government appear to believe. According to the figure that I have seen, the UK spends only one fifth of the EU average on employment programmes for disabled people. Earlier this year, Ian Charlesworth, the managing director of the Shaw Trust, complained on regional television—the hon. Member for Chesterfield referred to this in an earlier debate—that the trust had been asked by Jobcentre Plus to slow down its activities, because finances were being capped. In other words, the paradox was—

Maria Eagle: Finances have never been capped. At that time, the Shaw Trust was running ahead of the total amount of money that it was contracted to provide. That is not finances being capped. What happened is that we discussed with the trust how best to deal with that and, as a result, it is continuing to do the job and there is more money available. That is not my definition of capping, and nor should it be the hon. Gentleman's.

Mr. Goodman: It was not my definition, it was Ian Charlesworth's, as I reported. While the Minister is

right to say that the problem that she has described and about which Ian Charlesworth has complained has now been at least temporarily solved, voluntary organisations have contacted me to complain that they cannot work as effectively as they would like, because a point is reached where they are no longer rewarded for being successful because the budget is too tight.

Mr. Charlesworth warned that five Shaw Trust offices, including one in the Prime Minister's Sedgefield constituency, were threatened with closure. We gather that, as the Minister says, the problem has been solved, but we wait to see whether it will recur. As long as the new deal for disabled people continues to be comparatively under-resourced, at least compared with other European countries, as long as finances are riddled with the problems that I have just described, as long as contracts remain relatively brief and as long as voluntary providers complain of Jobcentre Plus red tape, I suspect that such problems are likely to recur.

Secondly, real reform would provide more help with rehabilitation. Pathways are starting to do that but, as I argued earlier, it is aimed largely at the flow and not at the stock. It is not clear that the NHS has the capacity to provide rehabilitation on a large enough scale to help the stock substantially.

Thirdly, real reform would also tackle those aspects of the benefit and credit system that are most likely to discourage people from leaving IB. The Minister and I had an exchange earlier about the linking rule, but as everyone acknowledges, many of the people who are currently described as the stock fear that if they left IB, they would return to it at a lower rate.

Fourthly, real reform would cut through some of the red tape that I described earlier and about which some providers have complained. Some contractors have complained that up to 20 per cent. of staff time is spent providing proof to Jobcentre Plus that clients have started employment and stopped claiming benefit, which apparently, Jobcentre Plus should know from its own records.

In short, we hope to build on some of the projects that the Government now have in place. We believe that they have been a little slow in getting round to pathways, although they are now rolling it out, and that some of the processes involved in pathways and the new deal are somewhat bureaucratic. We are not convinced that there is fully joined-up government between the Department for Work and Pensions and the Treasury to ensure that enough funds are invested in the Government's present programmes to make an impact on the stock.

The hon. Member for Rhondda has done a great service by giving us a chance to explore the significant and lasting problem at the centre of the IB dispute: the challenges and difficulties faced by those people who are often described as the stock, who are not receiving as much opportunity as they wish.

10.33 am

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle): I start by saying how much I have enjoyed this high-quality debate, and I congratulate my hon. Friend the Member for Rhondda (Chris Bryant) on initiating it and presenting his arguments, which were replete with the experience of his constituency as one would expect, in such a coherent and passionate way.

That passion is something that anyone who examines the issue comes to feel. We are talking about opportunities for our fellow citizens, and there can be nothing more important to a Labour Government than to ensure that everybody in our communities has the opportunity to develop to their full potential and to live their lives in a way that is satisfying to them, productive to our economy and good for our society. That is really what we are here to talk about.

I suppose that I will just about put up with being called an IB nerd by the hon. Member for Wycombe (Mr. Goodman). I acknowledge that we have some interest in examining the differences between us on the issue of IB but I find "nerd" a little hard to take so early in the morning. All political parties are interested in this issue; the debate has demonstrated that all parties are engaged with it, and that is a good thing.

The hon. Member for Chesterfield (Paul Holmes) has gotten out of bed on the wrong side, as usual. I have accused him of that before, but the situation was worse than usual today because he forgot his quotes. That suggests that he got out of bed at the very last minute and dashed here, leaving his no doubt carefully prepared quotes behind. I expect him to write to me with full details of the quotes that he could not find when he was challenged.

The hon. Gentleman's speech was somewhat curmudgeonly. Although he did not want to, he grudgingly admitted that he agrees with a great deal of what the Government are doing. Buried somewhere in the depths of his speech, he sort of said that he approved of pathways to work. He performed a form of shadow boxing; he set up an argument that nobody was advancing, and then knocked it down. That was interesting to watch, but I am not sure how relevant it was to the detail of the debate. None the less, buried in his speech somewhere was a rather grudging acceptance of what the Government are doing. It is a shame that he could not bring himself to say, "Bravo! Well done. We support you." But then again he is not that sort of Opposition spokesman. However, I enjoyed his remarks, and look forward to the letters that I am almost certain to get as a result of treating him in such a way this morning.

The hon. Member for Wycombe made an interesting speech, as he always does. I shall take issue with some of what he said before I deal with the points raised by my hon. Friend the Member for Rhondda, which I wish to go through in some detail. I caution the hon. Member for Wycombe against dealing with the issue using concepts such as "flow" and "stock". First, the terms are somewhat offensive because we are talking about people. However, I know that he did not intend to be offensive; he is using a shorthand—as nerds often do—for something that it would take many sentences to express. We would have run out of time by now if he had not used that shorthand.

Secondly, when using that kind of technical shorthand, and talking about flow on to the benefit, and the stock of people stuck on benefit, it is easy to think of such matters as static, and they are not. There are many people circulating around the system and coming on to

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the benefit who the hon. Gentleman would put in his definition of flow, although they are actually more like stock. Some people may have gone from being on income support with a disability premium, may have been beneficiaries in the past, or may have had some contributions. They might go on to jobseeker's allowance for a while, and then come back to IB. Many of the people whom the hon. Gentleman would say were flow have been economically inactive for some time. That is why it is not helpful to make such a division. That division undermined some of his policy prescriptions, too.

Pathways to work is innovative and is starting to look effective. We do not yet know what the long-term impact will be, so one has to be cautious about predicting too much for it until we know its impact. However, early indications are certainly very positive. Some of the graphs that can be plotted showing the impact that it can have are quite startling. The hon. Gentleman must remember that many of the people who are assisted by pathways to work have been economically inactive for many years.

We are dealing with people coming on to the benefit. That is partly because there is some churning around the system, which means that people coming on to the benefit at a certain time may have been economically inactive for some years, but also because the pathways pilots encourage volunteering. People volunteer for the pathways pilot who would not be required to do so, and they do that because they have a motivation for getting back to work. They are pleased that, often for the first time ever, they are being offered help and support, and they want to take advantage of it.

It would not be true to say that the pathways pilots deal only with people coming on to the benefit for the first time; they also deal with people who have been economically inactive for quite a long time. No doubt figures will be published as they become available, and the hon. Gentleman will be convinced then.

The hon. Gentleman also said—interestingly, I thought—that his party was thinking about supporting the new deal for disabled people. He has said that of all the new deals, the new deal for disabled people would not be abolished if the catastrophe of a Tory Government occurred in the near future.

We know that the Conservatives have some interest in the new deal for disabled people. However, may I caution the hon. Gentleman? The NDDP is not an alternative to pathways; the job-broking service that it provides is an essential part of the choices package that pathways offers to people who can benefit from it. It is a part of the process that might assist people into getting back to work. When people come forward into pathways for the work-focused interviews—to get the benefit from our specialist personal advisers about what they might be able to do, what their options are and what is available for them—one of the things offered is the NDDP. That is an essential part, just as the return-to-work credit plays an essential part in convincing people that there is a financial return to going into work. Pathways encompasses all those things, as well as the condition management programmes, which can help people understand that the condition with which they live is not the absolute bar that they may have come to think it is to their participation in the labour market. All these elements of pathways are an essential part of making it a success.

Different people will require different parts of that choices package. However, as my hon. Friend the Member for Rhondda made clear, the NDDP is an essential part of pathways, not an alternative to it.

Paul Holmes: The Minister talked about the new deal for disabled people. What are the predictions about what share of the new deal budget will go to disabled people? At the moment, 3 per cent. of the £750 million new deal budget goes to the disabled. That seems the reverse of how it should be, as the disabled have the most trouble getting into work. Is there any prediction that a larger percentage will go in their direction?

Maria Eagle: The hon. Gentleman is seeing that in our highly successful economy, which has the lowest level of unemployment for 30 years, Jobcentre Plus is having to focus more on the economically inactive. Much of the rest of the unemployment problem has been solved. In a typical constituency there will be perhaps three times as many people on inactive benefits as there are jobseekers in the traditional sense of being unemployed and looking for work.

In the constituency of my hon. Friend the Member for Rhondda, that number is even higher, and he made that point very well. Given the circumstances in which his constituents find themselves, he is right to concentrate on how the Government can assist, because that is one of the biggest issues in his constituency. I thought that his remarks made that clear.

Traditional unemployment has declined significantly, and that has not been some kind of accident or manna from heaven; it has come about because of the extremely high-quality economic management that my right hon. Friend the Chancellor has brought to his role. The number of people in employment continues to rise, more people are in work than ever before, employment has increased by almost 2 million since 1997 and the underlying trend remains upwards. We have the highest level of employment and the lowest level of unemployment in the G8, and unemployment is now at its lowest level for 30 years.

On one of the points made previously, the number of new vacancies remains consistently high. It is not that jobs are not there, but that we have to make sure that people have the confidence, ability, training and ambition to claim their rightful place in the world of work.

Chris Bryant: It is also true that in some mining constituencies people's expectation of work has had to change. In the past, work was done by a man, manually and underground, within half a mile of his home. Today, none of those factors is true for the majority of jobs, which are just as likely to be done by women, probably will not be manual and might involve computer skills. Changing that skill base is so difficult for those not in work.

Maria Eagle: I accept that point. All contributors to the debate have made fair points.

This is a complex issue. It is not about whether people are trying to hide from the labour market, whether they are completely incapable of working because of a medical condition, or whether they are trying to avoid work; it is about a complex series of psychological and other barriers, including attitudinal barriers and discrimination against disabled people in the workplace, all of which we have to tackle if we are to solve the problem.

We are taking positive steps forward on all those things. It is just as important for my hon. Friend's constituents that the Government are setting about outlawing disability discrimination in the workplace. It is all very well having jobs, but perhaps employers do not see disabled people, or those who have been unemployed or on inactive benefits for many years, as capable of doing them, or do not regard them as desirable employees. We have to get over those myths.

I am pleased that my right hon. Friend the Chancellor was able in his pre-Budget report to announce the extension of pathways to work. We in the DWP are pleased with that because we have seen its potential. My hon. Friend might be interested to know that in Wales the extension will include the eastern valleys, Swansea bay and west Wales, thereby ensuring that support of the pathways covers almost 60 per cent. of IB claimants in Wales. It is a huge and exciting new opportunity and we look forward to taking it forward in that nation.

My hon. Friend made many points about proposals for reform. I am glad that he welcomed the extension of pathways to work. In his own way, the hon. Member for Chesterfield also welcomed it. However, I was not sure whether the hon. Member for Wycombe welcomed it because he seemed to focus on the new deal for disabled people as the answer, whether or not it was in place. I do not believe that that would be as effective a way forward as having the NDDP in the choices package as one of the options for people to take forward with the advice of specialist personal advisers. Nevertheless, I am glad that the roll-out was generally welcomed.

My hon. Friend the Member for Rhondda made a number of points about mental health, as did the hon. Member for Wycombe. Mental health issues are predominantly leading people on to IB and my hon. Friend is right to say that the categorisation of such matters covers a wide range of conditions, issues and situations. We all recognise that that is a major issue. I have noticed that from everybody's contributions today, and any solution to inactive benefits needs to tackle that fully.

My hon. Friend made some positive points and incisive suggestions. He mentioned the over-prescription of anti-depressants by doctors—particularly GPs—and that was also referred to by other hon. Members. The role of GPs is important, not only because they initially sign somebody on to sick pay or IB for the first period, but because they are influential and important in advising their patients about what is good for their health. If we are to make a big impact on inactivity, we need to ensure that GPs thoroughly understand the consequences of what they do, not just in giving out sick notes initially—although there are good reasons why they do so—but because of the longer-term impact of being unemployed and inactive on an individual's health.

GPs are hugely trusted by their patients, which is not surprising, and their attitude to the potential for returning to work will often have a big impact on the approach of the individual on inactive benefits.

We know that we must ensure that we take GPs and other doctors with us. We are not trying to suggest to GPs that they should not sign people off when they should be signed off, but we are trying to get across to them that work can play a very important part in restoring and retaining good health, particularly in respect of low-level mental health concerns.

One of pathways' quiet and not yet fully recognised impacts is the work that is being done between Jobcentre Plus and local health services, not only in respect of condition management programmes but in ensuring that there is a much closer understanding between local GPs and primary care trusts in England—and the relevant structures in Wales—about what is good for the person who is the patient on the one hand, and our client who is on inactive benefits on the other hand. Those are very important side effects of the impact of pathways.

Several Members asked about the pre-Budget report announcement on advisers in GPs surgeries. We are deciding on the detail of that, and I am not in a position today to give chapter and verse of how it will work. However, we are working closely with devolved Administrations, as well as with the NHS, on all aspects of our approach to tackling inactivity, and on the reform programme that we are discussing. We intend to trial giving GPs additional help on fitness for work issues through providing additional skills for specialist GPs and placing employment advisers in GP surgeries where that is requested. That is not about us camping in GP surgeries regardless of whether the health professionals want that; it is about all of us working together to improve the life of individuals who are both the patients of the GP and our clients.

We will have discussions with the GP profession on this because it is very important that GPs buy in to it. We do not want to impose it from the outside. We work closely with the Department of Health in deciding where and how we are going to trial these interventions.

One of the important things about pathways is that it has fostered much closer working between the Department for Work and Pensions and the Department of Health at national level and, in particular, at local level. In some pathways areas, GPs and PCTs have become enthused about the potential of this work. The condition management programmes are paid for out of additional moneys, so we are not taking away from local PCTs money that would be used on other services. These are additional moneys that are there to fill a gap. I hope that there will be more of that in future.

My hon. Friend the Member for Rhondda referred to our new Jobcentre Plus offices as Ikea-like. I hope that that is a compliment. I assume he meant that they had clean lines and bright colours, and that they were pleasant places to be in. It is the whole point of Jobcentre Plus that its offices are not dingy, hidden, dark and forbidding places where people have to go once every two weeks to be disapproved of for being on benefit. That is a fair description of the state in which the Conservatives left some of the estate of the Department of Social Security, as the Department was called then. I

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do not blame the hon. Member for Wycombe personally, but it is clear from the state of some parts of the old DSS estate that when his party was in power it did not intend to make claiming entitlements a pleasant experience. We are rightly transforming that.

My hon. Friend the Member for Rhondda raised the issue of the 85 processing jobs in the Rhondda and the Department's plans to move them to different valleys. I understand his point, and I am happy to examine the matter and come back to him on it. At the end of his remarks, he strongly made the point that he is not conducting a campaign against malingerers. I assure him that the Government do not think that people on IB are malingerers, and we are not conducting a campaign against them.

Mr. Goodman: I have just noticed that the Department's press release on 2 December refers to a

"Government drive to end the 'sick note' culture."

A sick-note culture is not exactly the same as what the Minister was saying, but perhaps she could expand on what the Government think the sick-note culture is.

Maria Eagle: That is a culture among GPs, some of whom openly admit handing out sick notes without being as careful as they should be, and is not aimed at individuals who receive those sick notes and trust their doctors. I have already made points, which I do not intend to reiterate, about the importance of my Department working closely through Jobcentre Plus pathways with our colleagues, GPs and local health services to ensure that we achieve what is best for their patient and our customer.

The hon. Member for Wycombe gave us interesting glimpses of future Conservative policy, although he bemoaned the fact that he is not in a position to make announcements because he is too low in the food chain. I would be interested to know who is trying to gobble him up, but I assure him that it is not me; I am just trying to deal with his arguments. He complained about the taxation and benefits system becoming more complicated, but made no reference to the fact that one role of specialist IB personal advisers is to ensure that people are fully aware of the implications of any action they might take in respect of the financial rewards that they will receive either from work or through tax credits and remaining on benefit. That aspect of the pathways' pilot has been popular among those who come through to work-focused interviews, because somebody can fully explain to them the linking rules and implications of any course of action, such as going for a job, getting training, applying for the new deal for disabled people or trying out permitted work. We are in a much better position, through Jobcentre Plus, to ensure that people do not have to do that for themselves, and can be guided.

The hon. Gentleman finished his remarks by saying that a Conservative Government, if elected, would build on some Labour projects. He accused us, with a great deal of cheek, of being slow to get started on dealing with inactivity. From the party that created that inactivity during its 18 years in office, that took the biscuit. He also said that we were engaged in overly bureaucratic practices to ensure that public money handed over to organisations providing services is properly spent. Surely he cannot be advocating handing over public money to organisations outside of Government without checking that we are getting value for money and that they are spending it correctly. I do not call that bureaucracy; I call it being careful with the public finances, which we are obliged to be.

The hon. Gentleman also argued that the Department for Work and Pensions and the Treasury have not invested enough funds into pathways. He must have written his speech before the pre-Budget statement, because we have just invested an extra £220 million into pathways, which by anyone's estimation is a large and welcome amount of money. I am sure that once we get on with the job, that money will assist the constituents of my hon. Friend the Member for Rhondda and other people who for too long have been abandoned to inactivity by previous Governments who did not care. That will not continue to be the case under this Government.

Royal Regiment of Fusiliers

11 am

Mrs. Lorna Fitzsimons (Rochdale) (Lab): "Six VCs before breakfast" is an extravagant claim for any regiment to make, but the Lancashire Fusiliers won them in the landing on the Gallipoli peninsula on 25 April 1915. General Sir Ian Hamilton wrote in despatches that

"it was to the complete lack of the senses of danger or of fear of this daring battalion that we owe our astonishing success".

That same gallantry has characterised the Lancashire Fusiliers in every action they have fought from their formation in 1688. Every year in Bury, which borders Rochdale, we celebrate to this day the Fusiliers' gallantry in what must be one of the most memorable British battles, which involved some of the most courageous soldiers that our infantry have ever seen.

As a result of that passion, history and local context I have asked for today's Adjournment debate; I and my constituency recognise that 13 towns and cities in this country have given the predecessor regiments to the Royal Regiment of Fusiliers the freedom of their boroughs, towns and cities because of such heroic acts. The RRF is the parent regiment for the four historic infantry regiments that were amalgamated in 1970 and 1992, and is now under threat. The RRF can be dated back to June 1685, and is on record as being the first ever infantry regiment to receive the title of "Royal" and can be traced to the formulation of a regiment to guard the ordnance of the Tower of London under King James II. There is no doubt about the compelling history of the RRF and the four areas, and it has a home in the hearts of the people.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): I assure the hon. Lady that opinion is as strong in Northumberland and Tyneside as in her area, particularly so because the people there, like her constituents, had to accept a major reorganisation. They thought that the result of it would at least be that the identity they had managed to preserve under the Royal Regiment of Fusiliers could be preserved in future, and not threatened as it is today.

Mrs. Fitzsimons: Indeed.

However, one of the things that is incumbent on all of us as parliamentarians and passionate Fusilier supporters is to recognise that they are soldiers through and through. Throughout the various regimental histories of the Fusiliers—they amalgamated eventually into the Royal Regiment of Fusiliers—they have been soldiers to their fingertips.

The soldiers realise that what the Army Board and the Army are trying to do to reformulate the arms plot—the way that postings and jobs are rotated on a two-year cycle—has changed. They realise that it is the most disruptive thing to family life and, therefore, to retention. It also has an impact on recruitment to a modern-day Army. The Army has always changed, ever since the first infantry battalions and regiments were created. It is a way of staying on top of our game and all soldiers worth their salt know it.

I want to place on the record my appreciation for what the Army Board is trying to do to improve the lives of the families and the soldiers who serve our country well, as well as to ensure that our armed forces, especially the infantry battalions, are constructed in a way that meets the needs of modern-day warfare. I would further like to stress that I utterly endorse the criteria, as I understand them, that the Army Board—not politicians—has set itself in that task.

I am married to an infantryman, and am somebody who is now meant to be a lieutenant-colonel on the armed forces parliamentary scheme, although I am sure that I do not deserve the rank. One of things that is important to put on the record and make public is that communications in peacetime in the Army are a bit of an anachronism. I will use that mechanism to communicate that the matter that we are discussing is not a politicians' cut or reorganisation; it is being done by military men and women in the best interests of the British Army. We are talking about their view as soldiers.

Andrew Selous (South-West Bedfordshire) (Con): The hon. Lady is speaking with great passion and I am sure that every hon. Member agrees with her. Does she agree with me that, given that the Army Board met yesterday, it would be in everyone's best interests if we knew as soon as possible what decision was taken?

Mrs. Fitzsimons: Having met my right hon. Friend the Secretary of State with a delegation of people who as parliamentarians share my passion for the Royal Regiment of Fusiliers and the contribution that it has made, is making and should make to the future of the British infantry, I agree with the hon. Gentleman—and I am sure that the Secretary of State agrees—that it is in no one's interests for the process to be strung out, particularly as there has already been a period of uncertainty.

Let me return to the review. It is important to place on the record the fact that there is a lot of agreement about changing the arms plot and the aims and ambitions. However, I am extremely worried that there is deviation from the central purpose of the review. Several things must be adhered to under the success criteria of the executive committee of the Army Board. First, whatever changes happen, recruitment cannot be damaged. That is just common sense. Whatever regimental and battalion structure is proposed subsequent to the review must be sustainable. That means that a recruiting footprint must be left throughout the British isles.

An important Army doctrine underpins what we are discussing. I shall quote from *The Daily Telegraph*, but I understand this from many sources:

"Gen Sir Mike Jackson, Chief of General Staff, is determined to get rid of the historic single-battalion regiments, amalgamating them into larger, more flexible multi-battalion regiments."

I understand from all military sources that those are known in common parlance as super-regiments, consisting of two or more battalions. In modern-day warfare, they are far more flexible. There is no need to re-role. What has been described is the only way in which we can change the arms plot over a two-year period we want to, and is therefore totally sensible. Given those points, it is very disturbing that of the 38 British infantry battalions, the six poorest recruiters historically are a Prince of Wales regiment, the Irish regiment—the one remaining one—and four Scottish regiments.

[Mrs. Fitzsimons]

My right hon. Friend the Minister who will reply to the debate is a Scot, and I would not like to say that he is biased, although I hope that his constituents think that he is. However, to us mere English, and particularly to a Lancashire lass, now that it is readily acknowledged that the Army Board has said that Scotland can take only one hit and only one battalion can be cut, the time has come for us all to rise up and ask why. It is ludicrous that Scotland, with only 9 per cent. of the population, is expected to find 15 per cent. of the infantry. Given that four of the seven Scottish battalions are in the worst six in respect of recruitment, the fact that we may have to chop one of the historically most successful super-regiments in the British Army in terms of recruitment goes against the success criteria that the Army Board set itself. I say to anyone who says that this is a case of meddling politicians that it is not; it is Army politics afoot. I want to bring the Army back sharply to the success criteria. The way in which many of my constituents and I will judge whether it has done a good job is whether it sticks to its original criteria.

Let me sound a second caveat about the criteria, which relates to the figures for non-British nationals from foreign and Commonwealth—F and C—countries who are recruited into the British Army. At the start of the review, as I understand it, it was considered that everybody was a body and therefore such recruits were accepted as equal when it came to the counting. Then when people got into the detail, that did not suit the purpose, so suddenly, halfway through the review, we hear that perhaps F and C figures will be taken out. As I understand it, they have been counted for only two years and no one told any regiments that have been recruiting from F and C countries that two years down the line it might jeopardise the whole future of their regiment. It is not cricket, to say the least, that the review should start off including F and C figures and then, halfway down the line, say, "Well, the only way that we can get the Queen's division and the Royal Regiment of Fusiliers in is by removing the F and C figures to establishment." If those recruits are prepared to fight for our country, they should be counted. I defy anyone to say that an F and C soldier in any regiment fights less passionately for Queen and country than the recruits from my constituency of Rochdale or from any other constituency.

I ask the Minister to reassure me that we are not taking an 18-month or two-year snapshot of figures to stack up the preferred decision. The Ministry of Defence gave a detailed piece of evidence—a manning study over 10 years of all 38 infantry battalions—to the Select Committee on Defence. I hope that the Minister can also assure me that decisions will be judged against those long-term data of performance and trend, including F and C figures.

Although it is not intrinsic in terms of the hard core, another criterion that is absolutely key to how the Army does business is that the decision must be, and be seen to be, equitable. I understand that that is also part of the Army Board's criteria. As I said, under the Labour Government's White Paper of 1967 and in 1992, the Fusiliers took the brunt of some of the heaviest amalgamation and changes in the British infantry, and so did their two sister regiments in the Queen's division.

I understand that the Army Board has agreed to take one of the four battalions that need to be amalgamated from Scotland, one from King's division and one from the Prince of Wales's division. It is then stuck with finding a fourth battalion, and I believe that there is a debate about it. If F and C figures are removed, the Royal Regiment of Fusiliers or the Yorkshire regiments in the King's division should lose one battalion. Given that General Jackson is on the record as saying that the doctrine is to move to super-battalions, how could cutting a division with three super-regiments recruiting in 17 counties and many metropolitan districts possibly be justified to safeguard three single-battalion regiments recruiting in one county? It defies belief. As I said to the Prime Minister at Prime Minister's Question Time, on major criteria and on the criteria of equity and fairness, I hope that the Army Board has kicked into touch the 11th-hour suggestion from the director of infantry to cut one of the two remaining battalions from the Royal Regiment of Fusiliers.

Let us be clear: it is not just the Royal Regiment of Fusiliers that would pay the price but the Princess of Wales's Royal Regiment and the Royal Anglian Regiment, which would have to merge with the one remaining battalion of the Royal Regiment of Fusiliers to make two super-regiments of three battalions, which would subsequently make even weaker the recruitment hold in the historic areas of all three regiments. For what gain? Because we are too soft to cut the Scots? I am sorry, but that is typical of our Parliament. However, I thought better of the military; I did not think that they were soft. I realise that I am threatening all the revenue going to my constituency via our Scottish Chancellor—I am sorry, Gordon.

However, the fact remains that we must come back to the criteria. I hope that the Army Board adhered to its criteria in the long meeting of the executive committee of the Army Board—ECAB—yesterday. We have battalions and regiments that have always played the game, have always been compliant with the British Army's need to change and have always followed the doctrine willingly and successfully. I am talking not only about the Royal Regiment of Fusiliers, but about the other two regiments within the Queen's division. It would be unpalatable news and hard to defend if they were asked to pay the ultimate price, and there were no remaining Fusilier battalion or regiment in England. Given the way in which the Fusiliers have served our country for 400 years or more, that would be poor treatment of them.

The Clerk of the Defence Committee sent me a copy of the memorandum from the Ministry of Defence, FC3, entitled "Future Capabilities". It states:

> "The Committee should note that the F&C figures have not been, and are not being, used as a discriminator in decisions about battalion restructuring (not least because the fact that a battalion has a higher proportion of F&C soldiers need not suggest that they could not recruit from within the UK if required).

I am a mere Back Bencher, but I would not want the Secretary of State for Defence to have to justify to the Defence Committee a cut in the Royal Regiment of Fusiliers, bearing in mind that the Ministry of Defence has given such evidence in its review. I must explain that such action would be a cut to the infantry, but not in the overall establishment figures. Everyone talks about overstretch, but it could not have failed to strike many

of us who have relationships with the Army that one of the biggest problems is not in finding infantry people—gorgeous and wonderful though they are—but in finding those with certain skills, such as chefs, medics and logisticians. The more we are committed, whether in peacetime or in theatre operations such as Telic 1, the more we need to bump up those skills to make sure that they are supporting the infantry.

Can my right hon. Friend assure me that the Army Board will adhere to its original criteria, for which there is much support? I wish to put on the record the concern of my constituents and that of my hon. Friend the Member for Bury, North (Mr. Chaytor), who cannot be here today because he is undergoing an operation. A petition containing 2,000 signatures was drawn up in four days in my constituency. The passion for the Fusiliers is of an unusual order of magnitude. Such matters are absolutely crucial for the future of the British infantry.

11.18 am

The Minister of State, Ministry of Defence (Mr. Adam Ingram): I am sure that those associated with the Royal Regiment of Fusiliers, both past and present, will be grateful to my hon. Friend the Member for Rochdale (Mrs. Fitzsimons) for securing this important debate. Understandably, the issue is close to her heart and she has made many pertinent points about the regiment's quality and effectiveness. No one can gainsay those points.

I genuinely welcome my hon. Friend's contributions to the wider debate. She met my right hon. Friend the Secretary of State for Defence yesterday. I was not present at those discussions, but I have been told that there was a strong debate and that my hon. Friend put forward her argument in her usual forthright way. I wish to give her the absolute assurance that there is no ministerial hands-on in respect of preferential treatment of regiments. I do not recommend it for everyday reading, but we need only look at the Scottish press to see what has been generated. I understand that the Save the Scottish Regiments campaign is talking about standing a candidate against me, so that is hardly a sign that we are favouring the Scottish regiments.

We are aware of the speculation about the future of the Fusiliers, whose 1st Battalion served with such distinction last year in the liberation of Basra. Today's discussion gives us a chance to ventilate the key issues associated with the debate, and it is worth explaining once again what we are doing with the infantry, why we are doing it and what it would mean not to do it. I must also stress that although the executive committee of the Army Board met yesterday, no final decision has been taken. Ministers do not know the outcome of that meeting because we have not yet received the Army's formal recommendations.

The history is that the Army has always been subject to change, sometimes dramatically. The history of the regiment that we are discussing today is testament to that. As my hon. Friend has pointed out, the Royal Regiment of Fusiliers was formed in 1968, bringing together four infantry regiments. Its three battalions were reduced to two in 1992 following the "Options for Change" process. In themselves, those events demonstrate that the Army must evolve and adapt to meet future challenges, and that it has always done so.

To ignore reality would truly be a case of failing our troops. It would also be damaging to the high standards expected of a modern fighting force. We would all agree that the Army needs to be in a position to fight the battles of today and tomorrow, not yesterday, and the changes planned for the infantry are part of that evolution. There are two key reasons for them: first, the conclusion by the Army Board that the infantry arms plot no longer represents the best way to deliver operational capability, and secondly, the progress towards lasting peace in Northern Ireland.

Let me deal with the impact of events in Northern Ireland first. With the improved security climate, it was judged that we could remove four battalions from the 14,500 troops allocated to the Province. That provided an opportunity to look at how best to organise the Army for expeditionary warfare. The judgment was made that the Army would be best served and best prepared for the challenges of the future if infantry battalions were less reliant on reinforcements when deployed on operations and if our forces had the right balance of key enablers such as logisticians, engineers and intelligence personnel. My hon. Friend alluded to that point in her contribution. We therefore decided that around 500 of the posts freed up by the change in Northern Ireland would be reinvested into the infantry to develop more robust and resilient units, while the rest would be used to strengthen those key enablers crucial to sustainable operational capability.

The most important factor in changes to the structure of the infantry is the decision to end the infantry arms plot. I appreciate the points made by my hon. Friend on that issue. Not everyone takes the same point of view, but there is a growing awareness of the decision's importance. The arms plot is a process by which infantry battalions change roles and locations every few years. It maintained broad experience and variety, which was especially important during the cold war when the Army was less expeditionary, but it also reduced the availability of infantry battalions. Currently, of the 40 infantry battalions, only 26 or 27 are available for deployment at any time, with some seven or eight unavailable due to the arms plot. That is some 20 per cent. of total infantry strength. It is neither practical nor efficient to continue with such a process. Ending the arms plot will make the most of the 36 battalions available for deployment, as opposed to the 26 or 27 at present. The logic and benefits are undeniable; ceasing the arms plot will increase our operational capability.

The frequent moves caused by the arms plot are also disruptive to family life and impact adversely on retention. My hon. Friend recognised that in her contribution.

Derek Conway (Old Bexley and Sidcup) (Con): Will the Minister give way?

Mr. Ingram: I will not, because I have less time than normal. I should have had 15 minutes, but my hon. Friend understandably exercised her judgment and used as much time as she could. I do not intend to allow any interventions, as I have to deal with the issues.

Reflecting changes in wider society, family stability has become much more of an issue for our people. The end of the arms plot will mean that the Army is able to

[Mr. Ingram]

offer much greater stability for soldiers and their families. In future, battalions will be fixed by role and largely by location, and that will release resources routinely tied up in moving location or retraining. The Army will therefore be more capable and effective, because not only will more battalions be available for operations but the new structure will provide continuity of expertise in role and greater brigade stability. That can only be a good thing in light of our expectation that brigade-level deployments will be most commonly used. It will also mean that career development for officers and senior non-commissioned officers can be much more carefully planned. Individuals will be able to move more easily between battalions for career development and increased breadth of experience. At the moment that is largely dependent on the role that an individual's battalion has at any one time. It is restrictive and inefficient. But all this demands a change in the way that the infantry is structured. Multi-battalion regiments are not a new concept.

Mr. Beith: We already have one: the Fusiliers.

Mr. Ingram: If the right hon. Gentleman will listen, I will come to that point. The Royal Regiment of Fusiliers is one example of how that already exists within the Army of today. There are others. Indeed, half the infantry is already structured in this way. Let me make this clear: we value highly the benefits and traditions of the regimental system. Extending the large regimental system does not undermine that philosophy—far from it. It secures the benefits of the regimental system for the future. The RRF could be a good example that could be used to point out how this has been developed in the past.

There is no single model for a regimental system. What is described as the regimental system is a structural dynamic that has evolved and adjusted over time to meet the changing operating environment. The fact that we contemplate a further evolution now should come as no surprise. It reflects the current and future operating environments. I ask right hon. and hon. Members just to reflect on that. Change is taking place. It always has been a process of evolution. Why the resistance now to examining our current structure and looking for better solutions?

Derek Conway: Will the right hon. Gentleman give way specifically on that point?

Mr. Ingram: I have already pointed out to the hon. Gentleman that he could make representations to the Secretary of State as my hon. Friend the Member for Rochdale has done. Very few of our regiments and corps exist today in the same form in which they existed in the past. The Royal Regiment of Fusiliers is an excellent example of this, having been formed from four previous infantry line regiments. There has been a constant process of change. The idea that because we are making changes, we will lose regimental tradition is not borne out.

The past also tells us that when new regiments are formed—the RRF is one example—they have maintained their previous traditions, while also developing their own. That is true in Scotland too. The Highlanders and the Royal Highland Fusiliers have retained their previous traditions as well as developing new traditions for the future.

Mrs. Fitzsimons: May I just stress and get my right hon. Friend to agree that I did not go into rose-tinted emotion about regimental history, apart from starting with some powerful quotes. The Royal Regiment of Fusiliers has always done the bidding of ECAB and the Army Board and has always been compliant with change. We are not arguing about tradition, but about having a strong, effective infantry.

Mr. Ingram: We have to await the outcome of ECAB's determination. My hon. Friend indicated—I do not know how she knows this—that it was a long meeting yesterday—

Mrs. Fitzsimons: The Secretary of State told me.

Mr. Ingram: Well, it was probably still going on when she was meeting the Secretary of State. Certainly it was going on when I left my office last night. That shows the intensity of the debate that has taken place. There could be cynics who think that it has been got up as a cosmetic exercise. It has not. We have sought to consult personnel throughout the Army about what they would like to see for the future. That is clearly a two-way process.

People have asked why we did not make a quick, neat decision. That would have denied everyone the opportunity to make their contribution. We should be complimented. I know that my hon. Friend has said how well she thinks that the process has been conducted, but there are others who say that we should simply make a decision and get out of the way. We have gone through the consultation process. We have listened to what has been said. ECAB and the Army Board have to weigh up all of those matters.

11.30 am

Sitting suspended until two o'clock.

Parents (Family Policy)

2 pm

Alistair Burt (North-East Bedfordshire) (Con): I shall begin by saying a few words about the context of this debate. I am grateful for the support for my remarks from a number of colleagues and from those on the Front Benches.

This debate has been sought by a cross-party group of Christian MPs, a number of whom are present. They are taking part for a variety of reasons. First, we want to make it clear that those of us in Parliament who have faith are no different from the millions of people in this country who take their faith to work with them every day— from those who work in the home to those who work in hospitals, shops, offices and every other corner of daily life. Our faith sustains our work in an entirely natural manner. We share that with those of other faiths in our society, such as Muslims, Jews, Hindus and Sikhs.

Secondly, we wish to make a contribution to countering the current cynicism about political life by showing that MPs can come together across party boundaries to address matters of common interest. That tends to happen quite a bit in Parliament, but members of the public can be forgiven for hearing only about conflict and difference. In their minds, a typical debate might follow a familiar pattern: I explain how the Government have got it all wrong and which of my party's policies will put it right, the Minister explains how all life began in 1997 and why everything is now fantastic but that we are at risk of returning to mediaeval times if my party wins the next election, and, in between, we both manage to poke sticks at the Liberal Democrats. I am not saying that we do not have such debates, but that this one will draw attention to the hidden agenda of politics, which is not what people allege their opponents will do on being elected that they have not already spelled out, but what opposing parties hold in common but rarely express.

Thirdly, I would like this debate to be about how those of faith in Parliament meet together, support each other and wish now to address a number of areas where we hope to contribute from a Christian perspective, and how we welcome those of other faiths and encourage them to have no qualms about expressing themselves in a similar manner.

British public life is at an uneasy junction. We are not north Americans, who seem to find these things easier, and we are aware of the sensitivities involved in bringing faith and politics together. However, those of us who were at the Advent service at Lambeth palace last night could not have received more gentle encouragement, and nor could the wider public have been more reassured, by the words of the Archbishop of Canterbury. Addressing just this point, he spoke of those of faith in public life not responding to life's problems with "easy or glib certainties" but exercising patient listening and answering a call to discern not simply the noise of a majority or of a media campaign but the wisdom of God expressed in the harmony of his creation, and that that reference point, as an addition to those of politics, should be a help to us and not a hindrance or a cause of concern for others.

Let me also say briefly what this debate is not. It is not the expression of some form of new party. We are strong supporters both in our own parties and of the robust debate that is essential to provide choice for the electorate and clarity in our own positions. We believe that Christians should be involved in party politics, and exercise their influence within all parties. Nor is this an attempt to find a complete consensus on difficult issues. We may agree on analysis and on some ideas to press forward, but we will not agree about everything, and we will support our party colleagues for the ideas they put forward—we will certainly do so if we have influenced them.

I hope that the area of consensus might grow, but all of us in Parliament know what happens to ideas and legislation that everyone believes are right; they get less scrutiny than they should and we often end up with bigger problems than we started with. No former Minister who had responsibility for the Child Support Agency could ever believe otherwise.

Finally, this debate should not be seen as sermonising by the sanctimonious, and nor should any other debate that we might seek to introduce. We all believe that our faith has brought us close to our own human frailty. We all mess up. We have all experienced the sort of human failure that leads us to have compassion for those in difficulties. That is why Christians are drawn to work in so many areas of life where there are problems. We care for our neighbours, the poor, the hungry, the dispossessed and the imprisoned. But, however any of us may try, no Christian leads the perfect life.

Let me turn to the subject of today's debate. I recognise at once the sensitivity of dealing with such intimate matters as the family. However, there is no doubt that it is a legitimate issue of public concern and debate. Our family structure has a public as well as a private connotation. Yesterday, the United Nations General Assembly devoted a debate to the 10th anniversary of the international year of the family. The preamble affirms the obvious. It states that

"the family is the natural and fundamental group unit of society."

That was not put very elegantly, but we know what was meant.

The Government are closely involved in picking up the pieces when things go wrong for families, in providing financially in circumstances when families might have provided for themselves, and in having a public debate about whether marriage is the best and most stable option for bringing up children—the Government have done that in the past few years. The debate may have moved on; last week, the Minister for Children, Young People and Families said:

"Stability really matters for kids and people are more likely to stay together if they are married".

What are the consequences of that statement?

Let me acknowledge one or two other things before I get to the heart of my concerns. Polarisation of views on the issue has caused harm by stifling debate and creating the ground only for conflict. Few, if any, of our marriages or families are perfect. We all know the difficulties and can acknowledge fault and hurt, but that should not stop us talking about ideals to which we can all strive. Changes in society over the past 40 years have been right in exposing and denouncing the shamefully hidden abuse and violence in some marriages. It is right that there has been a greater openness in talking of problems in relationships and that there has been more equality within marriage. Family relationships have benefited from that, and that has been a good thing.

[Alistair Burt]

Equally, there have been other changes, which are now impossible to ignore. It is now right to challenge the impression given by some in the past that marriage was a form of prison and that the freedom and happiness of adults was all that was required to ensure that children were similarly happy.

Why should the interest of Christians in these matters have been such a source of concern? The world expects those with faith to be involved in international development and in the relief of poverty in our streets and those abroad. For some reason, our interest in families appears too often to have been greeted with a sense of suspicion.

Perhaps I can square the circle. I acknowledge that 30 or 40 years ago, Christian campaigners were portrayed as almost solely concerned with moral justification when they voiced worry about changes in family structure in this country. They appeared to represent a finger-wagging authoritarian God, and concern was overladen with condemnation. That was very much against the spirit of the times.

At that time, however, there was no evidence of what those changes would bring. It was an argument in a vacuum—the worst sort—in which prejudice and ideology competed and it was more important to win than to keep an eye on the causes of concern. Now things are different. Although there have been perfectly good outcomes to some parts of the family revolution, as I have acknowledged, other things that have had poor outcomes have had dreadful personal consequences for too many adults and for too many children. Therefore, the approach of my hon. Friends and colleagues is not to proclaim a finger-wagging God, but a father who loves us and who gives us a structure for living that is designed to fulfil us, and to let us live life joyfully and to the full and, when things go wrong for us, to provide a pathway back, rather than blame and exclusion.

Seen in such a light, what are my worries? I am worried about the impact of brokenness on so many people—young and old alike. I offer hon. Members a series of statistics, which do not give comfort and are not meant to, but we must acknowledge them. Two thirds of couples divorcing have children under 16. An unknown number of cohabiting couples separate every year. Cohabiting parents separate at about five times the rate of married parents. The Joseph Rowntree Foundation published research in 2004 that estimated that one in three children will experience parental divorce or separation before the age of 16.

Nearly one in five babies are born in a home with no father. A recent survey-based report into child maltreatment from the National Society for the Prevention of Cruelty to Children questioned 2,869 18 to 24-year-olds about their childhood experiences. The research revealed strong links between child maltreatment and other family relationship problems and showed that children experiencing frequent changes in family structure were especially vulnerable to abuse. Children living in step-families are three times as likely to run away from home as children living with both their natural parents are. Children of lone parents are twice as likely to do so.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): The hon. Gentleman makes a profoundly interesting case, but surely he is not trying to argue that people who are married should invariably stay together for the sake of the children, perhaps in situations that are fraught with disharmony, or where abuse, domestic violence or child abuse may occur.

Alistair Burt: No, I am not seeking to argue that. In situations where there is abuse or violence, as I said earlier, one of the changes is that society has been more open in bringing such things out and people no longer have to remain in such abusive relationships. I am arguing that parents should be careful about their relationship with each other and recognise the impact of a relationship of conflict on the children. They should do all in their power, with help from others if need be, to resolve such conflicts before they lead to separation. That is our concern. People should not stay together at all costs, but they should recognise that there are also costs of separation.

Mr. Dawson: I am grateful to the hon. Gentleman for clarifying that, and he leads me on to another point. From my perspective, it sometimes seems that committed Christians see the family as something entire in itself that does not need any assistance or support from the state. He seems to be leading us down a different path.

Alistair Burt: I am, and I think that if the hon. Gentleman listens to the contributions from colleagues, he will find further elucidation on that. I am grateful for the intervention because it gives me the chance to rebut some of the charges that have been made against those from my and other standpoints. It is good that he has brought those matters out.

I shall return to the statistics. Children on the at-risk register were eight times more likely to be living with their natural mother and a father substitute, compared with the national distribution for similar social classes. Children of separated families are twice as likely to have behavioural problems, perform less well in school, become sexually active at a younger age, suffer depression and turn to drugs, smoking and heavy drinking. In May 2004, Cambridge university reported that teachers were losing the battle to maintain discipline in schools because of the breakdown in family relationships.

Mr. Gerald Howarth (Aldershot) (Con): I am extremely grateful to my hon. Friend, because he is making a powerful case. May I remind him that the Office for National Statistics published a report three or four years ago on the mental health of children and adolescents in Great Britain? It found that the incidence of conduct disorder in boys aged 11 to 15 in a single-parent household was three times higher than in a married household. However, even more significantly,

there was no difference between a cohabiting household and a single-parent household. Does not that tell us something about the value of marriage?

Alistair Burt: I think it does, and I will come to that point later. However, the collection of statistics is making its own case, which is one of concern, not condemnation.

Children born to cohabiting parents are more likely to see their parents split up than those who are born inside marriage. Within five years of a child's birth only 8 per cent. of married couples have split up, compared with 52 per cent. of cohabitees and 25 per cent. of those who marry after birth. That is the starting point for our range of concerns in this debate.

I have two pleas for the policy makers in all our parties. First, please include the expertise of those in faith groups across the country who already work in such fields even more than the Government already have done. I commend the practical work being done by CARE, Care for the Family, the Family Matters Institute, the Salvation Army and a host of others. They deserve more support, but they do not need to be taken over by Government. To answer the point made by the hon. Member for Lancaster and Wyre (Mr. Dawson), although I recognise that the Government have a legitimate interest, they should not feel that they have to be the sole provider of support when families break down. They could do more to outsource that work to those who are already engaged on it.

I now come to my second plea. I am delighted to see the Minister in his place, and I fully appreciate the reason why the Minister for Children, Young People and Families cannot be here. I urge the Minister to urge his right hon. Friend to be bolder, following her comment on marriage and stability last week. Surveys show that marriage remains a popular ideal for most of our young people, but they are woefully under-prepared for its realities away from the glossy, over-romanticised hype. We should put support into marriage preparation courses run by Churches and others and into conflict resolution within marriage, consider restoring financial advantages to marriage, add a marriage message to teen pregnancy prevention, and work with the new grain to make marriage cool again and turn around what is almost a reverse stigma that seems to have grown up around marriage. The financial and social benefits could be huge.

None of this is said to suggest that those who are not in such a relationship are in any way second class or excluded—a concern that I know Ministers have had in the past. For too long, we have been so shy of that that we have ignored the evidence of the benefits of a stable relationship, to which the Minister for Children, Young People and Families has referred.

I close by referring again to the successful debate at the UN yesterday, and the UN's support for the recent Doha declaration. That declaration has been supported wholeheartedly by 149 out of 192 members of the United Nations. It is significant that the European Union has not quite been able to muster as much support for the declaration, and I urge the Government to discuss further with EU colleagues precisely what their stance is.

The Doha declaration says, in relation to marriage, that the nation should

"uphold, preserve and defend the institution of marriage".

It says that we should

"take effective measures to strengthen the stability of marriage by, among other things, encouraging the full and equal partnership of husband and wife within a committed and enduring marital relationship"

and

"establish effective policies and practices to condemn and remedy abusive relationships within marriage and the family, including the establishment of public agencies to assist men, women, children and families in crisis".

John Stuart Mill, in his essay "On Liberty" in 1859, said:

"Human beings owe to each other help to distinguish the better from the worse, and encouragement to choose the former and avoid the latter."

It is time to take this familiar debate forward, on a road that has been rather less travelled in recent years, away from the polarisation of the past. Those of faith—Christian, Jewish, Muslim and others—should be closely involved, neither themselves disguising the imperfections of life, nor being derided for having faith in a secular age. We should, while welcoming the benefits of a changing society, recognise equally the harm that has been done, and therefore dedicate ourselves together to the practical and spiritual goals of repairing the unhappiness and dealing with the consequences of broken relationships for the good of society and, not least, for our children.

2.19 pm

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I shall make only a brief contribution because I know that a number of Members wish to speak. I compliment the hon. Member for North-East Bedfordshire (Alistair Burt) on securing the debate and on his speech. I do not share his religious faith, although I have utter respect for it and its principles. I suppose I should say that I have been married for 31 years, so I think that I have a reasonable knowledge of the significance and importance of marriage. However, I wonder whether the hon. Gentleman is supplying us with the whole story and with everything that we need to do to support parents and the family to ensure that such a significant institution works well for existing families, families of the future and the whole of our society in years to come.

I accept entirely the argument that children benefit from stable, loving relationships between their parents. However, I wonder whether such relationships need to be within marriage and whether, in espousing marriage as having greater qualities than cohabitation, the hon. Gentleman falls into the trap that he correctly identified: denigrating other people's relationships and other ways of bringing up children.

I worry sometimes that the family lobby—I mean that in a very positive sense; there will be a great deal of consensus in this debate—gets suspicious and frightened of the idea of children's rights. Children's rights need to be at the heart of our debate on the effective upbringing of children and the quality of families. Sometimes it

[Mr. Hilton Dawson]

seems that some who speak eloquently on behalf of families set up the virtues of families in opposition to what is sometimes derisorily referred to as the children's rights lobby.

If we consider children's rights and the fundamental statement of them—the United Nations convention on the rights of the child—we see important principles that support not only the well-being of children but the ability of the right parents to bring up children as they wish, for the best interests of the child.

I do not recall the hon. Gentleman talking about poverty, although I may have missed that. The greatest commitment that this Government have entered into is the one to end child poverty in this country within a generation—by 2020. There can be nothing more destructive of children's and families' lives than the experience of poverty.

Mr. Gary Streeter (South-West Devon) (Con): Did the hon. Gentleman disagree with any of the statistics put forward by my hon. Friend the Member for North-East Bedfordshire (Alistair Burt) in his opening remarks? The hon. Gentleman is engaging on the question of whether one lobby should say things about the other. Will he say what he would do practically to help the plight of children in this country today?

Mr. Dawson: I am very happy to, and I have embarked on that quest. One can bandy statistics around as much as one likes. *[Interruption.]* Having lived in and been brought up in a family, had my own family and worked with families for many years, I think that the essential quality of a family and a relationship is not whether the parents have entered into marriage, but the strength of their relationship and the care, consistency and concern that they give their children. For a blueprint for the future of children, we should return to this Government's fundamental commitment to end child poverty. There can be no more important quest for a Government intent on supporting children and families than to do that. To help people work their way out of poverty and support people in their quest to find work, we must support families in bringing up children.

We also need a wide-ranging social agenda, which starts from the needs, aspirations and participation of children. We must listen to children extremely effectively. Effective families involve and listen to their children. A wide-ranging social agenda must support parents in the vital task of parenting.

One criticism I would make of the Government is that they have not yet recognised the scientific development and cutting-edge understanding that we now have of how the development of children's brains mirrors the social interactions to which they are subject. For some 50 or 60 years, we have had Sir John Bowlby's theory of attachment, which has gained worldwide acceptance. The theory says that to give children the emotional foundation for a successful life and to assist their physical and social development, it is important during the earliest years of life that they build secure attachments with a small number of significant individuals. Recent research on children's brain development shows a physical correlation with that vital psychological theory.

It is incumbent on the Government to do more to ensure that parents understand the crucial message that in the first few days, weeks and months of life it is vital to maintain consistency in how children are managed, and to build strong relationships with them and respond effectively to them. All the research—the scientific physical theory backs up the attachment theory of the past 50 or 60 years—shows that if we attend to those issues, we will have much more attached, integrated, together and secure children and adults. We might even find that some of the problems that the hon. Member for North-East Bedfordshire correctly identified in society to do with fractured relationships, and some problems that the Government are addressing on other fronts, such as antisocial behaviour, crime and people's inability to maintain good working relationships, will be dealt with. We need to attend to the fundamental rights of children. We must attack poverty. We must have excellent public provision that supports parents in their parenting task, one of the hardest tasks in the world.

Mrs. Caroline Spelman (Meriden) (Con): Through the hon. Gentleman, I wish to commend to the Government the Solihull model that was developed by our primary care trust. It was built on the scientific evidence that, when a baby grows up in an atmosphere of fear, tension and argument, the baby's brain is infused with the fight-or-flight hormones that we all have. That leads to a child who can cope only with constant "adrenalin" and has an attention deficit disorder. The logic of my argument is that, if there were stability, the parents stayed together and the fear and insecurity were taken away, babies would have less of those fight-or-flight hormones that affect their brain and development.

Mr. Dawson: I am grateful to the hon. Lady for providing that information. I am pleased to hear about the development in Solihull. One argument that is sometimes advanced against such an approach is that it pushes women away from the workplace and back into the family home. I disagree with that, as I do with the tendency outlined by the hon. Lady, which is that two married parents must always be together with the child. I do not believe that the science or theory of attachment means that.

The line of that argument is that, especially in the very early weeks and months of life, children need to have consistent attention from one or two—or perhaps slightly more—significant figures in their lives. Those figures do not need to be married or to be there all the time. Such a science does not militate against women working; it does not militate against men working; it does not militate against men staying at home and looking after the children and it certainly does not militate against people living together in a stable, committed relationship that ensures consistency and the effective upbringing of children. I have now said quite enough; it is important that we are having such a good debate and I look forward to hearing the contributions of others.

Several hon. Members *rose—*

Mr. Deputy Speaker (Mr. Edward O'Hara): Order. Hon. Members who catch my eye may wish to bear in mind that many others wish to do so and that the wind-up speeches must start at 3 o'clock.

2.32 pm

Andrew Selous (South-West Bedfordshire) (Con): Thank you, Mr. Deputy Speaker. Given that many colleagues wish to speak, I shall be as brief as possible. I wish only to refer to one area where we can do something positive as a nation to improve marriages and relationships in all families in this country. Four statistics mark out the United Kingdom, in comparison with our European neighbours, as having a serious problem. We have the highest divorce rate, the highest level of teenage pregnancies, the highest number of children—one in four—in single-parent families, and poor infant mortality statistics that are closely related to teenage pregnancy figures.

The biggest and most worrying problem is not divorce, because fewer people are getting married, but the break-up of unmarried partners, which has shown a sharp increase.

Ms Sally Keeble (Northampton, North) (Lab): Does the hon. Gentleman accept that high rates of infant mortality are clearly and easily attributable to particular parts of the country? One of the real scandals was the covering up of the Black report, which highlighted several health inequalities.

Andrew Selous: I have no doubt about what the hon. Lady says, in that there are certainly areas in this country where the problem is peculiarly concentrated. However, I am sure that she would agree with several clinicians, as I do, that the link between teenage pregnancy and infant mortality is strong.

My interest in the matter was aroused when I examined homelessness. On youth homelessness, there is universal agreement among all the voluntary agencies in the sector that parental conflict—often step-parental conflict—with adolescent children sends youngsters out of their homes. They may feel not loved and not welcome when mum's new boyfriend or dad's new girlfriend moves in, which drives them on to the streets of King's Cross or elsewhere.That is just one further example of the serious national problem that we must get to grips with.

I keep in regular contact with all the 18-year-olds in my constituency; indeed, I survey them throughout the year. This year, more than three quarters of them have told me that they think that family breakdown is a serious issue for their future. They do not want it for their own lives. They hope that they will have enduring and fulfilling relationships in their own lives, and they are aware of the difficulties caused in their homes and communities by this problem.

Let me explain what depresses me about the debate. We can all rattle off statistics and say how awful the situation is, and, quite rightly, we put mechanisms in place to pick up the pieces. We need a housing system that offers housing when couples split up and two houses are needed rather than one. We need a benefits system to provide financial provision when people need it following a break-up. We need the Child Support Agency—and, my goodness, we all know that it has problems—to ensure that money gets from one side to the other. But what are we doing as a nation to turn off the tap and do something positive? What are we doing to say, "Come on. Collectively, let's find a way to make a real difference and improve all relationships, for married and non-married people, in our country"?

My piece of good news as we come up to a season of good news is that we have a role model in this country that is starting to do what I have described. I am talking about community family trusts. People who know me reasonably well know that I think that those organisations are wonderful. I do not say that they are the only type of organisation that can do the work, but 27 community family trusts have sprung up throughout the country, from the voluntary, charitable and Church sectors. They are funded in part by Government money, from the marriage and relationship support programme, which was set up in 1996 and has a budget of about £5 million. The little bit of money that goes to the trusts is very welcome. They also receive little bits of local authority money. Trusts exist in some quite tough parts of the country and are already making a difference. I see them as offering help, support and encouragement to families to ensure that they have enduring, successful and sustaining relationships.

Community family trusts came out of work that was done in America some 10 years ago. America is a very different society from the UK and it would not be right to replicate here exactly what happened there—indeed, that would not work, for a host of reasons—but let us consider the American example for a moment. We now have hard data—verified by a team of academics at the university of Texas who were brought in independently to verify them—that in communities and districts in America where work similar to that done by community family trusts has taken place, there has been a 25 per cent. reduction in the divorce rate. Those academics have calculated that that is a reduction of some 30,000 divorces in districts that have embraced the concept of a community family trust, as compared with those that have not, which is very exciting. We know that what we do must be evidence-based, but that is a positive result, which I commend to officials in the Department. They might want to study those data to see how we can lend more support to the organisations working in the UK.

Let me mention three other countries that are taking the issue seriously, because we are not alone in facing these problems. Australia is a similar Anglo-Saxon country, with some of the genetic make-up that perhaps gives people slightly more difficulty in forming harmonious relationships than people in some countries in Europe seem to have. The Australian Government are setting up a series of family relationship centres throughout their country. They will be the gateway to a range of voluntary, community and Church-based services that offer support before relationships or marriages start and all the way through them, to ensure that they are successful. Singapore and Malaysia, two different societies, are also grasping the nettle in similar ways, well before seeing the sort of statistics that we have heard about.

What are United Kingdom community family trusts like? Their effectiveness varies because many are small and operate on tiny budgets, but the best involve all the schools in their area to ensure that teaching about relationships is an essential part of the curriculum. They also work particularly closely with registrars in their area. According to the latest figures from the Office for National Statistics, 62 per cent. of United Kingdom marriages take place in registry offices rather than

[Andrew Selous]

churches. Many registrars want to be able to signpost relationship support services to couples who come to them to get married.

Mr. Dawson: The hon. Gentleman is making a very sound case for community family trusts. Does he see them as being an adjunct to the work of Sure Start, children's centres and extended schools, or as a replacement?

Andrew Selous: From my conversations with Naomi Eisenstadt, the head of Sure Start, I would say that that organisation is just beginning to realise the importance to children's development of the relationship between their parents. The trusts should work alongside Sure Start. The entire area of relationships and family life is intensely private and personal. That has been the general view in the UK for many years. Couples often find it comforting, and easier, if services to do with such personal issues are offered by voluntary and community groups. Therefore, it would be beneficial if this work were to take place alongside that of Sure Start. I would also like Sure Start to recognise the importance of that work a little more, and to act as a signpost to the groups within communities that provide such services.

Health visitors are another vital group, enabling us to access many people who are struggling in their relationships. We know that relationships often get into difficulties when children arrive, because of the extra stresses and pressures that are produced, and that every family in this country is visited by a health visitor. Would it not be sensible to ensure that health visitors are able to flag up to couples the services that are available in a community, and to direct them towards them?

Community family trusts also do good work in prisons, and that is very well received by the prisoners concerned. I commend those organisations to the Minister, and I hope that their work can be increased throughout the UK.

2.43 pm

Ms Sally Keeble (Northampton, North) (Lab): I shall keep my remarks brief.

I recognise that the hon. Member for South-West Bedfordshire (Andrew Selous) draws the inspiration for his work in this area from a particular tradition. Many of us draw our inspiration from different sources, such as religion, another political credo or personal experience. I think that all those approaches are equally valid, but as MPs, we choose to work out our views through the medium of politics and to pursue our goals through our political parties. Therefore, I make no excuse for being very single-minded in my view that this Government have been pro-family and have done everything possible to support family life and improvements in the upbringing of children.

In a way, my constituency is all about families, because they are a fundamental part of what drives most of my constituents. Two issues are of particular concern to them—the security of their finances and their certainty about public services. Those are the two elements they draw from in order to plan the future for their families. Therefore, the things that are important to them and that make a qualitative difference in their lives often are not talked about in the House. Those include, for example, child care tax credits, the enormous advances in child care that the Government have provided, the Sure Start programme, legislation on homelessness, extra finances for schools—children's centres will be key in that respect—and improvements to health care, including NHS Direct, which is an invaluable resource for improvements in care.

Equalities issues and children's issues are also important. In the contributions that we have heard, one of the elements that has arisen time and again is the problem of abusive and violent relationships, which often occur because of attitudes to women in our society. The strengthening of women's position and rights and the recognition of their equality, as well as the strengthening of the position of people with disabilities and those from black minority ethnic communities, are key to the underpinning of a society in which people's rights and views are much more greatly respected.

There are still issues to be resolved. Statistics have been quoted on the problems of teenage pregnancies and other issues, and there is no point in rehearsing them again. There are some areas in which we as politicians must think of policies that will produce some change and start to resolve some of the practical difficulties that we all see in our constituencies.

One key issue is the role of boys and young men. For example—I do not think that anyone has yet quoted this statistic—about one in four or one in six young men will have had some involvement with the criminal justice system by the time they are 25. That is a phenomenally high figure. We need to find a way in which those young men can be engaged in more constructive activities, and a way of ensuring that they do not under-perform at school—an increasing problem that many of us will have encountered. We also need to find a way of ensuring that young men in their late teens and early 20s can become involved in constructive relationships and can also see a stake for themselves in a family context. That is an issue with which many young men seem to have difficulties.

We also still need to examine ways in which we can support families that run into severe difficulties. I recognise the validity of all forms of families. In my constituency, a number of families are same-sex partnerships whose members are passionately committed both to their family unit and to their children. There is also a continuing issue related to single parents. Many single parents are passionately committed to their families and their children, but they often find that the problems caused by emerging from an extremely difficult partnership are exacerbated by having to deal with children and with poverty. In that regard, the new deal for lone parents has been a startling success, and I hope that every party would want to continue that policy.

We also need more support for housing. I agree with some of the remarks that have been made about that. We should consider some of the models for family housing projects, which provide support for families that have had particular difficulties with antisocial behaviour. A number of people who have contributed to the debate this afternoon have obviously spoken from their own experience of successful marriages. One

recognises that, like me, they are extremely fortunate in that respect, particularly when one considers the turbulent times and places in which we work.

I argue, however, that the role of the Government is to provide a supportive climate for people who are working very hard to carve out successful units for themselves and a partner and to bring up children who will fulfil a constructive role in our society. I congratulate the Government on the many measures that they have put in place thus far.

2.50 pm

Mr. Colin Breed (South-East Cornwall) (LD): We all agree—most of our constituents would—that family units are under pressure, despite the support that various Governments have provided for many years. Today, many families find themselves under pressure financially, for example, because of housing costs or for employment reasons—perhaps because of short-term contracts or because there is employment but they have to move. There is also a certain amount of peer pressure from the desire to live with people of a similar age.

Families are under pressure socially. The question is asked: why get married in the first place? Why should people tie themselves up with that sort of thing? Even those who do get married sometimes think about entering into a social contract—they are thinking about divorce even before they get married in the first place. Yesterday we were told that the divorce rate among people in their 50s and 60s is shooting up, which is very sad. Something that has not been touched on—we have tended to concentrate on the junior end of the population—is longevity. There are four generations around my Sunday lunch table. Many people in their 50s and 60s are having to look after older parents at the same time as trying to support their children and grandchildren. Longevity is putting the pressure on family units. Many of them are coping well with it. Do not get me wrong; I fully accept the fact of poverty—it is a reality—but conditions of the sort in which my parents had to bring me up during the post-war years and the pressures of poverty today are totally different. Poverty is different today.

We have to recognise that families are still the greatest agents of care and well-being in the country. They provide the greatest amount of child care, irrespective of all the nurseries and child care facilities. Families provide the greatest amount of support for teenagers, no matter what other advice they receive at school and elsewhere. Families also provide the overwhelming amount of care for the elderly in our society. Therefore, the best policies that the Government could pursue would be to support, reinforce and prioritise policies towards encouraging the family unit as the core of our society.

I was a spokesman on rural affairs when the Government introduced the idea of rural proofing—looking at policies to see how they affected rural areas. It was a laudable objective, although I am not certain that they got around to doing it. I hope that the Government will examine all their policies in the light of "family proofing", and ask, "What does this policy do? However laudable it may be in other terms, will it promote, reinforce and support families, or might an inadvertent consequence be to undermine or reduce the opportunities for families?" I hope that the Government will examine all their policies in that way. They should consider how they might affect family units, because in my view and that of a significant number of people of all political persuasions in our constituencies, the family unit should be supported.

2. 53 pm

Mr. Gary Streeter (South-West Devon) (Con): I am delighted to take part in this debate. I pay tribute to my hon. Friend the Member for North-East Bedfordshire (Alistair Burt) for introducing it and for his leadership of the Christian community in the Palace of Westminster. He does a tremendous job. I shall be extremely brief, because I am desperate to hear from the hon. Member for Loughborough (Mr. Reed), who speaks about the family with great wisdom and from personal experience. I just want to make a couple of points.

We in this country are in danger of seeing far too many children raised outside the framework of love, support, encouragement and discipline from which many of us benefited and which is essential if one is to grow into a mature and rounded person—although that obviously did not happen in my case. Not everything is about whether a child has one parent or two—I think we have moved on from that debate of a few years ago. It is the quality of parenting that matters, and too many children do not receive quality parenting.

We all know that being a parent is hard. We all try our best, but there are no guarantees regarding the outcomes. I agree with the hon. Member for South-East Cornwall (Mr. Breed): it is essential that the Government put the family at the centre of their approach to children and society. Parenting is important, and the key point that I want to emphasise in my tiny contribution is that parenting principles can be taught. Many say that that is not true and scream, "Nanny state!" at the very idea of the Government having anything to say or do about encouraging the teaching of parenting principles. However, I believe that the evidence is now overwhelming that certain principles of parenting can be taught, particularly to a generation who have never had positive parenting themselves.

It is not an exaggeration to say that the problems that arise with the kind of people who grow up outwith a stable and secure family background are the most serious issue facing our society today. What are we going to do about that? We all see cases in our surgeries such as the Child Support Agency cases. The thought of what some of those children are going through makes one want to weep. We know that those children will underachieve—that is what the commentators and academics tell us. We know that the evidence suggests that such children will be more inclined to become involved in crime and antisocial behaviour. The question is: what are we going to do about it?

Are we going to say that it is too difficult an area for politicians to involve ourselves in, or are we going to say that this is the most important issue facing our country and we must respond? I call upon the Government not to be weak-kneed. There will be screams of "Nanny state!" from some—perhaps even from some Conservative Members—but I want the Government to know that not every Conservative Member shares that view.

[Mr. Gary Streeter]

There are excellent charities and voluntary organisations with a great deal of expertise, as my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) pointed out. I want the Government to find gateways, mechanisms and signposts to ensure that those organisations have contact with the people who need them the most. I am so keen to hear from the hon. Member for Loughborough that I will now sit down.

Mr. Deputy Speaker: I call Andy Reed to make a cameo appearance.

2.57 pm

Mr. Andy Reed (Loughborough) (Lab/Co-op): I am often asked, "Why do you speak so quickly, Mr. Reed?" It is because I always get called at 2.57 pm in Westminster Hall debates. I will try to get through very quickly the specific points that I wish to make.

The hon. Member for South-West Devon (Mr. Streeter) hit the nail on the head: it is easy to think that one knows it all as a parent, only to realise as soon as the baby arrives that one knows nothing. It is one of the few areas of life where we have no training and no opportunity to learn. We rely on friends and relatives.

We can talk about relationships and about the family, but if we do not get the work-life balance right, none of it means anything. There can be loving parents with a stable marriage whose children never see them because they work ridiculously long hours. A couple of statistics demonstrate what has happened over the past few years: 65 per cent. of people now work an atypical working week; in other words, those working what we regard as the typical working work—nine-to-five, five days a week—are a minority. Parents and families are bypassing each other in the home. An enormous amount of work needs to be done in that respect.

In 1981, 24 per cent. of mothers returned to work within a year of their child being born. In 2001, 67 per cent. did so. Clearly, there is enormous pressure. The Government are doing an enormous amount and we have benefited from the provision of nursery places for three and four-year-olds, but the period when children are aged between one and three is a difficult time for parents, and we have failed so far to make a real difference.

The Work Foundation says that the work-life balance is about people having a measure of control over when, where and how they work. The vast majority of my constituents working part-time, full-time or atypical hours all over the place do not have that sense of control over their life. While I am pleased to support others of faith about their vision of what the family unit will look like, an enormous amount of work needs to be done in one respect: the work-life balance. All the other things that we discussed today depend on our getting that balance right.

Getting that balance right ensures that we are able to invest in our children at the right time. Statistics have been quoted showing that early years provision can make an enormous difference. If a child starts school at five, their chances of achieving well at GCSE and going to university, and of reducing their exposure to crime and antisocial behaviour, improve. If we get the work-life balance right, we will make an enormous difference in making many of the things that the Minister has heard today into reality, because the family unit will be around to provide time, develop relationships and give a child the best start in life.

3 pm

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): I add my congratulations to the hon. Member for North-East Bedfordshire (Alistair Burt), especially on his desire to discuss matters of common interest, as we have done for the most part today. I also congratulate the hon. Member for Loughborough (Mr. Reed) on his three-minute contribution. Nobody before him had mentioned the work-life balance, and I concur with his point.

Having seen the title of this debate, I started wondering whether the Government should be concerned about parents and families and whether they have any role in determining priorities for parents. Many hon. Members have spoken about the enormous changes in our society. Should we simply accept those changes? It is hard to do that when we hear some of the statistics quoted today. I shall add one more to emphasise the picture drawn for us. ChildLine reports that 1,500 suicidal children phone its helpline every year, often citing problems of abuse, neglect and low self-esteem, which build up during childhood. We must accept that childhood, and therefore parenting, are much more complex now. We need to understand the needs and rights of parents of both sexes and of children, as well as the environment in which we live. I believe that we need to provide support mechanisms and have a positive agenda to promote social cohesion in our communities. Judging by today's debate, it seems that there is a consensus that support is needed from a variety of sources. The decisions on the how, why, what and who of that support are inevitably heavily value-laden.

We have touched on marriage versus unmarried partners versus single parents. Although I am a Christian and believe in marriage, I recognise that there are other forms of relationship that can be successful.

Mr. Gerald Howarth: Will the hon. Lady give way?

Mrs. Brooke: I would like to keep to the time limit.

There is a certain amount of wishful thinking back to the good old days, but we should ask ourselves whether they were so good. Sometimes people stayed in bad relationships. On the other hand, many of us would look back to the strength of the extended family, and to the contribution made by grandmothers in particular.

Recognition of what constitutes legitimate state intervention has changed. We all accept that we should intervene in domestic violence and that there should be strong child protection measures. However, banning physical punishment of children was recently seen by the vast majority of MPs as a step too far. I certainly regard the state as an enabler, for example in helping important parent-child relationships to prosper.

I agree with Labour Members about the importance of reducing child poverty. However, concentrating predominantly on one tool—encouraging lone parents to return to work—concerns me. That has many good

consequences, but it has other consequences for the child-parent relationship. Inevitably, some have more choices than others in the first instance. Some people are more able to create opportunities—for example, one parent may be able to work from home. However, choices are severely limited for others, and an important aspect of state intervention or enabling should be to create more choices for all.

Many things can be done, some of which have been outlined. There are many excellent projects, especially in the voluntary sector, which have enormous potential to support families and children, and to prevent things going wrong in the first place, but all too often they are grossly underfunded. There is a large cost to society of broken relationships and of children and young people being damaged in some way by broken or difficult home relationships, and perhaps even being taken into the care system. Looked-after children generally underperform and there is a high possibility of their ending up in a young offenders institution. The Government have done some wonderful things with quality protects and the concept of a corporate parent, but we do not seem to be able to do enough to break through the problems. When a relationship has broken down, it is important that there be good foster carers to try to mend the situation for the children.

So many young people do not conform to the norms of our society, but when we talk about the problems we have to remember that only a minority of young people break the law. Many young people who experience difficult relationships in their early life go on to score tremendous achievements. However, the general point is that the cost of positive intervention is very small in comparison to the cost of breakdowns in the family and local community. Positive intervention might simplistically be compared to having a car regularly serviced and maintained, and responding quickly to any potential mechanical failures.

Nobody enters a relationship hoping that it will end miserably. I agree that there is evidence to show that children thrive best in families in which the parents care for each other and for them. However, that does not mean that there are not other situations in which single parents are successful. We must put greater emphasis on equipping people with opportunities to learn skills that will enable them to handle and manage their relationships as partners, parents and children. Such services need to be provided as mainstream support, rather than as rescue remedies for families labelled as problematic or dysfunctional. I was interested in comments made by two single parents in a recent radio broadcast: both felt that telling them how to bring up their children was extremely patronising. Offering people classes on parenting without being patronising, and getting everybody to participate, is difficult.

Middle-class parents would probably come very happily to parenting classes. About 15 years ago, I was involved in trying to run a course entitled, "It's hard being the parent of a teenager, and even harder being a teenager." Not all groups that we would have liked to come, came. We sought funding for our initiative, and the one stream of funding that we got was for tackling teenage pregnancy; I suppose that that was good. People in our group came from all sorts of backgrounds, and our ideas stemmed from the fact that, traditionally—before everybody took their children to school by car—mums or dads would talk a great deal outside the school gate. We reckoned that school-gate support was rather important. Sure Start offers such support at children's centres. If they have time and are not dashing off to work, mums can stop and talk. Some of the best support is given by one parent to another or by a mentor or somebody in the community. The Church has an important role to play, because it is at the heart of communities. Our traditional communities have broken down and the Church seems to be reaching out and putting something back.

Parenting orders have been a great success. I thought that forcing parents to go to parenting classes would be impossible, but it is not. I should declare an interest: I am a founder member and trustee of Poole community family trust, which receives money from the Government and is of great interest to me. We started with what was perhaps a heavily biased Church background, but we recognise that our task is to strengthen relationships generally. One cannot emphasise enough how important it is that we prepare to enter relationships at adult level and with our children.

Society could do more by ensuring that both parents have an opportunity to participate. From a female perspective, I think that fathers should be far more involved right across the spectrum. They should be involved at the prenatal stage. Some fathers abandon children and do not want to see them, but I think that if they have a good opportunity to form important bonds at an early stage, that might lead to more amicable settlements and we might not end up with the tremendous stress and upset that we have now.

I support Sure Start and think that the Government have done a great deal of good in establishing good child care. I support extended maternity and paternity leave because it can only help. I endorse what so many hon. Members have said: there are important issues and we need to develop a culture of putting children and their interests first. We need to love and care for our children and value their great achievements, and realise that our children are precious beings who should be put above our own selfish interests.

3.10 pm

Mrs. Theresa May (Maidenhead) (Con): I cannot claim to be a member of the group of Christian MPs, as it was described by my hon. Friend the Member for North-East Bedfordshire (Alistair Burt), who put the debate together. However, I am the child of a vicarage, so that genesis perhaps gives me a certain qualification to speak.

I commend my hon. Friend for having brought this important topic to debate in Westminster Hall. Indeed, I hope that we will have other opportunities to debate families, their role in society and how government supports or does not support them, on the Floor of the House. It is an important topic in which all Members have an interest, and it is crucial that we talk about it in a way that recognises the issues that families today face. One of my complaints about government is that too often it considers issues in departmental silos and completely fails to address them as they affect the recipients of the policies—families are crucial in that respect.

[Mrs. Theresa May]

My appointment as shadow Secretary of State for the family was a recognition on our part of the important role that we believe families play and of the need to put families back at the heart of government. In answer to the hon. Member for South-East Cornwall (Mr. Breed), it is our way of family proofing what we are doing in Opposition, and how we are considering our policies and their effect on families.

My remit on the family runs widely in terms of the structures that families now find themselves in. We recognise, and I consider policy as it relates to, families of all shapes and sizes. A recognition that a healthy, stable marriage is the best environment for bringing up children does not deny that children will be brought up well in other circumstances. My hon. Friends have quoted many statistics on the family, including on the breakdown of the traditional structure and model. What we need to do is understand the pressures that exist today on families and the relationships that people are forming.

My hon. Friend the Member for South-West Devon (Mr. Streeter) talked about the problem of how so many people are bringing up families without the experience of a stable relationship or family background from which they can have benefited. That is one problem that we need to address. It used to be the case that a core of knowledge was naturally imparted from generation to generation, both overtly and covertly, as children were brought up in a stable relationship and learned from it. What we see today is that, sadly, many people have not had that experience, so they lack that core of knowledge.

We need to break into that cycle and find other ways of imparting the knowledge to young people, so that they, in their turn, can provide the examples that will help future generations. I commend the work done by the community family trusts, to which my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) referred. They do excellent work in several areas of the country, and I am particularly pleased to commend the work done by Woodley Baptist church on that.

The trusts can offer a quality of advice and support that government cannot, and that is an important point. Reference was made in the opening speech to the need for government to give greater recognition to faith groups, and I would widen that to faith and voluntary groups. They can provide a quality of advice, support and service to people over and above that provided by government, however hard those working within government try.

Mr. Dawson: I wonder how the right hon. Lady can justify that statement. Such groups do not have the resources, training or professional qualifications of state and local government. They offer an important service, but surely, as the hon. Member for South-West Bedfordshire (Andrew Selous) said, that is complementary to other activities.

Mrs. May: If the hon. Gentleman thinks that someone requires a knowledge of local and central Government to be able to provide good-quality services to individuals, I entirely disagree. I will give one practical example, although it relates to a different issue. There is a Christian-based drug rehabilitation centre in my constituency and I have talked to the people there. I have visited a number of charitable groups operating such centres and they say it is important that that group cares for people beyond the point where they have been taken off the drugs—which is all the state does. It builds up people's self-esteem, provides them with training and supports them once they are back in the community. That level of support is not provided by the state.

Mr. Dawson *rose—*

Mrs. May: I will allow the hon. Gentleman one further comeback, provided that he is willing to recognise that faith groups can provide something more than the state provides. Will he do that?

Mr. Dawson: The right hon. Lady makes my point for me. She talks about a complementary, not a replacement, service.

Mrs. May: I suggest that the hon. Gentleman listens rather more closely to the debate in future, because that was not what I was talking about. Nevertheless, perhaps I may return to the pressures on families, which have increased immeasurably over the years.

We place immense expectations on children and parents today. Many families find themselves coping with the double whammy of having to care for children and their own parents, because of the current age profile. The pressures on those families are considerable. There is another pressure, too, which is the need for families to live up to a rosy picture of family life that is constantly presented to them. I fear that something else underpins some of the problems that have been identified by my hon. Friends—the idea that if people are not in a relationship where everything goes well, they have to get out if it.

During a television interview last week I was asked, "Can a happy family exist?" I answered yes, they do. I was brought up in a happy family, as are many people, and many people provide happy family backgrounds. However, being a happy family does not mean that there are no disagreements, arguments or that there are not problems. What matters is that people have the ability and skills to cope with problems and overcome them. The expectations that society places on people today create a real problem that we need to address if we are to help and provide them with the support and the ability to enjoy the sort of relationships and families we are talking about.

None the less, I take the point made earlier by the hon. Member for Lancaster and Wyre (Mr. Dawson)—that we need to provide the necessary support for people in abusive and violent relationships. One of the most chilling figures is that the average woman involved in domestic violence suffers from some 35 violent incidents before she leaves and takes action. We need to do much to ensure that we are providing more support for such people.

It is important that government is honest with families, accountable for what it does and does not pretend that it is able to provide them with more support

than it can. It is also incumbent on government not to add to the pressures on families in the practical operation of policies. For example, there are problems with the tax credit system. Colleagues and I have had constituents in our advice clinics who have been asked by the Inland Revenue to pay back thousands of pounds that they cannot afford to pay, because of Revenue mistakes. There is also the chaos in the Child Support Agency. Even small things matter, like would-be mothers worrying about where they are going to give birth. For example, the closure of the maternity unit in Wycombe hospital reduces choice for my constituents, and the potential closure of the maternity unit at Fairfield hospital reduces the scope for choice for mothers in the Minister's constituency. Government needs to understand those practical pressures placed on families, and it needs to consider the impact of its policies on families and on the wider family.

I should like to refer to the importance of the wider family, which other hon. Members have not mentioned—not just parents and children, but grandparents, uncles and aunts. Sadly, that wider family is all too often denied in the family justice system, which can not only deny fathers or mothers access to children, but sometimes denies grandparents access to their grandchildren, and which lets families down.

The Government have a responsibility to understand the impact of their policies on families. They have a responsibility to support when support is needed, and help when help is needed, a responsibility not to impose or interfere, but to let families get on with the job of making decisions for themselves and to give them the freedom to do what they believe is in their best interests.

3.20 pm

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis): The debate reflects great credit on the House. These are incredibly important issues and, for the main part, they have been discussed with great maturity and reflection. We should have more debates of this nature; I suspect that we would gain more respect from people outside if we did.

I particularly welcome the contribution of the hon. Member for North-East Bedfordshire (Alistair Burt). Life began in 1997 for me, but some thought that it had ended then for him. I know that many people in Bury are glad, on a personal level, that it did not all end for him in 1997. That is a personal, and not necessarily political, reflection.

On the hon. Gentleman's comments about faith communities, my experience is that bigotry can work two ways. Many secularists, in my view, are bigoted towards those who say that their opinions and values are shaped and formed by their strong faith beliefs, but I do not think that we should condemn, criticise or devalue that approach. It should be a source of celebration in terms of a Parliament that is truly representative of the nation and its values. Certainly, we must respect the contribution that faith communities can make to this debate and to offering practical support to families in our society.

When the hon. Gentleman said that few marriages were perfect, I was tempted to ring home to get a witness to the contrary, but I do not think that I could do that. He made a number of substantive comments, to which I shall return. He said that stability matters to children and that it is important that we express concern and do not demonstrate condemnation, and he talked about the importance of involving and utilising the expertise of faith groups. I endorse that.

My hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) is absolutely right to say that the elimination of child poverty is integral to turning around some of the experiences of children and young people in our society today. He is also right to stress the importance of very early intervention. There is almost consensus on the importance of child care and nursery provision for those earliest months and years in making the difference for many families and communities, and in tackling the whole issue of intergenerational deprivation, which everyone in this House should be passionate about. Early years intervention is very important.

The hon. Member for South-West Bedfordshire (Andrew Selous) promoted the concept of the work of community family trusts. I will certainly look into their work, and will speak to my right hon. Friend the Minister for Children, Young People and Families to see whether there is anything that we could learn from them about mainstreaming, good practice or engaging with such trusts and their work.

My hon. Friend the Member for Northampton, North (Ms Keeble) talked about the importance of security of personal finance and the quality of public services. Of course, it is true that those things are important; people's standard of living matters significantly and it has links to stability. Families need access to high-quality public services to support stability within the family unit.

The hon. Member for South-East Cornwall (Mr. Breed) was right to talk about the new pressures on the modern family. We live in a high-pressure, high-stress society, and that has brought new challenges for families. He and other hon. Members were right to point out that, increasingly, parents are not only parenting children but acting as carers for older people. We should not forget that that changes the nature of family relationships. It is true that the extended family is not as strong in many communities and cultures as it was, but there are also many examples of parents caring for an older, dependent relative as well as young children.

In a very thoughtful contribution, the hon. Member for South-West Devon (Mr. Streeter) highlighted some important issues. He said that good parenting is about striking the right balance between love and discipline. Sometimes when I read the *Daily Mail*, I am slightly concerned by the emphasis on discipline. Of course, we need to restore discipline to our classrooms and communities and to tackle antisocial behaviour, but many children have never experienced love, affection or positive attention. We must remember that when we make policies in the round.

The hon. Gentleman also talked about the quality of parenting, and he recognised that the state may have a role in offering support to parents who are struggling through extremely difficult decisions. I welcome his support for the state to assist parents in appropriate circumstances—not for the state to circumvent parents' proper responsibility and role—and to intervene when children are at risk of abuse or of not receiving the minimum parenting care that they deserve and need.

[Mr. Ivan Lewis]

My hon. Friend the Member for Loughborough (Mr. Reed) rightly raised the issue of the work-life balance. Many of the policies that the Government have been most progressive about and that have had the biggest positive impact are those that recognise that, as society changes, the modern welfare state needs to put at its heart policies that support achieving the right balance between work and home.

The hon. Member for Mid-Dorset and North Poole (Mrs. Brooke) made the important point that we should not give messages that it is right to stay in horrendous relationships—for example, when there has been domestic violence. We must make it clear that some people leave stable relationships because they turn out not to be stable at all and have horrendous consequences for both the adults and the children involved. She was also right to point out the tremendous job that foster carers do in looking after some of our most damaged and disadvantaged children, and to talk about the importance of mainstream, and not only targeted, support.

The right hon. Member for Maidenhead (Mrs. May) was right to talk about the need to join up policy—the Children Act 2004, "Every child matters", and the extended school model are vehicles for us to do that. She is also right that the role of the voluntary sector can be very important. I spent my entire working life in the voluntary sector, and I remember the slogan "Voluntary doesn't have to mean amateur." It is important to remember that. We need a balance between the contributions of the state, the voluntary sector and active citizens. She also made important points about domestic violence.

The right hon. Lady, however, also made a couple of political points, which I think spoiled her contribution—but Members would expect me to say that. She talked about being honest with families. Because of the way that the hon. Member for North-East Bedfordshire presented the debate, I will not read out the long list of policies that the Government have put in place to support families, such as early years education and child care, universal and targeted financial support, maternity pay and leave, paternity leave, extended schools, parenting support, advisers and mentors, welfare to work, and eliminating child poverty. The right hon. Lady has the gall to talk about this Government being honest with families when the previous Government must look back with shame on the way that they allowed the concept of there being no such thing as society to take hold. I know that many Opposition Members have talked about the excesses of Thatcherism.

We should try to achieve a level of consensus on these issues. First, we should state that children benefit from stable relationships. We should promote the benefits of marriage among young people, although we should do nothing that stigmatises adults or young people in different family circumstances. We should recognise that adults have a responsibility to put the interests of their children first—that they have duties, not just rights. We need to rebalance responsibilities and rights in our society. We need to support parents in giving their children the best possible start in life in terms of both quality provision and financial assistance. We need to support people in remaining in stable relationships when things start to get a little tough. In all stable relationships, things can get difficult. It should not be the first—

Mr. Deputy Speaker: Order. We must now turn our attention to the next debate.

School Closures

3.30 pm

Dr. John Pugh (Southport) (LD): I should like to start a brief debate on what I consider to be one of the biggest problems facing the schools sector or the education sector as a whole—school closures, particularly in the primary sector. Any inspection of demographic trends will tell any sane person that many primary schools will be emptier places in future, that some closures are inevitable and that those closures will affect large parts of the country. The process of school closure is extraordinarily painful. It causes distress to staff, who often have to wait some time to ascertain whether they have any job security, to parents, who wonder where their children will be schooled next, and to children, who are obviously upset by uncertainty about their future schooling.

The process causes strain between local education authorities, which often have to administer it, and schools, which are affected by it. The process also causes strain between schools, because obviously if a range of schools all suffer from falling rolls, the closure of one can indirectly benefit another. That strain can be coupled with quite strong budgetary pressures. Shrinking schools often put pressure on the entire school finance system and can lead, through things such as the formula shares and the minimum funding guarantee, to one school feeling that it is losing out because another school is being rewarded even though its rolls are falling.

There are solutions to these problems, and this is the second debate that I have initiated along these lines. In the previous one, the Minister said that Ofsted and the Department for Education and Skills were examining how procedures could be implemented a little more painlessly. The Government are a key player in that because, in so far as they can offer various capital grants and new building schemes, they can to some extent ameliorate a process that is otherwise very tough. The modernisation funding, the targeted capital grant and similar funds can sugar the pill. Currently, however, the Government building programme is largely secondary-centred, although our portfolio of primary schools throughout the country is fairly aged. There are many new fine primary schools, but there are a good number of aged schools without adequate play facilities and so on, or without adequate green fields.

I slightly disagree with my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis), who recently criticised the Government for reneging slightly on their promise to renew every secondary school within a fixed period, because in doing that the Government may deprive themselves of some flexibility when it comes to addressing some of the needs of the primary sector. I suggest that an adequate capital fund for the primary sector is one way in which the school closure process can be a little better accomplished, if it must be accomplished at all.

The Government, to their credit, have published quite precise procedures for school closures. They are detailed, involving consultation, a process of LEA decision and a process whereby the school organisation committees reach a final verdict. If that is not good enough or not unanimous, the matter goes to an adjudicator. So in a sense there is a detailed set of procedures, but within them are quite substantial hidden flaws.

One flaw, which I recently picked up on and which I do not think is dealt with, is that often people making the decision at council level are school governors. If that issue were referred to the national Standards Boards, it would say that in those circumstances school governors need to declare an interest. However, if the bulk of the council are school governors, that can almost disable the whole council, unless they beg for special release. That problem has been encountered in certain places but is not covered in the procedures.

Probably the principal flaw in the procedures is that although they lay out, very ably, a set of factors to be taken into consideration when deciding how a school will be closed—for example, educational quality, distance to be travelled, denominational factors, community support factors and so on—it is not made clear how those factors are to be weighted in the final analysis. It is not clear how an LEA should balance them out or how Ofsted would do so if it were taking the decision. Lurking under the heading "proper procedure" may be both good and bad practice. My key question to the Minister is: is there such a thing as good practice? Can he identify it? If there is such a thing, can he promote it?

The Government cannot entirely step aside, even though the process is set up to release them from taking hard decisions about school closures, as in many ways they are a key player. Historically, the Government were deeply implicated because the capital programme for primary schools was often linked to the removal of surplus places. However, even now, they are a sort of facilitator because they provide a modernisation fund, which can be equally useful on these occasions. They also have an impact via their policy positions. The announcement of the abolition of the surplus places rule and the ability of popular schools to expand could legitimately be taken by some local authorities almost as an encouragement to adopt a laissez-faire policy and leave everything to market forces. The Government could be seen as encouraging local authorities to move in that direction, or not to move at all but simply to stand back and see what unfolds.

The LEAs also have a duty to ensure the efficient use of resources. To some extent that conflicts with the laissez-faire principle. The approach of leaving things to governors is also complicated by the fact that the process by which a school may close itself and simply decide that it is not viable can often be a long drawn-out and painful process, and a responsible local authority may not wish simply to stand by and watch.

I want to use the example of my local authority, Sefton, to reinforce some of my points. Sefton LEA has an excellent record, as shown in the local authority rating for its junior schools. Given the pupils' backgrounds it has done extremely well. It was beaten by very few other local authorities, but largely those from the leafy outer-London suburbs. It has a talented team of officers and rational and thoughtful leadership. The leader of the council, Tony Robertson, is as rational and thoughtful a man as one would wish to meet. He puts up with the circumstances of his job, and somewhat mercurial and, at times, irascible MPs.

[Dr. John Pugh]

Nevertheless, the council had a difficult job; it had a number of dilemmas and historically it had followed the usual path, which is politically fairly unproblematic, of taking out surplus places, encouraging consensual mergers often linked to refurbishment, and closing the odd school that everyone agreed should be closed because it was severely short of pupils. However, rolls fell rapidly throughout the 1990s and promised to fall even further throughout the next decade. During that time some schools increased capacity but there was a consensus among head teachers and elected members that something needed to be done.

Uncannily, it was in June, after the local elections, that they actually decided what had to be done. Closures were promoted rather than simply the removal of capacity, because the latter was regarded as a cosmetic manoeuvre, a term used in many of the Sefton documents. In essence, a cosmetic manoeuvre might take out surplus capacity or remove a block of a school but it would not fundamentally alter the on-costs that small schools incur, which have implications for all schools in general.

However, an essential step was missed out, and I would not applaud this as good practice. The authority moved from agreeing that there should be closures to the position of suggesting which schools should be closed. I would say that there was a missing stage, which is present in other local authorities, of agreeing how schools will be selected for closure once such a programme is in mind. That led to what I think was poor practice, when a rather heterogeneous list of schools for closure was put into the public domain.

Some schools on the list were certainly half-empty and heavily subsidised. There were three distinct subsidies in the Sefton system: a subsidy against a sudden reduction in pupils over a year; one for small schools; and one for ghost pupils. All of that is permitted in guidelines suggested by the Department for Education and Skills. However, although some schools on the list were heavily subsidised with a considerable number of surplus places, others were relatively or partly empty but not subsidised to any appreciable extent. More bizarrely still, others on the list were entirely full and had no surplus places. Additionally, there was the complication that many problematic schools that appeared non-viable were omitted from the list.

Sefton was pressed for the guiding rule in the process, and it was this: the authority had to close what it could. If a school's pupils could fit in another denominational or community school somewhere else, it might become a candidate for closure, whether or not it was heavily subsidised, or full or empty. That is a morally objectionable approach because it entails a good number of prejudices. One is that it is necessarily prejudiced against small schools—I have made that point in a previous debate—because small schools can be fitted into large schools but not vice versa. Secondly, there is a prejudice against schools that exist in the middle of a conurbation, because their pupils can be reallocated more easily than pupils at a school on the edge, regardless of subsidy or the number of surplus places.

There was also a prejudice against quality in so far as the process was not sufficiently weighted for it. One school in my constituency that was scheduled for closure—Kings Meadow, under the able leadership of inspired head teacher Alison Watson—has recently received two accolades. It came top in *The Times* list for performance at level 4, and the Basic Skills Agency awarded it a quality mark. A small infant school, St. Theresa's, is completely full and in the top 5 per cent. in its category, again led by an able headmistress, Anna Gavin. Another, Shoreside school, performed just below Kings Meadow in the same table in *The Times*. When I raised the issue of those schools in a previous debate, the Minister for School Standards agreed that the presumption was that full and successful schools that received praise from Ofsted should not be closed. None the less, schools like that are on the Sefton list.

The Sefton list took no real account of parental preference, although perhaps that is inevitable, as no parent likes to see their child's school closed. It also took no real account of investment and buildings, which creates problems. When local authorities start to close schools, most of them suddenly find that the buildings are not adequate for whatever schemes they had in mind. The list also took no real account of future Government initiatives, in particular the possibility of children's centres and the effect that they may have on the local authority and primary provision as a whole.

The local authority position was essentially that a school could be closed if it duplicated provision. I suggested the contrary—that schools should not be closed other than in a consensual way, unless they were not viable. That is a narrower and fairer criterion, and one which Ofsted itself would wish to see used. However, it is possible even for a local authority to try to alter funding regimes to get rid of the schools that it does not want, and the DFES needs to be mindful of that. None the less, there is a general need to have an appreciable degree of fairness and transparency in the process.

The consultation process was not easy. It was relatively infertile and it did not lead to a change of many minds, at least at officer level in Sefton. However, through a chapter of accidents, the LEA has recently closed the seven least viable schools. I say "through a chapter of accidents" because I do not believe that that precise effect was by the political design of anyone on the council. It happened as a result of negotiations between the political parties. The entire process was agony for the staff, who needed support throughout. They faced six months of not knowing whether they would have jobs in the future or where the jobs would be. It was agony for the parents and it was distressing for the schools. I pay tribute to all in the borough who fought for their schools, whether or not they did so successfully. They engaged in what was an important fight for them and for the community.

The net effect is that such action damaged the relationship between the LEA and the schools and, to a lesser extent, probably that between the schools. There is almost a sense of relief when school closures are mooted that it is not one's particular school that is chosen. Some of the schools that were chosen certainly thought that they were unfairly chosen. Members were

also bruised by the experience and probably felt a little marginalised. I do not know whether the protocol or performance was appropriate, but they were not allowed to speak until the end of the proceedings.

I shall return to my theme. There is good and bad practice in school closures. It will be a learning curve for many local authorities throughout the country. This is a big issue. Ministers cannot stand idly by, leave everything to the system and pretend that they are not part of it. One observation is that the less primary schools see themselves as clusters and a primary network, a seamless service that is linked to delivery across the area, the more problematic the issue will be. To manage the process effortlessly, we must acknowledge that there is a conflict with what we are trying to achieve and the high degree of institutional autonomy that is being given to schools at the moment. I would not suggest that we should simply leave it to the market, but if we go down the road of marketisation we will change for ever the culture of primary schools, without reducing appreciably the pain of parents, teachers and schools. If there is good practice in such action, can it be identified? Should it be spread? Can the Government stand aloof, and do their current policies help? Are the Government aware of the scale of the current problem and the scale of the problem to come? Do they have a workable solution that will cause less grief all round?

3.49 pm

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): I shall endeavour to respond to the speech of the hon. Member for Southport (Dr. Pugh), but if I cannot cover all his points in 10 minutes, I shall write to him. I congratulate him on securing this important debate, in which he has had the opportunity to raise issues that are of national significance and to illustrate them with an example from his constituency, thereby raising again in the House the review that has taken place in Sefton.

I concur with what the hon. Gentleman said at the beginning of his speech about the falling primary rolls in most parts of the country. There is an enormous challenge, which can give rise, as he said, to serious stresses and strains within and between schools and in communities, which affect staff, parents and children. I accept, in a sense, his central point that the Government have a role to play in getting the framework right in order to minimise unnecessary stresses and strains.

At the beginning of his speech, the hon. Gentleman raised an issue about the financial strains. We have sought to strike the right balance to provide a minimum guarantee in the system that can at least give some protection to schools that are suffering falling rolls. I sense that the vast majority of schools and of people involved in education accept that as a sensible reform, even though he is right to say that had we not instituted it, some schools that are not suffering falling rolls would have got a little more money. Generally speaking, in my experience of visiting local communities, schools and local education authorities, there is an acceptance that it makes sense to have at least that minimum protection in the system for those that have falling rolls.

As the hon. Gentleman said, he was involved in an earlier debate in which my hon. Friend the Minister for School Standards set out the responsibility of LEAs to manage the supply of school places in an area and to ensure that local schools meet the needs of local people and provide high-quality education in a cost-effective way.

Dr. Pugh: The Minister has touched on the problem of the minimum funding guarantee. There is no objection to it per se, provided that it is not superimposed on other local authority guarantees that do exactly the same thing. I think that there is currently some flexibility at the Department for Education and Skills on the subject. Am I correct?

Mr. Twigg: The hon. Gentleman is correct. It is important that we maintain the flexibility so that there is a basic protection for schools, particularly those that are facing quite significant falls in their rolls.

I will not rehearse all the facts and figures about Sefton, because the hon. Gentleman knows them and the House has had the opportunity to consider them before. However, the total number of surplus places is considerable and there would be no disagreement about the need for a process to examine how that high level of surplus capacity is best dealt with for Sefton. In a sense, that is the process that has been going on and to which he referred. Clearly, he is much closer to the detail of that than I am, and I must take on trust what he has said today. However, I would like to make some observations.

In the previous debate that the hon. Gentleman secured, my hon. Friend the Minister for School Standards mentioned that we are working with the Audit Commission on a project that we hope will help LEAs and schools to tackle falling primary rolls and to deliver the primary national strategy. We are drawing together a portfolio of best practice and developing a toolkit of practical approaches. They will be available on the DFES website from February next year. The toolkit will explore all the different options that are available—collaboration, sharing of best practice, federations and extended schools, as well as school closures and amalgamation.

In his peroration, the hon. Gentleman rightly challenged me about the role that we will play, particularly in respect of identifying and spreading best practice. We are doing that, and the information that I referred to will be available in February. It will be an important addition to the tools that are available for all who are engaged in these debates in our communities, be it at school level, wider community level or LEA level.

I will not rehearse again the procedures that are followed. We believe that they are sensible and make sense. As the hon. Gentleman rightly said, a number of factors—which we set out—need to be taken into account when the debates are happening at local level. Most obviously, and perhaps most importantly, consideration must be given to the potential impact on educational standards in the area as a whole, as well as to the availability of alternative provision, travel implications, cost-effectiveness, the diversity of

[Mr. Twigg]

provision, issues around denominational education to which he referred, the impact on the community and the views of local parents and schools.

The hon. Gentleman set out the challenge clearly: to give some kind of framework, which is what the categories seek to do, while providing a degree of local flexibility. I accept that in any system that relies on local flexibility there will be inconsistencies in the practice that occurs in different parts of the country. I am happy to take away the specific points that the hon. Gentleman raised in the light of his experience in Sefton, so that we can consider whether the guidance that we provide to authorities and school organisation committees is the best.

Dr. Pugh: The Minister mentioned extended schools and children's centres. It is difficult for a local authority to rationalise its provision if it does not know quite what will happen with extended schools, children's centres and all the other positive initiatives of that nature that the Government have in mind. Does the Minister concede that it would help the process if it was clearer to the local authorities at an earlier date what the Government expected of them? I am anxious that school buildings might be abandoned, mothballed or sold off when they might subsequently be required for other purposes, such as children's centres.

Mr. Twigg: The hon. Gentleman raises a perfectly legitimate point. We are in a period of considerable change. The demographic situation leads to falling rolls, but at the same time the various Government programmes such as children's centres and extended schools provide opportunities that have not previously been available to communities and schools. The hon. Gentleman therefore makes a reasonable challenge in saying to me that we need to put those programmes in place sufficiently speedily so that those options are realistically available to communities, including his own. He does not need me to remind him of some of the benefits that can come from programmes such as the extended schools programme and the facilities that they can make available.

In his closing remarks, the hon. Gentleman mentioned tensions between an approach to primary education based on autonomy and school independence, and an approach based on networks and clusters. I agree with him that the more networked schools are, the less they will face challenges. That is why in "Excellence and enjoyment: a strategy for primary schools", which we published last year on the primary national strategy, we placed much emphasis on the opportunities for schools to work together in a range of different ways, including the primary leadership programme. We also emphasised the impact that the national college for school leadership is having in giving support to primary schools.

I do not accept that there is a contradiction between saying that a school should take more control of its day-to-day affairs, have a greater sense of its own identity as an institution and make choices about its curriculum in order to personalise learning, and saying that it should also be part of networks. In fact, I believe that that combination makes particular sense for primary schools, and that approach lies at the heart of the primary national strategy. The existence of that strategy, through "Excellence and enjoyment: a strategy for primary schools" combined with the emerging resources for children's centres and extended schools, means that areas with falling rolls have some opportunities that they did not have in the past.

None the less, there will still be cases in which closing schools will be the most appropriate course of action for a local education authority to take. I return to the hon. Gentleman's main challenge to us. Clearly, as a Government, although we no longer get involved in the specifics of such decisions—it is right that we do not—we must get the framework right. Broadly speaking, I believe that we have done so, but I am happy to take on board the points that the hon. Gentleman has made in the debate today, and particularly the specific example of the handling of those matters in Sefton, to see whether lessons can be learned for our national guidance and national policy. I will write to the hon. Gentleman setting that out. I congratulate him again on securing this important debate.

Democratic Republic of Congo

4 pm

Mr. Bob Blizzard (Waveney) (Lab): I am grateful for the opportunity to tell my hon. Friend the Minister about a remarkable visit to the Democratic Republic of the Congo that I made with my hon. Friend the Member for Bethnal Green and Bow (Ms King) on behalf of the all-party group on the great lakes region and genocide prevention. I shall focus on just one aspect of that visit and, with your agreement, Mr. Deputy Speaker, my hon. Friend the Member for Bethnal Green and Bow would like to speak on some of the broader political issues.

Our visit was remarkable because we were probably the first Members to venture 1,000 miles up the Congo river to such remote villages. It was not the usual parliamentary visit. Our journey to a pygmy village involved travelling 10 hours in an open dug-out canoe, a cycle ride through the jungle and a final stage on foot. Our accommodation was similarly adventurous and unorthodox, and freshly caught Congo river catfish was our main source of nourishment. There were times when I wondered whether we would return, such as when on our return voyage a tropical deluge forced us to take shelter in a side channel while we furiously bailed water from our canoe. Nevertheless, I would not have missed that visit for anything.

I am grateful to Mark Pallis of the all-party group for his organisational work, the Rainforest Foundation and Greenpeace for sponsoring that part of the visit and also for the hospitality and support that we received from Her Majesty's Ambassador to the Democratic Republic of the Congo in Kinshasa, Mr. Andy Sparkes. It was a pioneering journey with a serious purpose: to investigate logging in the equatorial rain forest of the DRC. We all know that chopping down rain forests poses an environmental problem for the world—and the DRC contains the world's second largest rain forest—but the questions I always asked were, "What about the poor and needy people who live in remote rain forest areas? Don't they need to make a living?"

At $90 a year, the average per capita income in the DRC is the lowest in the world, and the income in the forested areas is even lower than that. The reason for examining these matters now is that international agencies, including the World Bank and the UN Food and Agriculture Organisation, are planning to support expanded logging of the DRC's rainforests with a sixtyfold increase on present levels, in an attempt to assist the transitional Government with rebuilding the country's economy, which has been ravaged by years of internal armed conflict, brutality and genocide. This involves a new forest code modelled on what the World Bank developed in Cameroon. All the evidence that I have seen shows that it has not worked in Cameroon, and I do not think that it will work in the DRC.

We visited villages where logging had taken place to find out for ourselves. Wherever we went we heard the same story from the people who lived there. The people who live in the forests have derived no benefits at all from the logging. The schools and medical centres promised under agreements with the logging companies have not materialised. Whatever taxes the companies have paid to central Government for the concessions, nothing has trickled down to the remote villages. The roads were built to gain access to the most valuable groves of the most valuable trees, not for the benefit of the local people.

I walked along the first 5 km of one new road that is being cut 24 km through the forest to reach selected trees. The logging company manager told me he had chosen the route to avoid a nearby village, so that he did not have the hassle of taking his vehicles past the local people. The roads are only the usual dirt tracks.

I saw housing being built by the logging company in an encampment outside a village. It was the same standard as that in which the locals already lived and seemed to await imported labour. Logging does not seem to provide that many jobs for local people. Most often, itinerant experienced labour seems to be recruited. The communities told us loud and clear that their experience of logging was bad and that they did not want it.

Our party also visited a pygmy village where logging was due to take place soon. The inhabitants had not even been informed that what they regard as their forest had been selected, let alone been consulted. They are deemed to have no rights, but we know that chopping down the trees destroys their local environment and the resources on which they depend for their very subsistence.

The World Bank proposal is supposed to address these problems through the forest code. A number of existing logging contracts are supposed to be cancelled and 6 million hectares of logging concessions revoked. The World Bank has urged that the taxes paid for new concessions should be increased substantially, and that 40 per cent. of the revenues should be passed to local communities. I cannot see that working; it has not worked in the Cameroon, and there is even less chance of it working in the DRC—in fact, I believe that there is no chance of that at all. When one is up a forest track several miles from a remote village that is itself 1,000 miles up the river, one realises that in such a place there is no way of enforcing any of this code.

On top of that, there is no system of what we would call governance in most of the DRC, and there never has been. There has only ever been a crude, and often brutal, regime of extraction and exploitation. That was the case under King Leopold, the Belgian colonists, Mobutu and during the subsequent years of internal war. There is no culture of governance in the DRC, only one of plunder and corruption. Despite express policies and commitments, there has been no consultation with civil society or the forest communities about the new forest code; we found that few people even knew of its existence. The contracts do not seem to have been cancelled, nor the concessions revoked.

Against that background, logging is the worst sort of activity for the World Bank to support. It is purely extractive; trees are chopped down and shipped away, and no value-added industries are involved. Unlike oil and gas extraction, logging does not involve any real investment, and is short-term. The World Bank's approach seems to be based on the assumption that the expansion of logging will bring economic benefits to the DRC's poor people. However, as we found, it will not. Worse, in destroying the forest, logging will destroy the wealth that it generates for the people who inhabit it—

[Mr. Bob Blizzard]

wild game, fruits, oils, natural medicines and, especially, caterpillars. About $100 a year in revenue can come from the caterpillar yields of a tree.

What should institutions such as the World Bank do for the DRC? The country's economy needs a kick-start and lots of support; it is not enough just to say no to logging. The answer lies in a staggering fact: we travelled on the giant Congo river in two large dug-out canoes fastened together and powered by two outboard engines. In 10 hours of travel over two days, we saw no other motorised craft—not one. We saw only individuals perched at the rear of their small dug-out canoes, who are like gondoliers, slowly propelling their craft along the river banks.

The DRC is a huge country. The Congo and its tributaries make up a huge waterway network, which is almost unused other than for the most local or primitive transportation. It could be like a giant motorway system if there were suitable commercial boats. How can a country possibly move forward without a transport system? People throughout the world are resourceful and imaginative, but if they do not have the means to trade any produce except in the most local markets they cannot progress and climb out of poverty. Whatever transport the DRC had was destroyed by war.

In my view, the best thing that the World Bank or other international institutions could do for the DRC would be to help to provide some suitable vessels so that the people of the Congo could travel and trade on one of the great rivers of the world, which gives their country its name. To witness a river of that scale with no motorised vessels at all was almost eerie, and a testament to how poor and devastated the country is.

My plea to my hon. Friend the Minister is that he should study the all-party report and, in conjunction with the Department for International Development, which is doing some fabulously brilliant work in the DRC, urge the World Bank and the DRC Government to think again about the new logging initiative; that this country should offer its considerable expertise to help to reconstruct some transport infrastructure in the DRC; and that he should collaborate with the Department of Trade and Industry and UK Trade and Investment to fund a permanent UK representative in Kinshasa to try to encourage direct investment from this country in the DRC. There are major opportunities for British businesses there, and the DRC desperately needs private sector capital and investment.

We ended our visit back in Kinshasa, where we met Olivier Kamitatu, the Speaker of the DRC Parliament, an impressive individual by any standards. He is trying to get a conference on investment off the ground in order to arrange and support a sound investment regime and ensure that the people of his country have the best chance of benefiting from its considerable resources. I ask my hon. Friend the Minister to support such an initiative, to take a lead on the matter and to listen to what my hon. Friend the Member for Bethnal Green and Bow has to say about the visit.

4.10 pm

Ms Oona King (Bethnal Green and Bow) (Lab): I thank my hon. Friend the Member for Waveney (Mr. Blizzard) and congratulate him on securing the debate, and on giving such an eloquent account of what sometimes appeared to be a journey into the heart of darkness. It was a truly astonishing visit. I, too, would like to put on the record my thanks to the policy co-ordinator of the all-party group, Mark Pallis, and to the group's associate researchers, who have been invaluable.

I would like to ask the Minister about three issues in particular: the recent political events in the Democratic Republic of the Congo, the prospects for elections and the accountability of the United Nations Mission in the Democratic Republic of the Congo—MONUC. As the Minister will be aware, Rwanda has just this week threatened to send troops into the DRC. The Rwandan Hutu militia has been based in the DRC for the past 10 years. It was the genocidaire responsible for the genocide in Rwanda and for grave human rights abuses against Congolese civilians in the area. Although it is clear that the militia has, in the past, constituted a threat to Rwanda, the level of that threat at present is unclear and remains disputed.

There are two opposing views, the Rwandan and the Congolese. I have many Congolese and many Rwandan friends, so let me try to state both positions. From the Rwandan perspective, the Government argue that the Hutu militia has had a decade to rearm and reorganise—often helped by the international community, as it certainly was immediately after the 1994 genocide—and that it continues to pose a real and significant threat to Rwandan national security.

The Rwandan Government maintain that they have consistently called on the international community to disarm and demobilise those forces, and indeed the Rwandan Government are correct in their claim: the international community has failed them. Villages on the Rwandan side of the border have been attacked, and those responsible for the 1994 genocide are intent on completing their unfinished business. If the Congolese Government cannot sort out the forces, the Rwandans feel that they will have to do it themselves. The all-party group's considered opinion was that, in 1998, the threats that the Rwandans received certainly legitimised their initial involvement in the DRC. However, we published a report showing that we felt that there had been a movement towards mineral exploitation and away from national security interests.

What plans do our Government have to try to resolve the issue of the ex-Forces Armées Rwandaises and Interahamwe rebels? Have our Government given support to the option of a neutral third force, such as the African Union, forcibly disarming the ex-FAR? When I was in the DRC, there was discussion of two integrated brigades being trained to combat the ex-FAR. What is the current position on that option?

From the Congolese perspective, it is argued that Rwanda's motives are political and economic and not security-based. From the Congo's point of view, the Interahamwe provides Rwanda with the excuse to keep the border unstable and maintain a flow of minerals and resources to buoy the Rwandan economy and pay for a large part of its army. Congo claims that Rwanda undermines the search for peace in the region because economically it is in Rwanda's interest to maintain a presence in the DRC.

Rwanda's threats to invade Congo, although on one level understandable, are none the less extremely worrying. If realised, those threats would violate international law, breach the UK-Rwandan memorandum of understanding and threaten the stability of the whole region. Rwandan military action might also push the Congolese into an alliance with the Forces Democratique pour la Liberation du Rwanda, which would lead to an upsurge in fighting. What steps have the British Government taken to communicate their concerns to Rwanda? Will the Government ensure that the Security Council response adequately reflects the gravity and severity of the situation? Will the Minister state whether Rwanda's threat to enter the DRC breaches the memorandum of understanding between the UK and Rwanda? If it does, will that entail a review of our bilateral aid agreement, or what other consequences might there be, if any?

The deadline for elections is near. Today, we launch our new all-party group report entitled "To Elections and Beyond". I hope that the Minister will find time to read it—I have a copy right here to pass to him. In the report we set out the priorities to help hold elections on time: the demobilisation and integration of the army, the DRC to be in control of its territory, and an early decision on the electoral system.

I have four questions—*[Interruption.]* Come now, Minister, there are only four. First, has the $100 million promised to the Congo in the national disaster response plan trust fund been disbursed? The funds were to pay for the centres d'orientation, which are vital to the demobilisation process. I know that donors were waiting for the DRC to put certain mechanisms in place, but I understand that that has now happened. Secondly, what was the result of Vice-President Ruberwa's visit? The all-party group also met the vice-president. As a result of his visit, will the British Government provide additional support to the DRC army or police?

Thirdly, the all-party group has been in touch with the constitutional commission of the senate in the DRC, which has had the monumental task of drafting a new constitution. I have been impressed with the cross-party spirit and commitment of the commission, and I congratulate it on its work so far. Can the UK assist with the technical aspects of drafting that important document, even though it is already in its final stages?

Fourthly, I hope that the Minister saw the all-party group report on arms flows in the eastern DRC. Again, I have a copy for him—he may have trouble sleeping at night, and I am sure that he will welcome this additional material to peruse. A copy was made available to the UN expert group of the Security Council on arms in September. I am delighted that MONUC is now being trained in arms monitoring as we recommended in the report. Our research found that to make embargoes work, consistent political support is one of the most important factors. I congratulate the Government on the assistance that we have given the UN expert group so far, but I hope that it will continue. What steps are we taking to ensure that other states in the Security Council are similarly supportive?

I finish by touching on the accountability of MONUC. It is doing a fantastic job in difficult circumstances, but there have been instances of sexual abuse and exploitation, and allegations of corruption. We need to ask who guards the guardians. I raised the matter when I met Bill Swing last month. I know that the immunity of the UN has been a long-standing principle. I understand the legal quagmire that can arise when trying to apply a single set of legal standards to troops, but action is urgently needed. Will the Minister let me know what will be done?

I welcome the interaction between the all-party group and parliamentarians from both Rwanda and the DRC. I trust that together we will be able to ensure that the great lakes region has a more stable future.

4.20 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): I am grateful to my hon. Friends the Members for Waveney (Mr. Blizzard) and for Bethnal Green and Bow (Ms King) for their constructive and thoughtful contributions. I visited the Democratic Republic of the Congo, but I was more cosseted than they and did not get that deeply into the rain forest. It was good to hear about their experiences. In my experience, there is nothing like getting out of the central area of the capital city in order to see the stark realities of life on the ground, and I always try to do that when I travel.

The conflict in the great lakes region is often called Africa's forgotten war. I am glad that we have a chance to show that that is not the case, and I am grateful for this opportunity to highlight the work of the United Kingdom and the rest of the international community in trying to bring about lasting peace.

If my hon. Friend the Member for Waveney will forgive me, I will deal with logging later, and I will now address some of the wider issues raised by my hon. Friend the Member for Bethnal Green and Bow. The political situation in the eastern DRC and on the border with Rwanda is extremely complex. My hon. Friend set out the competing sets of arguments. If there were a simple solution, it would have been carried out some time ago. However, there is not a simple situation. We are deeply concerned about recent tension between Rwanda and the DRC. In response to recent threats of a Rwandan incursion, the international community has spoken with one voice, making it clear that any incursion by one sovereign state into another would not be tolerated.

My right hon. Friend the Secretary of State for International Development spoke to President Kagame and emphasised that although the UK understands Rwandan concerns over the continued presence of the ex-FAR and Interahamwe, a unilateral military solution is not the answer and would just make a bad situation worse. However, we must recognise that the Rwandans have a legitimate grievance that has to be addressed. It is intolerable that 10,000 former killers are based just across the border from Rwanda, making raids and carrying out massacres in the territories of Rwanda and Burundi. If that was happening here, we would think that we had a legitimate interest in getting it sorted out. That is also true for the Rwandans.

We are pressing the United Nations and the DRC Government, reminding them of the need to make early progress on disarming and repatriating foreign armed troops in the DRC. We have made it clear to both sides that they must desist from rhetoric that serves only to inflame what is already a very sensitive situation.

[Mr. Chris Mullin]

The memorandum of understanding with Rwanda comes up for review shortly, and we will bear in mind the points made by my hon. Friend the Member for Bethnal Green and Bow. However, I say again that the Rwandans too have a legitimate interest in resolving this problem.

We believe that the Congolese Government could do much more to resolve the issue of the ex-FAR and Interahamwe. In particular, they need to make progress on integrating their army and making it accountable, effective and professional. They will then be better placed to deal with this situation. The United Nations Mission in the Democratic Republic of the Congo should continue to support the Congolese in that task. At the same time, Rwanda must continue to reassure would-be returnees that the door is still open for them to come back in safety and without fear of persecution, and to be rehabilitated.

My hon. Friend the Member for Waveney described the situation in the interior with regard to logging. I share many of his concerns. Timber is one of the DRC's many natural resources; it is one of that country's tragedies that it is potentially one of the wealthiest countries in the world. In the visit of the all-party group it was clear that that resource must not simply be looted; it should be managed with great care to ensure that it is sustainable and that the proceeds are used for the benefit of all the Congolese people, not least those who dwell in the rain forest. My hon. Friend is right to be sceptical about the implementation of the undoubtedly good intentions of those who are seeking to regulate the forestry industry.

We have supported the World Bank's programmes to increase transparency and to curb illegal logging. We have also reminded the transitional Government of the need to meet the provisions of the World Bank's forest code by ensuring the rights of local communities and ensuring that commercial logging contributes to national development. Through the Department for International Development the UK is looking at ways in which it can best support the transitional Government to develop a well-regulated forestry sector. I shall draw my hon. Friend's speech to the attention of those in the World Bank and elsewhere who are thinking about these matters and working on them. He made some important points.

We have began to see indications that some UK businesses are interested in investing in the DRC, but despite the country's massive mineral and other wealth there are still many hurdles that need to be overcome before investment is viable for many companies; not least of those is the endemic corruption. I am sorry to say that the DRC is ranked 133rd out of 146 in Transparency International's recent corruption perceptions index. The UK has provided funds for the DRC's commission on ethics and anti-corruption. We welcome the recent decision of the transitional Government to suspend six Ministers and 12 Government officials for corruption. Further strong action by the Congolese authorities to tackle corruption will be necessary if this problem is to be dealt with satisfactorily.

My hon. Friend raised the question of infrastructure. He rightly said that roads of any standard outside Kinshasa are rare; that makes meaningful economic development difficult. He is right to draw attention to the great potential resource that the Congo river forms. I share his view that it could play an important part in reviving the Congolese economy, but that would require a benign and secure environment which does not yet exist. Our focus for the time being is on creating those conditions.

In the meantime the UK has committed itself to helping with some smaller projects. I am pleased to say that DFID is contributing over the next two years about £30 million to the recently developed programme for transition and recovery. It is also providing about £4 million to the United Nations Development Programme and the United Nations Office for Project Services to rehabilitate the road-river link between Kisangani and Ubundu in the north-east. Through Belgian technical co-operation £4 million is being provided for the rehabilitation of roads and £2 million for the rehabilitation of community infrastructure such as schools, water supplies, health centres and markets in the Kasai area.

I am conscious that I do not have time to respond to my hon. Friend the Member for Bethnal Green and Bow about MONUC. I will write to her about that. She is right to raise the issue of sexual exploitation by soldiers and civilian personnel associated with MONUC. We are committed to helping the Congo move towards free and fair elections within the time scale laid down. We recognise that restoring peace and stability to the DRC is a precondition for restoring stability across the entire region.

The DRC is a rich country. There is no good reason why its people should live in fear and penury. The creation of a transitional Government was only the first step. The next is to achieve security and the rule of law. The third step is to organise free and fair elections with a view to providing a Government who are respected locally and internationally. Only then will it be possible to develop the huge resources of the Congo for the benefit of all its people.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Wednesday 8 December 2004

[MR. JOHN MCWILLIAM *in the Chair*]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Gillian Merron.]*

9.30 am

Sitting suspended.

On resuming—

Electoral Registration (Service Personnel)

10.59 am

Mr. Andrew Tyrie (Chichester) (Con): I am grateful for the opportunity to discuss service registration. I wanted the debate because, inadvertently, the Government have brought about a real risk of effective disfranchisement of about 250,000 service personnel, or a large number of them, which is mainly the consequence of the Representation of the People Act 2000. It is a serious situation, and I have been shocked by the complacency of many people, including Ministers and especially the Electoral Commission.

I first came across this problem in my constituency, which has two service bases: Thorney island, where the 47th Regiment Royal Artillery is based, and Roussillon barracks, one of the homes of the Royal Military Police. I discovered that 483 service voters registered in Chichester under the service voter scheme in 2000. Now, only 22 service voters are registered under the scheme. I immediately asked how many voters had registered in the usual way, as civilians would register, and was told that Chichester district council could give me figures for Thorney island because it is almost entirely comprised of service personnel, but not for Roussilion barracks. The returning officer said that less than half had registered on Thorney island, compared with a response rate of more than three quarters from the Chichester district as a whole. That is concerning.

I wish to explain briefly how such a situation has come about. Prior to legislation in 2000, members of the armed services would complete a service registration card, which remained in force either until they were discharged or until they took up registration with another authority. The personnel were registered as service voters. Under the Representation of the People Act, which came into force in February 2001, service personnel no longer have to register as service voters. They may register instead as ordinary electors. However, the key point is that they have to re-register annually like everyone else.

When I discovered that as a consequence service voter registration in my constituency had collapsed, I asked the returning officer how the problem could be resolved and to do whatever was required to increase the numbers. Initially, he wrote to commanding officers and, after further discussions with me, he agreed to distribute a leaflet to both barracks, a copy of which I have with me. A few weeks later, it was still clear that registration was well short of reasonable levels, so I wrote to the commanding officers and distributed leaflets to all houses separately. I have my own leaflet with me, too.

As a consequence of both leaflet distributions, registration has risen sharply. After the second wave, with the combined effects of the two, Chichester district council thinks that registration on Thorney island has increased to about 80 per cent., compared with 93 per cent. for the whole district. There has also been a significant increase in Roussillon barracks, but more action is still required. There should not be a difference between the two rates. I believe that house-to-house checks should be considered, even if they are expensive. The electoral registration officer has the power to implement such a measure.

The problem has not occurred only in Chichester, although the rest of the country can learn many lessons from what is happening there. It is clear that there are similar effects for service registration throughout the country. In 2002, 16,289 service voters were registered in Scotland. The following year, that figure had fallen by more than 13,000, a drop of 81 per cent. In England and Wales, nearly 140,000 service voters had registered, but the following year that figure fell by 65 per cent. to 49,000.

I noted the findings of the survey carried out for the Office of the Deputy Prime Minister in spring 1999, which said that the armed services provide particular registration problems. I agree, but that is no excuse for sitting on our hands. Urgent action is needed at national level. As Chichester has shown, if action is taken, results can flow.

I have raised the matter with Sam Younger by telephone and correspondence, and with my hon. Friend the Member for Gosport (Mr. Viggers), who represents the Speaker's Committee on the Electoral Commission. He has made it clear that, like me, he is very concerned about the decline in service voter registration. He told me that the Electoral Commission was at work with the Ministry of Defence to examine the extent of the problem of non-registration and to consider what steps could be taken. I would be grateful if the Minister told me what planned action is in train as a consequence of those discussions.

I have great respect for Sam Younger and for the work that he has done to create the Electoral Commission. However, he has, frankly, been very slow off the mark on this issue. In fact, I regret to say that to describe him as having been asleep on the job would be only a little over the top. I can reflect the tone conveyed by the letters that he sent me—or had drafted by his staff for him to sign. In a bland way, he states in the first letter:

"I am not aware of any research that has been undertaken to discover how many service personnel are registered as ordinary electors".

It did not seem to cross his mind that he should conduct that research, which is exactly the job that he has been given. He goes on to say, in a very general way:

"We shall be looking again at how we might get the message home on registration and voting for elections due next year."

[Mr. Andrew Tyrie]

That did not sound too bad, but I wrote to tell him that his letter had not allayed my fears and that I wanted to know what firm and clear action would be taken. His second letter really shook me up:

> "We will certainly look at the possibility of producing a leaflet aimed at service personnel when we plan for the next canvass to be held in late 2005."

In other words, that will be after the likely date of the next election. That is wholly unacceptable; we need much more urgent action than that.

I have the impression that the Electoral Commission has become complacent about registration. I noted a recent parliamentary question tabled by my hon. Friend the Member for Ribble Valley (Mr. Evans) about the amount of money spent by the Electoral Commission on getting Britons overseas and young people to vote. Although nearly £750,000 a year is spent on raising awareness among the 5.5 million people aged 18 to 24, just £9,000 is spent on the 3 million to 4 million people living abroad who are eligible to vote. I would be grateful if the Minister could find out, if he does not know already, how much the Electoral Commission spends on encouraging servicemen and women to register. I suspect and fear that that will also be a nugatory amount.

Frankly, the Electoral Commission is paying far too little attention to the crucial matter of enabling people to register. It is given nearly £26 million a year to do its job— three times the amount spent by the Home Office on election-related services, before the Electoral Commission was created. One of its most basic tasks should surely be to ensure that people are registered, but it is not succeeding on that score.

There has been a great deal of talk about exclusion, some of it deeply concerning. However, this issue is the most flagrant and unacceptable example of voter exclusion: it involves service personnel, who are, at this very moment, risking their lives on our behalf in war zones such as Iraq. They are also in Afghanistan, the Balkans and Sierra Leone. In practice, the changes to the procedures for enabling service personnel to register have removed the opportunity for many of them to exercise their democratic rights. Many will find themselves disfranchised at the next election, and that is totally unacceptable.

I should like the Government to reflect urgently on the problem and act on it quickly, taking into account the experience of the action taken in Chichester, where vigorous action was eventually taken by a number of us to increase registration. As a result, the overwhelming majority of service personnel in my constituency will have an opportunity to vote. If we do not take such vigorous action nationally, we will find ourselves in a totally unacceptable situation; people who have been sent into conflict on our behalf will have no say about the Government who sent them. If we cannot sort this out among ourselves in Parliament, it will reflect badly not only on the Government and the Electoral Commission, but also on us.

11.11 pm

Mr. Peter Viggers (Gosport) (Con): We should all be grateful that my hon. Friend the Member for Chichester (Mr. Tyrie) has raised this important matter and given it such prominence. He referred to the fact that I speak in the House on behalf of the Speaker's Committee on the Electoral Commission. I emphasise that I do so specifically under instructions from the Electoral Commission, and that on this occasion I am speaking entirely on behalf of myself and my constituents.

In the 1970s, I was heavily involved in the campaign to make it easier for service personnel to vote, because in my first general election I was shaken to discover how many of them were not registered. It was made possible for service personnel to register as service personnel once for their entire service career; it was not necessary for them to re-register every year. The number of registered service personnel increased considerably.

I am convinced that the Representation of the People Act 2000 was intended to make it easier for service personnel to vote; that was certainly the stated intention. When the then Home Secretary, now the Foreign Secretary, introduced the Bill in the House, he said that one of its purposes was to make it easier for various categories to register, including the homeless, mental patients and service personnel. The House then spent some time discussing homeless people's difficulties in registering, but on Second Reading, there was no discussion of the premise that service personnel were to have their registration made easier; that seemed to be taken for granted.

Although the fall in the number of service voters has been unintentional, it has been dramatic in the borough of Gosport, where the number registered to vote has declined from 4,370 in 2000 to 470 this year. We do not know how many of those service personnel have re-registered as ordinary voters on the ordinary register, but my hon. Friend has carried out a valuable service to the House by studying the number of voters in Thorney island, from which it became clear that service personnel had been lost to the register; they have not re-registered.

Where do we go from here? Electoral registration officers, whose duty it is to maintain an accurate register and to ensure that it is as full as possible, should be encouraged to make contact forthwith with all commanding officers of service establishments in their constituencies. Those commanding officers should be encouraged to arrange for a postal voting form and a proxy voting form—a postal vote is of no use to service personnel who are at sea or halfway up a mountain in Afghanistan; proxy votes are very important for those who are out of contact with the normal postal system—to be sent to all service personnel in their establishments. That should be done forthwith and on a rolling basis, and the responsibility for doing it should lie with the Ministry of Defence in conjunction with the Electoral Commission, which I am sure will give advice on specialist matters and assist the MOD in coming to the right conclusions.

The Electoral Commission does excellent work in publishing its documents in seven languages and doing its best to ensure that those who have recently come to this country are able to vote. As my hon. Friend said, it would be absolutely wrong for that excellent work to be compromised by the loss of those who, perhaps, deserve the right to vote more than any other members of our community.

I am grateful to my hon. Friend for raising this matter, and I look forward to hearing the Minister's reply.

11.14 am

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I congratulate the hon. Member for Chichester (Mr. Tyrie) on securing this debate on the electoral registration of service personnel. I agree that it is an important issue, and I have listened carefully to what he and the hon. Member for Gosport (Mr. Viggers) have said.

The Government have introduced a number of measures aimed at making voting easier for all voters, including service personnel. The Representation of the People Act 2000 introduced postal voting on demand; voters are no longer required to give a reason if they wish to apply for a postal vote. The Act also provided for pilot schemes to be set up to test alternative methods of voting. Since 2000, there have been numerous pilots covering a range of new electoral procedures, including all-postal voting, early voting and electronic methods of voting. In the combined European and local election in June, four regions held all-postal ballots and in those regions turnout was 42 per cent.—double the turnout in the previous European elections. I hope that the hon. Members for Chichester and for Gosport will join me in welcoming that increase in turnout. I hope that we can engage even more people in taking part in our elections.

It may be of assistance to hon. Members if I explain the procedures that apply for the electoral registration of service personnel, as they have changed significantly in recent years, following the Act. As the hon. Member for Chichester said, in the past service personnel have not been eligible to register to vote on the annual voting canvass received by households for inclusion on a local register of electors. They were able to vote only if they had made a service declaration, which, unless updated, stayed in force until they left the armed forces. Those in the United Kingdom could vote in person, by post or by proxy, and those overseas could do so by proxy only. There was no requirement for annual re-registration, and in order to exercise their vote, individuals had to keep their details and voting preference up to date.

In a highly mobile work force, which the services obviously have, that was a lot to expect and the number of registered service voters was no indication of those who exercised their vote. The Representation of the People Act 2000 and the Representation of the People (Scotland) Regulations 2001 presented service personnel and their partners with a wider range of electoral registration options. They may now register to vote at either their private or another qualifying address, which could be service families accommodation or single living accommodation. Alternatively, they can choose to register to vote by means of a service declaration. In all cases, a fresh declaration must now be made every 12 months, and an annual renewal notification is sent out by the electoral registration officer with whom they are registered.

The changes were considered likely to encourage more service personnel to use their votes and to register with an up-to-date address, whether by means of a service declaration or in the standard way, instead of the one at which they had lived when they first joined the services. The changes also meant that the names of service declarants did not remain indefinitely on other electoral lists long after the people concerned had left the armed forces.

All service personnel and their partners have the option to register as service voters by completing a yearly service declaration form, which should be returned to the relevant local council electoral registration office. When registering in that way, a service voter's qualifying address is the address in the United Kingdom at which they would be living if they were not in the services. The advantage of that option is that their registration remains constant even if they are moved from one location to another on a tour of duty.

Since 2000, service personnel and partners have had other options on how to register as electors in line with civilian electors. If they live at a permanent address in the United Kingdom, either at a private or qualifying address, or at service families accommodation or single living accommodation, a serviceman or woman can register as a conventional voter.

For those personnel and their partners who are posted abroad and who do not wish to register as service voters, there is the option of registering as overseas electors. That facility is available to all British citizens who live abroad but have been registered as electors in Britain within the past 15 years. The disadvantage of that option to service personnel is that overseas electors can take part only in United Kingdom parliamentary and European parliamentary elections. They do not qualify to vote in local council elections.

As hon. Members know, all households in the United Kingdom receive an annual form from the local council electoral registration officer each September or October. That is for confirming and updating the following year's register of electors. Those registered as service voters or overseas electors also receive an annual renewal notification from the electoral registration officer with whom they are registered.

In addition to the annual canvass, provision is made for a system of electoral registration that allows individuals to register at any time of year when they move properties within the same electoral registration area, or to another registration area in the United Kingdom. That, together with the requirement for service personnel to register at least once a year, is particularly useful for our highly mobile personnel, because it removes a major reason for members of the armed forces being refused credit, which is not being on the electoral role at their current address.

Before I deal with the two versions of the register, I should like to address one or two points made by the hon. Member for Chichester. He will be aware that it is for the local authority to determine whether it wants electoral registration staff to carry out house-to-house canvassing. Some issues that I will raise in relation to the edited register will affect whether authorities wish to continue canvassing door to door for electoral registration.

The Ministry of Defence is committed to discussions with the Electoral Commission. In fact, my officials have a meeting scheduled for tomorrow with officials from the Electoral Commission—it is not related to today's

debate; it just happens to be tomorrow—to consider some of the issues raised in parliamentary questions and this debate and to consider some of the concerns.

Mr. Tyrie: We need something deeper than a commitment to discussions. We have a crisis. On the basis of the evidence from Chichester, the best part of half of all service personnel in this country are disfranchised, with an election about to be held. We must do something about that. With great respect to the Minister, although he has elucidated all the means by which people can register under the new rules, we already knew that, and we want to know what the Government are going to do right now to ensure that service personnel can vote in elections if they are held next May.

Mr. Caplin: I hear what the hon. Gentleman says, although I do not know what election he is referring to next May. We do not have local elections then in my city, although West Sussex county council may have them. I am not sure that the statistics and comparison of numbers, which he used in his speech, are relevant. I am not sure whether comparing the number of registered service voters since 2000 with the number today is comparing like with like. The 2000 figure indicated the number that chose to vote by means of a service declaration. Many others will have made the choice to register as ordinary voters or overseas voters, as I was trying to explain in my earlier remarks.

The simple fact is that there is no way of knowing how many service personnel choose to vote in that way. However, that may indicate that those who have taken positive steps to register as service voters, and whose details are up to date, are more likely to exercise their vote. I am not sure whether there is a "crisis" as the hon. Gentleman says.

Mr. Tyrie: We have clear evidence that there is a crisis. In parts of this country discrete areas, where there are bases, are entirely given over to service personnel. In those areas, until action was taken, registration was less than half—including in my constituency and that of the hon. Member for Gosport. We know the answer to the question, although the Minister says that he does not; we do not know down to the very last number, but we know pretty much what that number is; it is unacceptable, and we have to do something about it. We want to know now, and service personnel do, too, what the Government are going to do to ensure that all service personnel become aware that a high proportion of them have been disfranchised by the 2000 Act.

Mr. Caplin: I do not accept the hon. Gentleman's point about disfranchisement by the 2000 Act. Perhaps as I conclude my remarks I can take him through what we in the MOD are doing. First, however, I want to deal with the two versions of the register, because that it is also important. We do not often debate electoral issues in the House, so this is a useful opportunity for me to do so.

The hon. Gentleman is aware that there is a full register and an edited register. By law, only certain people and organisations, including political parties, can have copies of the full register, and it can be used for specific purposes, including elections, the prevention and detection of crime, and checking the identity of someone who has applied for credit—a point that I made earlier, and one that is important for service personnel, who are highly mobile. Electoral registration offices also provide an edited version of the register, which is available for sale to, or commercial use by, anyone, and which may be used for any purpose. Those wishing to have their name left off the edited version must mark the appropriate box on the registration application form, and I am sure that many of us do.

Service personnel and their partners who are overseas or away from their United Kingdom residence during an election may choose to vote by post or proxy. Personally, I do not recommend postal voting, because, as the hon. Member for Gosport said, postal ballot papers might not be distributed until a few days before the election. Those overseas who chose to vote by post should bear it in mind that they might not receive and return their ballot papers in time. In the circumstances, the best way for them to vote is to appoint a proxy. Advice to that effect is included in the instructions sent out by the Ministry of Defence.

Registered service voters or overseas voters are automatically entitled to vote by proxy. Nominated proxy voters are not required to live in the area in which the person who appointed them is registered and can apply to cast their proxy vote by post if that is easier. All ships, units and stations are instructed to give personnel and their dependants, especially those who are overseas, every reasonable assistance to register as voters. Defence Council instructions direct that all new entrants to the armed forces be made aware of the procedures and options for registering as voters. I can confirm that our personnel are also notified of all parliamentary elections.

The Ministry of Defence issues annually a Defence Council instruction explaining the procedures for registration. That instruction is sent to 2,300 addresses, which include ships and shore establishments, all major units and independent sub-units. The Defence Council instruction is in the final stages of revision, and will be republished early in the new year. It will also be made available to service personnel via the Department's website. Obviously, our discussions with the Electoral Commission may determine some of what is said in the instruction.

Since the introduction of the new arrangements, the service register of voters has closed, and historical data are not being retained. We do not seek information from individuals on whether they are registered to vote and whether they exercise their vote; that would be an unnecessary invasion of privacy by an employer. There is therefore no certain way of determining the number of service personnel registered to vote. Nor was there any means of determining, under the old arrangements, what percentage of registered service voters exercised their vote.

Mr. Tyrie: I am grateful to the Minister for giving way a third time. Does not he realise that failing to set out a clear plan of action to deal with what has been uncovered will strike many as blistering complacency? We must take action to get service registration numbers up. It is no good relying on the pre-existing arrangements, which he has outlined for almost

15 minutes and which all hon. Members here knew about already. We need urgent pressure from the Ministry of Defence and the Electoral Commission to get it across to registration officers that they have to get personnel registered. They have to take action, such as has been taken in Chichester. They can and should use Chichester as a beacon for higher registration for the rest of the UK.

Mr. Caplin: I congratulate the hon. Gentleman on the initiative that he took in his constituency. I undertake to write to him with further details of how we might pursue the matter after tomorrow's meeting with the Electoral Commission. I am in no way complacent about registering or encouraging people to vote. I feel passionately that people should vote, and I hope that he accepts that I believe in that basic principle, as does the Ministry of Defence.

I believe strongly that our service personnel, wherever they are serving, must be afforded every opportunity and encouragement to exercise their democratic right to register to vote. The Ministry of Defence will continue to facilitate that process as far as it can. It will work with the Electoral Commission to ensure that our service personnel are made fully aware of how to register and are encouraged to participate in the electoral process, just like any other citizen of the United Kingdom.

11.30 am

Sitting suspended till Two o'clock.

Christian Community (Iraq)

2 pm

Mr. Stephen Pound (Ealing, North) (Lab): I make no apologies for again raising the issue in the Palace of Westminster of the Chaldo-Assyrian community in Iraq. In doing so, I have three main aims: first, to discuss the specific issue of safe haven for the rapidly diminishing, brutalised, tormented Chaldo-Assyrian community in Iraq; secondly, to seek further assurances from Her Majesty's Government in their contacts with their American allies and the Iraqi Interim Government for specific protection for the persecuted Chaldo-Assyrian community; and thirdly—and, in some ways, perhaps as importantly—to raise the profile of a people who are often ignored, often neglected and often not recognised. If I repeat myself occasionally, I shall not apologise, because they are a people whose voice must be heard. They are a people whose plight must be recognised and they make up a community that deserves the attention of all civilised nations on this earth.

I pay tribute to a couple of my parliamentary colleagues who have tabled questions on the issue. I am delighted that I have been joined in this Chamber by my hon. Friend the Member for Stroud (Mr. Drew), who tabled a question to the Foreign and Commonwealth Office on 4 November, as did my hon. Friend the Member for Pendle (Mr. Prentice) on 17 November. Both questions specifically asked Her Majesty's Government to increase the support that could be given and the negotiation that could be had with their allies and the IIG on such a sensitive subject. I am also delighted to be joined by my hon. Friend the Member for Dumfries (Mr. Brown), who has been an absolute stalwart supporter of the Chaldo-Assyrian community. He has attended meetings with me and has many friends among that proud community, as I have.

It may seem odd that, when Iraq is racked by so many different internal and external dissensions, we are talking about a specific community. However, I want to speak about a community that not only suffers double discrimination but faces extinction. The community has a history that is far longer and far more proud than ours. It is under attack to such an extent that it is shrinking from 1.5 million people, to 1 million, to about 800,000. The slow-motion genocide of the Chaldo-Assyrian community in Iraq is happening in front of our eyes. I cannot understand how any person with a drop of civilised blood in their body can stand by and not do every single thing within their power to protect, support, respect and advance the interests of that community.

The media of the world are focused on Iraq. Amid the dust of bombed buildings, the crash of gunfire and the screams of the wounded is a community in even greater pain. The indigenous Chaldo-Assyrian Christians of Iraq are under siege. Their community is suffering expropriation of its land; their neighbours in northern Iraq have illegally expropriated much of the land. To make matters even worse, Islamic militants have specifically stepped up attacks and targeted the Chaldo-Assyrian community. More than 95 per cent. of Iraq's Christians are Chaldo-Assyrians—otherwise known over the years as Syrians, Chaldaeans or Syriacs. As a result of persecution under Saddam Hussein and an escalating anti-Christian attack since the fall of his regime, at the best guess there are now between 800,000 and 1 million Christians left in Iraq.

[Mr. Stephen Pound]

Many of us here are aware that Chaldo-Assyrians have maintained a continuous and totally separate ethnic identity, language, culture and religion that predates the Arabisation of the near east. Today, the Chaldo-Assyrians speak a distinct language—a derivative of neo-Aramaic known as Syriac. It is the language that was spoken by Christ. Aramaic is almost certainly the oldest continuously spoken and written language. Throughout all the travails, slaughter and genocide, the community has not just preserved its culture, tradition and pride, but preserved inviolate the language that Christ spoke. There are people present in the Public Gallery who speak that language.

The Chaldo-Assyrians are the direct descendants of the ancient Assyrians and Babylonians, who, as Old Testament scholars will be aware, once controlled the largest empire in the middle east. The heartland of that ancient Assyrian empire is in the geographical territory that we now call northern Iraq. The Chaldo-Assyrians were virtually the first people to accept Christianity; they did so in the 1st century AD through the apostolate of St. Mari and St. Addai.

It is widely documented that the Chaldo-Assyrians have suffered greatly in their ancestral homeland throughout the centuries. They have that great pride, courage and continuity, but they have suffered appallingly. The genocide by the Ottoman Turks from 1915 is commonly known as the Armenian genocide, but during it the Chaldo-Assyrian community lost 750,000 people, which was half its population. In addition to the loss of those men, women and children, there was the loss of land. Between 1914 and 1918, the Chaldo-Assyrians fought on the side of the allies. They incurred massive losses and earned wide respect for their courage and heroism. After the war, the British Government promised them an autonomous homeland in Iraq. I regret that that promise was never fulfilled; I do not hold my hon. Friend the Minister personally responsible, but our country once promised that.

The Chaldo-Assyrians were the first people to be massacred by the Iraq military following the Iraqi state's admission to the League of Nations in 1932. In August 1933, the Iraqi military turned their weapons on the Chaldo-Assyrian community and commenced a massacre in the villages located in the current governorates of Dohuk and Nineveh. During that massacre—the second massacre in a very short period—4,000 innocent Chaldo-Assyrians, mainly women, children and the elderly, were butchered in cold blood.

The Ba'athist Government were no more sympathetic. Under Saddam Hussein, more than 200 Chaldo-Assyrian villages, including historical monasteries and churches, were destroyed. Saddam's Government denied the Chaldo-Assyrians recognition as an ethnic minority; instead, they categorised them as "Christian Arabs." They were forbidden to teach the ancient Syriac language, despite their status as Iraq's third largest ethnic group and the fact that they are the indigenous people of Iraq—their presence in that country predates that of any other ethnic group.

In 1984, dozens of Chaldo-Assyrian activists were imprisoned. Three leaders of the Assyrian Democratic Movement—the ADM—were hanged in an attempt to destroy the growing movement for Chaldo-Assyrian rights. I am honoured and delighted to number among my friends—I hope—Johnny Michael of the ADM, which exists to this day despite the persecution that it has suffered over the years.

I hope that during this brief debate it will not be necessary for me to touch at length on the history of the Assyrian people. Most of us know Ashurbanipal and the epic of Gilgamesh, and of that people's many great achievements, such as the invention of writing, postal systems, dry-cell batteries, the wheel and, even, of lager. I simply wish to say that it is a very ancient community with a history that goes back to the dawn of time and that it is now in the darkest hour of its long life.

In northern Iraq, particularly after 1991 when Iraqi military operations commenced against them, Chaldo-Assyrians and Kurds fled to the borders of Turkey. The Iraqi military were prohibited from entering a safe haven established in northern Iraq above the 36th parallel. That enabled the Kurdish people to return to their villages, but many decided to resettle in Chaldo-Assyrian villages. The Chaldo-Assyrians who returned to their villages were powerless to regain their homes, many of which had been in their families for thousands and thousands of years.

At least 58 Chaldo-Assyrian villages have been partially or fully occupied by Kurds: eight are completely occupied and 50 partly occupied. All are in Dohuk province and in areas controlled by the Kurdistan Democratic party, the KDP. I am extremely grateful to Amnesty International for its continuing reports on the situation and on the relationships between the KDP and the indigenous Chaldo-Assyrian people. The KDP has refused consistently to return lands and property to the rightful owners, and, regrettably, has encouraged more Kurds—including Kurds from outside Iraq—to settle on Chaldo-Assyrian land.

My purpose in delineating the situation is not to attack the Kurdish people, who themselves have suffered. However, it cannot be denied—and I pray in aid the work of Amnesty International—that there has been land expropriation and a land-grab on a massive scale, and that that is turning the screw of pain and misery on the Chaldo-Assyrian people. During Saddam's regime, Chaldo-Assyrian lands in the Nineveh plains, their ancient homeland, were taken by force and rented at a strange function known as the annual auction. A large portion of the lands was confiscated and distributed to Iraqi military and intelligence personnel; some of the confiscated land was rented to Arabs or Kurds.

At the annual auctions, the highest Kurdish or Arab bidder was allowed to rent the land for a year. Instead of returning the land to its rightful Chaldo-Assyrian owners, the current Minister of Defence, Hazim al-Shaalan, has sent a letter to the Minister of Municipalities to instruct the Minister of the Mosul governorate to distribute Chaldo-Assyrian land to Iraqi military and intelligence service personnel—a continuance of the policy of the previous Ba'athist regime. The lands in question are in the following Chaldo-Assyrian districts of the Nineveh plains: Telkepeh, Baghdede—a name later changed to Qaraqosh, then to Hamdaniya—Karamles, Bartilla,

Batnaye Telesqof, Alqush, Basheqe-Bahzani and Shaikhan. If I have mispronounced any of those names, I apologise.

Since the fall of Saddam Hussein, Chaldo-Assyrian organisations have recorded the killings of more than 100 Iraqi Christians, who are subjected to escalating violence. They are targeted regularly, owing to their distinctive ethnicity and faith. As I said earlier, they are a double minority in their own ancestral homeland as they are both an ethnic and a religious minority. The average Iraqi faces many risks in the unstable situation in Iraq, but Iraqi Christians are up against even more dangers. They also have to deal with the additional threat of attacks from Islamic fundamentalists who want to drive them out of Iraq, kill them or force them to convert to Islam. Iraqi Christians are perceived by Muslim extremists as allies of the west, and face additional problems from their neighbours, many of them Kurdish, some of whom have used violence against the Chaldo-Assyrians or illegally expropriated Christian villages.

The Chaldo-Assyrian Christian community is highly vulnerable and under siege. I posit that there is no danger of the Kurds or Arabs vanishing from Iraq, or of their communities there being reduced to a tiny remnant, but there is—this is not alarmist—a real and genuine possibility that that could happen to the Chaldo-Assyrian community unless the security situation vastly improves.

Under article 53(D) of Iraq's transitional administrative law, there is a provision for an autonomous administrative region. In fact, that is guaranteed under that article. The establishment of such an autonomous administrative region would provide a safe haven for Iraq's Christians and, desperately importantly, would encourage the tens of thousands of Christians who have fled for their lives from Iraq—especially in recent months—to return to their ancestral homeland.

I referred earlier to the Amnesty International report. Amnesty has raised a number of cases with Massoud Barzani, the leader of the KDP, including the particularly vicious murder of Francis Shabo and many other unsolved killings. It has also stated that it has received the names of people said to be linked to the KDP's first party branch who are allegedly involved in murders, including that of Francis Shabo. Amnesty describes a great many unsolved assassinations and states:

"Amnesty International has received numerous allegations attributing these killings to special forces within the KDP, PUK and IMIK."

For the record, the PUK is the Patriotic Union of Kurdistan and the IMIK is the Islamic Movement in Iraqi Kurdistan. Amnesty continues:

"The security apparatus of the KDP, Rekkhistini Taybeti, and that of the PUK, Dezgay Zanyari, are said to have units akin to assassination squads, whose members receive orders from senior party officials. There is also widespread conviction that such unlawful and deliberate killings could not have been perpetrated without the knowledge, consent or acquiescence of the leaders of these two parties".

I have many examples of the slaughter of innocent Chaldo-Assyrians on their way to and from church, work and their studies. As other hon. Members wish to speak, I will not list them, but I assure the Chamber that this is not just a long and bloodstained list, it is, sadly, a list that grows longer by the day.

Amnesty also highlights the KDP's pressure on Chaldo-Assyrians to join the KDP or fly the Kurdish flag. That is part of a continued attempt to marginalise the Chaldo-Assyrians politically and prevent Chaldo-Assyrian organisations from getting support. As recently as July 2004 the KDP in Dohuk and Irbil prevented Chaldo-Assyrian groups and organisations, such as the Assyrian Democratic Movement, the Chaldo-Assyrian women's union, and the Chaldo-Assyrian students union in Dohuk, from being part of the special electoral committee to nominate participants to the Iraqi National Conference, the purpose of which was to elect representatives to the Iraqi National Assembly. The KDP appointed Chaldo-Assyrian representatives employed by the KDP, rather than permitting Chaldo-Assyrians to appoint their own representatives.

The situation is as violent and awful as I have described it, right up to today, which has seen gunmen bomb two Christian churches in Mosul. At least four Iraqi national guard troopers were killed in those incidents. The specific targeting of Christian churches continues, with the unimaginable consequence that a Christian is terrified to attend his or her place of Christian worship. I can imagine few things more utterly depressing in this century than the fact that one cannot pray to one's God in the company of one's co-religionists without the fear of death, especially when one is a part of a community with a history that stretches back to the period just after the death of our Lord. They cannot pray together today without that fear. We must never forget that.

As recently as 9 September 2004 a mortar attack was launched against the inhabitants of the Chaldo-Assyrian town of Baghdede in the Qaraqosh district. In that attack a 13-year-old Chaldo-Assyrian boy, Mark Louis Sheeto, who was completely innocent and whose only crime was the crucifix he wore around his neck and the faith he held true to in his heart, was killed and his mother and eight-year-old brother were critically injured. That is one of a series of attacks specifically designed to drive the community from its heartland and the area where it lives and trades.

In the same month, two 26-year-old Chaldo-Assyrians were kidnapped and beheaded. The beheading was captured on video and the video distributed not among those whose mindless perversion knows no limits and who actually buy such videos for gratification, but among members of the Chaldo-Assyrian community in northern Iraq, in order to drive fear into that community and force its members to flee their ancestral homeland.

On 2 December this year, Leith Antar Khanno, who was 29, was found dead near Mosul hospital. He had been kidnapped two weeks ago. The family could not come up with the ransom. His body was found first, and then his head. Khanno was married with a young daughter.

Perhaps some of us have assumed a defensive carapace when faced with the horror that is modern Iraq; perhaps some of us are less sensitive today than we were a year ago; perhaps some of us, faced with a constant stream of sadistic horror, are less aware and

[Mr. Stephen Pound]

concerned than we once were; perhaps we suffer almost from emotional overload when we see the nightmarish visions and the sick and repulsive videos. However, I do not think that hon. Members present will feel any less worried, concerned, horrified or sickened by such attacks than they were a year ago.

We are talking about a Christian, peaceful community that has never waged war within the boundaries of modern Iraq; a community that has been attacked but never attacks; a community whose defence has been to flee and form part of the great Chaldo-Assyrian diaspora, which now stretches to Australia, Los Angeles and this country. For that community to be attacked in such a way is particularly vicious and unforgivable.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): Is my hon. Friend saying that the terrible kidnappings and murders that he has described have happened to people because they are Chaldo-Assyrian, or is he saying that those things are happening to rather a lot of Iraqis, including Chaldo-Assyrians?

Mr. Pound: I thank the Minister for his question. I do not imply for a second that the sufferings of the Chaldo-Assyrian Christian community are in any way unique in Iraq; what I am saying—and what I can document and prove consistently—is that Chaldo-Assyrians and Christians are being specifically targeted. No group in modern Iraq is being targeted in the same way. There has been one attack on a mosque in the past three months, and 18 attacks on Christian churches. Although there have been Sunni and Shi'a incidents of violence, I suggest that there has been nothing in modern Iraq remotely comparable to the current persecution of the Christian community.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise that I cannot stay until the end of the debate because I have to go to a Select Committee meeting.

I pay tribute to my hon. Friend for bringing forward the issue. Does he agree that it is sad that there has been very little condemnation from the moderate Islamic community in Iraq of the way in which the Christians and the Chaldo-Assyrians have been targeted? If such condemnation were to start, at least there would be some belief that there is solidarity across religions. We know the fanatics, and what they wish to achieve, but the Muslim community, which is moderate, should condemn what is happening. I hope that my hon. Friend agrees.

Mr. Pound: I thank my hon. Friend for that intervention. As I have said, I am grateful to him for the way in which he has consistently raised this issue; I pay tribute to him and give him credit for that.

One thing that I regret most is the fact that the natural allies of moderate Muslims in Iraq—the Chaldo-Assyrian community—have never been recognised on anything other than an individual basis by the voice of moderate Arabs in Iraq. One would have thought that the community would have been regarded as natural allies and that moderate Muslims would have seen a unity of purpose with it. It is a great tragedy that such is the extent of the anti-Christian propaganda in Iraq, it seems even to have subsumed some of those from whom one would expect better.

The British Government, together with the United States, must consider the issue of a self-governing administrative region for the Chaldo-Assyrians, as promised by article 53(D).

Mr. Mullin: My intervention arises from the point made by my hon. Friend the Member for Stroud (Mr. Drew). Is my hon. Friend the Member for Ealing, North aware that Iraq's Shi'a Muslim leader, Grand Ayatollah Ali Sistani, called for an end to the attacks and talked about the need to respect the rights of Christians and those of other religious faiths, and about their right to live in Iraq peacefully? A number of other moderate Islamic leaders have made similar statements in recent weeks.

Mr. Pound: Grand Ayatollah Ali Sistani has been a still, small, voice amid the storm, particularly since his return to Iraq from his recent operation. However, that statement was made some time ago and there has been very little indication of any diminution in the attacks on the Christian community since. I am happy to pay tribute to him; he is someone with whom one can have rational discourse. However, I do not hear that voice echoed anywhere else in Iraq. That does not make his statement any less important. Sadly, it makes it rather more isolated.

I mentioned the Iraqi transitional administrative law and I ask Her Majesty's Government to consider raising the issue of the self-governing administrative region with the United States and the Iraqi Interim Government. Such a region would provide the safe haven that is so desperately needed. It would have to be situated in and around the Nineveh plains and, specifically, in Dohuk province, not just because that is the ancestral homeland of the Chaldo-Assyrians, but because it is heavily populated by them to this day. I am sure most that hon. Members are familiar with article 53(D) of the transitional administrative law, but, for the record, it states:

"This Law shall guarantee the administrative, cultural and political rights of the Turcomans, Chaldo-Assyrians, and all other citizens."

The history of the Chaldo-Assyrians is both tragic and glorious. It is both proud and desperately sad. One thing that it has repeatedly demonstrated is that the community cannot depend on others to protect it and it has an urgent and vital need for autonomy, in order to protect it and enhance its security. What specific steps have Her Majesty's Government taken to bring about a self-administered region? I also ask the Minister to pressure the KDP, where possible, to ensure that violence, kidnapping and other crimes in KDP-controlled areas are punished.

Her Majesty's Government and the United States should, perhaps financially, support the redevelopment and reconstruction of Chaldo-Assyrian villages and infrastructure and the return and resettlement of Chaldo-Assyrian refugees. They should also give whatever support they can to the Christians of Iraq to

enhance their security and protection. By doing so, the British Government would be empowering a force for moderation in Iraq.

We have mentioned moderate Muslim influence and comment earlier, but moderate Muslims, together with Chaldo-Assyrians, are the main bulwarks against the growth and spread of Islamic fundamentalism. If the Iraqi Christian community is reduced, as it might be, to a tiny remnant, it will have no power to oppose the imposition of Islamic law in Iraq. The presence of a live and vibrant Christian community in Iraq adds great strength to the ability of moderate Iraqi Muslims to oppose the spread of fundamentalism.

I cannot believe that Her Majesty's Government would view the plight of the Christian community in Iraq as merely a side issue, peripheral to the major and dramatic events that affect that country. I realise that many people take this matter seriously and I pay tribute to them. We are missing a great opportunity, however, if we cannot support non-Muslims, who are the natural allies of moderate Muslims and who are opposed to the spread of militant, extreme Islam in Iraq.

Furthermore, Iraq will utterly fail to be the leading and positive example of pluralism and democracy for other middle eastern countries to follow if it fails to give strong support to its ancient Christian Chaldo-Assyrian community. It is therefore very much in the interests of our Government and all other Governments who do not wish to see Iraq dominated by Islamic fundamentalism to give their full support to Iraq's Christians.

Her Majesty's Government have rightly claimed that human rights are an important part of foreign policy, and the situation in Iraq shows that our commitment to human rights is not theoretical but utterly practical. The Chaldo-Assyrian community may have a long history of persecution, betrayal, massacre and genocide, but it is still there. We must ensure that in months and years to come no Member stands in this Chamber and talks about the former Chaldo-Assyrian Christian community in Iraq. We also have the opportunity to right a grave historical wrong and fulfil the long-overdue promise made by Britain after the first world war to grant the Chaldo-Assyrians an autonomous homeland.

The United Nations High Commissioner for Refugees has described the situation in Iraq today as parlous, perilous and dangerous. The agency urges us not to seek the forced repatriation of those who seek asylum in this country, and in the short term I am sure that we would not wish to do so. In the medium to long term, if we are not to see the end of that ancient Christian community and force for moderation, we must act to support these people who have stood steadfast by us in this country for many years. They have, with their blood, earned themselves the right for us to support them to the utmost of our ability.

2.32 pm

Bob Spink (Castle Point) (Con): A community that has been attacked but has never attacked—that is what the hon. Member for Ealing, North (Mr. Pound) referred to in his eloquent, moving and persuasive speech. It is always an honour to follow him; this time, however, it is not a pleasure because of the circumstances. Indeed, it is not really acceptable for someone who uses the English language as poorly as I do even to comment on the hon. Gentleman's performance, but it was quite inspirational.

The history of this dignified, courageous and persecuted people is worth reviewing. The Chaldo-Assyrians have suffered greatly in their ancestral homeland of northern Iraq and southern Turkey throughout the centuries, particularly during the genocide of the Ottoman Turks, which started in 1915 and was known, as the hon. Gentleman said, as the Armenian genocide.

During that genocide, the Chaldo-Assyrians lost about 750,000 people—about half their population—as well as a very large proportion of their land. They fought on the side of the allies and incurred heavy losses in battle in the first world war, and the British Government promised them an autonomous homeland in Iraq after the war. That promise, as we have heard, has never been fulfilled.

In August 1933, the Iraqi military turned their weapons against their own Chaldo-Assyrian Christian citizens and massacred about 4,000 of them in villages in what are now the governorates of Dohok and Nineveh. The Assyrian Democratic Movement and the Jubilee Campaign, representatives of which are here today, are calling for urgent and much stronger support for Iraq's community of about 1 million, which remains besieged to this day.

Christians are by far the largest non-Muslim minority in Iraq, and the Chaldo-Assyrians and moderate Muslims in Iraq are the main bulwarks against the growth and spread of Islamic fundamentalism in that country. That is—the Minister asked about this earlier—the key reason they are being singled out for persecution and driven out of the country. I hope that he will accept at least that fact today. If Iraq's Christian community is reduced to a very small size, it will have no power to oppose attempts to impose sharia law in Iraq. The presence of a vibrant Iraqi Christian community greatly strengthens the ability of moderate Iraqi Muslims to oppose the spread of Islamic fundamentalism. That is in the interests of not only moderate Muslims, but the rest of the world.

Attempts to Islamicise Iraq have grown bolder and stronger since the fall of Saddam Hussein's regime. In that respect, the war has been subject to the law of unintended consequences. There have, for example, been numerous reports that Iran is trying to take advantage of the instability in Iraq by exporting its brand of so-called Islamic revolution and sending large numbers of agents to support Shi'ite militias friendly to Iran and radicalise the Shi'ite population. The most notorious Shi'ite militia, the Mahdi army, which is led by Moqtada al-Sadr, is well know to have close ties with the Islamic regime in Tehran.

The Chaldo-Assyrians have been among the first and the most vulnerable victims of the Islamic extremists, although that is not to say, of course, that others have not suffered. Several Chaldo-Assyrians, who were alcohol sellers, were assassinated by Muslim militants, and numerous threatening letters have been sent to Christians telling them to adopt Islamic practices such as wearing the veil and to convert to Islam or face death.

Islamic extremists conducted lethal, co-ordinated terrorist bombings on Sunday 1 August against five churches in Baghdad and the northern city of Mosul, killing 12 people and injuring many more. In the wake of those bombings and other anti-Christian violence,

[Bob Spink]

thousands of Chaldo-Assyrians fled, further reducing—some would say decimating—Iraq's Christian presence. Iraq's ancient Christian community is now in danger of extinction or, at least, of being greatly reduced.

Since those attacks, Islamic extremists have struck Christian churches again. On 16 October, Islamic extremists bombed five Chaldo-Assyrian churches in Baghdad, although nobody was injured. On 8 November, bombs exploded at two churches in Baghdad within the space of five or 10 minutes, which shows the level of co-ordination of those attacks. At least three people were killed and 40 injured. That illustrates for the Minister how the Christian community is being specifically targeted in an attempt to terrorise, destroy or drive it away so that fundamentalism can triumph. We must fight against that.

The hon. Member for Ealing, North eloquently described how two further churches in Mosul were bombed and another was stormed by gunmen only yesterday. On 4 July, two Chaldo-Assyrian children—16-year-old Raneen Raad and her six-year-old brother, Raphid—were shot dead at their home by Islamic extremists while their parents were away. The hon. Gentleman also told us about beheadings.

Bishop al-Qas of Amadiya in northern Iraq said that posters had been put up urging Christians to convert to Islam or leave the country. The point we want to drive home today is that Christians need an autonomous region so that they can have security and safety. Chaldo-Assyrian Christians have received threatening letters telling them to support the Muslim rebellion against the coalition authorities and to practise Islam or suffer severe consequences. The recipients of those letters were told that if they did not follow basic rules such as wearing the veil and did not follow Islamic teachings, they would be raped, tortured, kidnapped or killed, or have their houses, along with their families, burned or bombed. Muslim extremists are calling Iraqi Christians crusaders or fifth columnists for the Christian west and the Americans. Three Christian bishops in Mosul have received letters threatening to kill one member of each Christian household—a little biblical reference—as a punishment for women not wearing the Islamic veil.

The British Government and their US ally have often said that one positive outcome of the war in Iraq would be the emergence of a free, democratic country setting a good example for the whole region to follow. On that basis, I supported the Government action there. We have learned a lot since then. Yet, if the rights of the Chaldo-Assyrians, who are Iraq's second largest ethnic group, and its largest religious faction, are not respected, and their security needs are ignored, Iraq will be deprived of a major force for religious moderation, and a significant bulwark against Islamic fundamentalism. That will gravely threaten its chances of ever becoming a leading example of pluralism, freedom and democracy for the middle east.

Therefore, it is clearly in the interests of Iraq, of the British Government and of all those who do not wish to see Iraq dominated by Islamic fundamentalism and all that that entails to give their full support to Iraq's besieged Christian community. Not only have members of that community had to contend with attacks by Islamic extremists, but they have seen the illegal expropriation of their land and villages by neighbouring communities, depriving them of their livelihoods and shelter.

I urge the Kurdish authorities, particularly the Kurdistan Democratic party, to consider the matter carefully and to respond to what I have said, so that the international community can judge their actions. The Kurds are a great race. I deeply respect and admire them in many ways. They are the largest group in the world without their own homeland, and I have spoken in their favour a number of times in the House—on at least one occasion in front of you, Mr. Deputy Speaker. I see you nodding your assent. I want to be sure that they understand fully the plight of the Chaldo-Assyrian people, and I hope that they will want to be seen to be acting properly—thereby promoting their own cause. If they do not do so, how can they expect the rest of the world to stand up for them in their persecution?

At least 58 Chaldo-Assyrian villages have been occupied—eight completely and 50 partially—by the Kurds. All of them are in Dohuk province in areas controlled by the KDP. A list of the villages is available from the Jubilee Campaign. It is claimed that the KDP has not yet properly responded to numerous appeals from the Chaldo-Assyrians, requesting that it relocate the Kurdish squatters out of the villages. I await its response.

I apologise for the repetition in this speech. Other hon. Members will have received the same briefing as I have, and many are more expert than I am on the subject, but I will always take the trouble to stand up and fight for religious freedom and against persecution around the world. As I am a good friend of the Kurds, I hope that they and the KDP will listen to me. I have supported them on many occasions.

Under Saddam Hussein's regime, Chaldo-Assyrian lands in the plains of Nineveh were taken by force and distributed to members of the military and intelligence services, or rented to Arabs or Kurds after the annual auction, as we have heard. Instead of returning those lands to their rightful owners, the current Minister of Defence, Hazim Al-Shalan, has given instructions for the confiscated Chaldo-Assyrian land to be distributed to Iraqi military intelligence service personnel. That is not acceptable. It replicates the odious Ba'athist regime policies that we are supposed to be eradicating.

The Chaldo-Assyrian Christians are highly vulnerable—they are a community under siege. While the average Iraqi faces many risks in common with them in that unstable situation, the Iraqi Christians are up against even more danger: they have to deal also with attacks from the Islamic extremists from Iran and, for reasons that I have already explained, from those who want to drag them out of Iraq and kill them or force them to convert to Islam.

Those Islamic extremists view the Christians as an obstacle to their dream of Islamicising Iraq, and they wrongly perceive them as close allies of the coalition forces. I urge the allies, particularly Britain and America, seriously to consider setting up an autonomous administrative region, as requested by the hon. Member for Ealing, North—and as promised in article 53(D) of Iraq's transitional administrative law.

I want the British to push hard for the return of the Chaldo-Assyrian land and villages in northern Iraq that were illegally expropriated.

An autonomous administrative region for the Chaldo-Assyrians would provide them with a safe haven. That would significantly enhance their security; and the British and American Governments should help bring it about as a matter of urgency in the Nineveh plains and Dohuk province. I would like the Minister to say—or he can write if necessary—that the British Government have taken and will take specific steps to help set up that autonomous administrative region, in line with their promises and with the transitional administrative law.

Now that Britain has influence in Iraq, it should be used fully to protect the human rights of the Chaldo-Assyrians, whose history has been a long succession of persecution, betrayal, massacre and even genocide. The Kurds have suffered similarly, and I hope that they will be especially sensitive to the needs of that severely oppressed minority. The Kurds, above all, should feel the pain of the Chaldo-Assyrians; they should know that they are not a blight against them that needs to be removed.

The Government also have the opportunity to right a grave historic wrong by granting the Chaldo-Assyrians an autonomous homeland. The Government and their US ally also have a duty to enable financial support for the reconstruction of Chaldo-Assyrian villages, schools, clinics and infrastructure in order to allow for the return and resettlement of Chaldo-Assyrian refugees. They should also give whatever support they can to the Christians of Iraq to enhance their security and protection. So far as I am aware—the Minister may correct me if I am wrong—Britain has not yet given direct bilateral aid to those people. I have mentioned before that money may still be available from the oil-for-food programme. I do not know if that is so, but if it is we have a good use for it.

Finally, we need to get the detail right in Iraq. If we do not, we will have failed not only the Chaldo-Assyrian people but the region and humanity.

Mr. Russell Brown (Dumfries) (Lab) *rose—*

Mr. Deputy Speaker: Order. I apologise to the hon. Member for Dumfries (Mr. Brown), but we have had two very long speeches and we need to start the winding-up speeches so that the hon. Member who opened the debate has the chance of a reply from the Minister.

2.49 pm

John Barrett (Edinburgh, West) (LD): One of the issues raised by my constituents when I was elected to the House was the persecution of Christians in Indonesia. Some months ago, we held a debate on the Christian community in Africa. Today's debate will not be the last on the subject. The only question is: where next?

The hon. Member for Ealing, North (Mr. Pound) opened a debate on the subject earlier this year. I pay tribute to him today for his eloquent speech, in which he spoke of suffering, pride and courage. Unfortunately, there are too many examples. We heard several examples today of Christians suffering in Iraq, and the hon. Gentleman said that he believed that there was a campaign of murder and harassment against Christians in Iraq. When one listens to those examples, one is left in no doubt. The list is long, but if time permits I will add one or two examples.

This is the right time for such a debate—it is the right debate at the right time. Christmas is only a couple of weeks away, and the proposed elections in Iraq should happen next month. We should be optimistic that we are moving toward better times for people of all religions in Iraq.

Before this debate, I was contacted by ministers from two of my local churches, the Rev. Dr. Russell Barr and the Rev. Roger Wiles, who gave me their contributions. One of them raised a question that I will ask the Minister.

Although I am normally optimistic, and this should be an optimistic time, the reality of life on the ground not only sends a chill down the spine, but stretches my capacity for optimism to breaking point. In Iraq we see, on a daily basis, the toll of events—death, destruction, car bombs, military deaths, civilian deaths, kidnapping, abduction and torture—on many people of all religions and of none. The level of suffering and the number of dead due to religion one can only guess, but the Christian community is clearly suffering badly. People are acting in the most despicable ways, and claiming that it is in the name of their God, and that they know that God is on their side. This may not be a religious war, but many impartial observers now see two fundamentalist movements taking up potentially hostile positions.

It is too simple to say that in a world with one superpower, the USA, and with a moral majority on the rise, religion is at the heart of the conflict, but it is foolish not to see the USA's position in relation to the rest of the world as something without a religious and Christian dimension. When any group is so powerful, it should come as no surprise that others feel threatened by a force that was unleashed at a time when we in this House were told that there was a clear and present danger, and that chemical or biological weapons could be unleashed on us within 45 minutes. Unfortunately, we rushed to war when there were no weapons of mass destruction and we were not under a direct threat.

However, those things have happened, and we are where we are—but where is that? How many people have suffered and are suffering? There is no doubt that we are better off without Saddam Hussein in power, but the world is undoubtedly less safe than it was. One only has to look at this building, which has armed guards and is surrounded by concrete blocks, to see that we are not in a safer society.

How many people have died in Iraq? It is difficult for anyone to agree on figures: one body count on the web says that between 14,000 and 16,000 civilians—mostly Muslims—have died, but there may be more. There are also military fatalities, most of whom are Christian. Deaths are now regularly reported in our media in order of importance: we get great detail about the deaths of British and American soldiers, British civilians, individual hostages and contractors; slightly lower down the pecking order come security and police officers; and at the bottom of the heap, we get a list of insurgents.

[John Barrett]

We rarely hear about the many civilians—men, women, Christians and others. Their religion is sometimes mentioned, but sometimes not. It is shameful how the value of certain lives registers, while others are hardly even counted. It is important to consider how we view the lives of others. Today we are discussing the Christian community in Iraq, which many people feel is as our own, but expressing our views for one community should not diminish our concerns for all people, whether they are of any or no religion.

Estimates of the size of the Christian community vary, but most settle at around 700,000, which is half the figure counted in the 1987 census, so 50 per cent. of them have gone. They now make up about 3 per cent. of the population. The one point on which there is agreement regarding numbers is that people are fleeing on a regular basis. All forms of media—newspapers, magazines and TV—have covered what that community has suffered. Some of the claims are too gruesome to repeat today, but in the past we have heard about villages being destroyed, churches and monasteries being razed, and Christians being deported to Baghdad.

Christians were often victims of the growing abduction industry because they were seen as being wealthy. There have been a number of horrific stories, but one that stuck in my mind was that of a 70-year-old Catholic nun who was murdered in her convent in central Baghdad. She was stripped naked and cruelly tortured before her throat was cut and she was beheaded. There are many other horrifying stories, and I do not think that we need to dwell on them now.

A large number of Christians were kidnapped in Baghdad between April 2003 and last month. Naturally, people are terrified of even going to pray—of coming out as a Christian. When they see a leaflet saying "Convert or Die", as we heard about from the hon. Member for Castle Point (Bob Spink), moderate people who just want to pray feel that they have to keep their head down and not be noticed. What hope do they have in the face of such extreme views?

We also have to ask whether the American-British intervention has made things worse than before. A number of leading Muslim scholars issued a religious edict that said that anyone who aided the US and British forces would be "condemned to hell." The flight of the Christians mirrors the flight of the Jews. We have an oppressed minority in Iraq and the situation is getting worse instead of getting better.

We hope—we have to have some hope—that the future rests on basic human rights returning to all citizens of Iraq. Some legislation is now encapsulated in chapter 2 of the transitional administrative law, and that is a good start. The current proposals are the way forward. My party and I did not support the military intervention at the time, but, as I said, we are where we are and we have to move forward. We have to use the proposals to provide a framework to be built on for the future. The framework must show that all Iraqis must be equal before the law and that any discrimination on the grounds of ethnicity, gender or religion will be illegal.

Mr. Russell Brown: The hon. Gentleman mentioned human rights. Does he believe that it was right for the KDP to appoint Chaldo-Assyrian representatives to the Iraqi National Conference? Should it not have been up to those people to appoint who they wanted and not who the KDP wanted?

John Barrett: The hon. Gentleman raises an important point, because although we are urging individual groups to select their own representatives, we have an interim authority right now and hopefully once the constitution is in place and there are elections, people's representatives will be the just and right representatives for that group. I honestly do not know whether they ended up with the right representatives, preaching in the right direction. However, that is one of the points that must be taken into consideration when we are considering the way forward in Iraq, so that we have a true democracy. It is not only who votes and who counts the votes that is important, but the system that will be in place. That point is well made.

The current framework can be built on and discrimination can be eradicated. The next step should see the elections in January establish a transitional Government. After that, we should get a permanent constitution and a referendum, with elections by the end of 2005 on the basis of the new constitution. I hope that any problems that arise now will be eradicated then. All being well, Iraq should be in the home straight next year, heading towards peaceful democracy and with the troops possibly even on their way home.

What do the people of Iraq see now? They see continual killing of innocent civilians. They see reports of torture in Abu Ghraib prison. Many have little hope for the future. Although some services are returning, basic supplies and utilities are intermittent. Fear is part of daily life for communities. For the Christian community there is another dimension: they are linked to the coalition forces by religion, because of their ethnicity and their faith. Christians are also seen as well-to-do, with some attacks on them because they are Christian but others possibly because they are seen as a relatively wealthy section of society.

Iraq's Christian community has been heavily targeted in the unrest that has swept Iraq following the invasions, and some have packed up and left. At the start of August, there were attacks on Christian targets in Baghdad and others in Mosul, which have been mentioned by other speakers. As brevity is required, I will leave them out. Will the Minister deal with the issue of people seeking asylum because of their religious beliefs and asylum seekers who genuinely convert to Christianity while in the UK? What position do the Government take on that?

A constituent of mine converted to Christianity, then fled to the UK and feared that he could not return. The local church in my constituency agreed that he was a practising Christian, but the immigration authorities would not accept it. Who makes the decision about whether Her Majesty's Government believe that someone has converted to Christianity?

Tragic events are unfolding in Iraq and some fundamentalists have led a systematic campaign against the Christian community, but all groups—of all religions

or no religion—are suffering persecution in Iraq. We can only hope that 2005 will move the game towards an end, and that we can be optimistic for the future of people in Iraq.

3.1 pm

Mr. Gary Streeter (South-West Devon) (Con): The hon. Member for Ealing, North (Mr. Pound) has done the House a great service in raising an important issue. The House should be a place where we can champion the cause of persecuted minorities all over the world. In his hands, this Chamber is becoming precisely that, and I pay warm tribute to him for the vivid and articulate way in which he put his case. It is what we have come to expect from him. I pay tribute, too, to my hon. Friend the Member for Castle Point (Bob Spink) for making a powerful case for more support for the Christian community. I shall talk about that community shortly, but I want to pick up a couple of points that were made.

The hon. Member for Edinburgh, West (John Barrett) described what we are considering as a war of religion, or at least as being fundamentally to do with religion. Religion often gets a bad press, and we should not lose sight of the fact that all over the world, because of their religion, Christians, Muslims, Hindus, Sikhs, Jews or people of other faiths are going about doing good—building families and communities, and doing acts of kindness, self-sacrifice and courage. Sometimes people—notably John Lennon in his song "Imagine"—consider that the world would be a better place without religion. I do not believe that. The acts of terrorism that are being carried out in Iraq are done by bad people. If religion is used as a motivation, that is an abuse of their religion and is not excused by it.

There is a particular problem with the Christian Church in Iraq, which I shall discuss. However, we must recognise that what is happening is partly a reflection of the post-conflict insurgency in Iraq. The Minister will probably agree with almost everything that I will say, but one thing that he probably will not like nevertheless needs to be repeated: what is happening is partly a reflection of the lack of proper preparation for post-conflict Iraq and putting the country back together again. I have said that four or five times and will go on saying it, because it is essential that the Government learn the lesson. I know that the intervention was American led, but if Britain were to become involved in other interventions in the lifetime of this Parliament or in our parliamentary lifetimes—I very much hope that it will not be—we should learn the lessons of Iraq: we need to ensure that we know what the outcome will be; we need an exit strategy; and we need to ensure that we know how to put a country back together if we take it apart, bit by bit, with bombs, planes and missiles.

I am concerned about the state of the Chaldo-Assyrians in Iraq. We have had two powerful history lessons today about their proud and long history and their contribution to society generally. A good friend of mine, Canon Andrew White, works in the middle east and Iraq and stays in e-mail contact with me. I have been following some of the recent attacks on churches through his reports on the ground. The matter is very serious, and I am concerned about the numbers who have fled. I hope that it is a temporary flight and that there will be repatriation when the country is safer. I am, of course, also concerned about the many who have been killed or kidnapped, the churches that have been attacked and the people who are scared to practise their religions by going to church. In a recent e-mail, Canon White wrote:

> "There was further bad news regarding the Christians in Iraq yesterday. A mass leafleting to all the Churches and individual Christians took place telling them to leave the country or convert to Islam."

My hon. Friend the Member for Castle Point mentioned that problem. Canon White continued:

> "Our church was also attacked yesterday afternoon but the guards shot at the attackers causing them to flee."

Here is the powerful sentence:

> "The cries from the Christians of Iraq are increasingly desperate."

That sums up the situation.

We have heard from hon. Members about specific atrocities that have been committed. Such things are happening right now—they are real and genuine. Being a practical politician, I ask myself what our response should be and what we should hope to hear from the Minister in his winding-up speech. Wherever possible, we—the British and Americans—must ensure that we provide as much security as we can on the ground for the Christians who are suffering in Iraq. We must not turn a blind eye to the persecution of that faith minority.

Sometimes, I think that it is not politically correct to be a Christian. There are signs sometimes that we give more space and support to people from other faiths. I want the Minister to confirm—I know that he will be able to—that we are not turning a blind eye simply because it is a Christian community that is involved rather than a community of another faith that might be more attractive in terms of the current British point of view. I think the Minister knows what I am saying—and here comes the rebuttal.

Mr. Mullin: I am happy to confirm that.

Mr. Streeter: I am grateful that we are not turning a blind eye to the persecution of those in the Christian community in Iraq whose voices must be heard.

The hon. Member for Ealing, North and my hon. Friend the Member for Castle Point have proposed a specific policy, namely that there should be an autonomous or semi-autonomous region for the Chaldean Christians in Iraq. At this stage, the Conservative Front Bench cannot positively support such a policy, but we are always open to persuasion and ready to listen and learn. I was going to say "open to higher office", but that is not quite true. The reason why such a policy would not be choice No. 1 is that if we were to make provision for a semi-autonomous region in Iraq for the Christians, pressures would come upon us from the Kurds, the Sunnis and the Shi'as for the country to be broken down into a series of autonomous or semi-autonomous regions. We would all have to describe such a result as a sub-optimal outcome. We would not want such a situation for two reasons. First, we want Iraq to function as a proper, multi-faith, multicultural and multi-ethnic society. We want the country to be put back together with every community learning to live together, for the sake, I believe, of the Iraqi people. Secondly, what kind of signal would making such

[Mr. Streeter]

provision in Iraq send to the many other countries around the world where there are ethnic and religious tensions between different groupings?

I sometimes look at the history of the history of the world and wonder whether we have ever been able to live together successfully when we espouse strong religious beliefs that are different from those of the people in the next-door community or when there are racial and ethnic divides. However, in this globalising world there is no choice but to make things work, or else the world will simply break down into myriad cantons and become virtually ungovernable. I understand the reason for calling for such a policy, but at this stage I cannot support it.

I wish to ask the Minister some questions before he deals with the many issues raised in the debate. What steps are the Government taking to ensure that the new Iraqi constitution will genuinely guarantee the rights of Christians and other religious minorities to full and equal citizenship? Will his ambassador be able to extract a commitment from Iraq's principal Sunni and Shi'a leaders to that effect? Do the Government accept that there is a need to accelerate the rate at which Iraq's indigenous security forces are trained and brought on stream, so that they can offer security on the ground in respect of the killings, persecution and unacceptable behaviour that we have heard about today? What space will there be for the Christian community—for the Chaldo-Assyrians—in the forthcoming election? What particular provision, if any, is being made for them in the assembly that will come out of the elections that, we hope, will take place on 30 January?

I am sure that the Minister will agree that this country, rightly, is a tolerant nation and that we give equal space to people from all faiths. Freedom of religion is one of our fundamental principles and tenets, and that is right and proper. When dealing with the Iraqi situation or with any other nation in the world, when entering into diplomatic relations, when applying diplomatic or trade pressure, and when considering aid provision for any country, should it not also be a fundamental part of our foreign policy to insist on the same freedom of religious expression and worship in each country with which we are dealing that we rightly grant in our own?

3.12 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): My hon. Friend the Member for Ealing, North (Mr. Pound) set out his case powerfully and vividly. He has described the tragic history of the Chaldo-Assyrian people. Having said that, my understanding of the situation today is somewhat different from his, as I hope to set out. We all know that Iraq is suffering general lawlessness and that many people of all faiths and political persuasions, including many of European extraction, have paid a high price for that. It is also true that, in some parts of Iraq, notably in the Sunni-Arab area, west of the Tigris river, attacks have been specifically directed at Christians and churches, as my hon. Friend and others described.

We have recently consulted fairly widely with a range of leading Christians in northern Iraq, however, and we can find no significant support for autonomy; indeed, we found significant opposition to it. One of the Christian leaders in northern Iraq to whom we spoke said that the idea seemed to have come from members of the Chaldo-Assyrian community in exile rather than those who live in Iraq.

One or two hon. Members—two, I think—referred to the position of Britain in relation to Iraq in the 1920s. All I can say is that Iraq's position was different in the 1920s from that which exists today. At that time, Iraq was a League of Nations protectorate, whereas we are now dealing with a sovereign Government, and there can be no read-across from the 1920s to the 21st century.

The hon. Member for South-West Devon (Mr. Streeter) asked whether Christians would be represented in the Parliament after the election. Well, the Independent Elections Commission in Iraq is certifying 240 political parties that are hoping to register, so it is probably fair to say that no school of thought will be unrepresented in the elections—although it will be for the electorate to decide which will be elected. There have been requests to register from parties representing a broad range of Iraqi society, including Assyrians.

The hon. Member for Edinburgh, West (John Barrett) asked about the position of people who applied for asylum on the basis that they had come here and converted to Christianity and therefore felt that they would be at risk if they returned; I am unsure whether he was talking only about Iraq, or about other places as well. All asylum cases are dealt with on a case-by-case basis, and if someone can demonstrate that their fear of persecution is genuine, their case will be considered very seriously. However, I want to draw the hon. Gentleman's attention to a phenomenon that certainly occurs among refugees of my acquaintance, so I will be surprised if it does not occur in other parts of the country: there is a tendency for them to convert at the last moment when all other options have run out. Naturally, asylum adjudicators and Home Office officials tend to be sceptical about that kind of conversions.

I endorse the point made by the hon. Member for South-West Devon when he said that he wanted to see Iraq functioning as a multicultural, multi-faith society. I think we all want that.

Many of the problems that have been outlined, and certainly the more recent ones, are a legacy of what happened under Saddam Hussein's regime. There were decades of oppression of Kurds, Turkomans, Assyrians and many others. They were forcibly driven from their homes, and many thousands were forced into exile.

All Iraqis, including Chaldo-Assyrians and other Christians, now benefit from the transitional administrative law, which safeguards their fundamental rights, including freedom of religion, freedom of expression, and other basic civil and political rights. The transitional law will continue to apply until the adoption of Iraq's permanent constitution next year. Of course, Iraqis had no such rights under the regime of Saddam Hussein.

Mr. Russell Brown: We are all looking to the future for all the different groupings, especially ethnic groupings and those based on faith, which we have been talking about today. The Minister mentioned Grand Ayatollah Ali Sistani, and fine words have been spoken,

but what we need to hear in the Chamber today is whether what those fine words describe will be delivered in the future. That is what the Chaldo-Assyrians want to hear; they wish to have a future in the new Iraq and, despite the difficulties that we face, they could have had a better start towards that future than they have had so far.

Mr. Mullin: On that last point, my hon. Friend may well be right. All I can say is that everyone of good will of all political persuasions and beliefs is working towards the same end. That end was outlined by the hon. Member for South-West Devon; it is a multicultural, multi-faith and democratic society in Iraq.

My hon. Friend the Member for Dumfries (Mr. Brown) was a bit dismissive about the fine words, but my hon. Friend the Member for Ealing, North was asking for some words. He wanted to hear from representatives of moderate Islam and other sections of society that they, too, condemned the attacks on Christians. The only point that I was making is that some people, including the Grand Ayatollah, have made such statements. It is right that we hope that they make such statements not just once but regularly, and loudly, too, so that everyone, and especially their own followers, can hear and understand the message. However, I think that we have been a little unfair to some of the moderate Islamic leaders who have repeatedly made clear their position on attacking Christians and, indeed, people of other religious faiths.

Reference was made to article 53(D) of the transitional law, which guarantees the administrative, cultural and political rights of the Turkomans, the Chaldo-Assyrians and all other citizens, but contrary to what my hon. Friend the Member for Ealing, North suggested, it does not include a reference to a self-governing region. Ultimately it is for the Iraqi authorities to determine the proper interpretation of the transitional administrative law; however, in our view, article 53(D) does not imply the right to an autonomous administrative region for one particular group.

As I said at the outset, as far as I am aware, Christian leaders in northern Iraq—and we do talk to them—have rejected the idea of an autonomous region, saying that it is more popular among Assyrians living outside Iraq than among those who live inside. They fear that such a proposal would make their community more, not less, vulnerable to attack, and I know that that is not my hon. Friend's intention. One leading member of the community recently described the proposal as "very wrong and dangerous".

Mr. Pound: The point that the Minister touches on—the assertion that the community in exile may be making a statement not in keeping with one made by the community in northern Iraq—is of the greatest and gravest significance. Will the Minister give us some suggestion as to who exactly made that statement in northern Iraq? What statement from what group would convince him that the feeling is more widespread that a safe zone is the only way to preserve not just the culture and community but the very lives of the people whom we are discussing?

Mr. Mullin: If my hon. Friend will forgive me, I cannot say who made such a statement, because they did so in off-the-record conversations. I have not been back to check the sources, but I know the identity of the people concerned, and they are extremely prominent. They would probably be well known to many in the exiled Chaldo-Assyrian community in this country. There may well be some people in the Christian community in Iraq who would like such an autonomous region; all I can say is that we have not been able to detect them so far. If any group does hold such an opinion it is, in our view—and it is only our view—a rather small one.

Christian Iraqis are well integrated in the autonomous area of Kurdistan, the Kurdistan regional government in Kirkuk and most parts of Mosul, but not of course in the western side of the city, where the situation is difficult and dangerous. In Irbil, some Christians occupy senior Government positions. One is Deputy Prime Minister, another is Minister of Finance. They have a representative in the interim Iraqi Government in Baghdad, who is Minister of Displacement and Migration. A committee has been set up in Ankawa, a Christian village just outside Irbil, to help the resettlement of Christians from elsewhere in Iraq. So far, about 1,000 Christian families have resettled in the areas around Irbil and Dohuk provinces. Another 50 Christian families, mainly from the south of Iraq, have resettled in the Sulaymaniyah province. A further 1,000 Christians took temporary shelter in Sulaymaniyah from Mosul during fighting there in early November, but we understand that most, if not all, of them have returned to their homes in Mosul.

Progress continues to be made, and I am pleased to report that on 6 and 7 December, the first 70 of 170 Assyrian families that had fled to Baghdad in the 1980s returned to their homes in the Faysh Khabur area along the Syrian border. Some 120 Kurdish families who lived there have left, and we expect the remainder of the Assyrians who fled in the 1980s to return, if they wish to, shortly.

We remain concerned by reports that Christians are suffering discrimination in other parts of Iraq. Earlier this summer, we joined Christian and Muslim leaders in condemning the appalling attacks on churches, which, as hon. Members have described, resulted in a number of deaths and injuries to dozens more. We have welcomed the statement from Grand Ayatollah Ali Sistani that called for an end to the attacks and indicated the need to respect the rights of Christians and those of other religious faiths, and their right to live peacefully in Iraq. I know that my hon. Friend the Member for Ealing, North will join me in condemning the bombing of the two churches in Mosul yesterday, which was obviously the work of those seeking to divide Iraq's diverse communities and divert the political process.

Our officials in Iraq regularly meet members of the Christian communities and raise their concerns with the Iraqi authorities. The Iraqi Human Rights Minister, Bakhtiar Amin, who recently met my noble Friend Baroness Symons, is particularly concerned about the issue and we have asked our missions in Iraq to continue to monitor the situation closely.

United Nations Security Council resolution 1546 welcomed the commitment of the interim Iraqi Government to move towards a federal, democratic,

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pluralist and unified Iraq, in which there is full respect for political and human rights. The immediate goal for the interim Government is free and fair national elections across Iraq on 30 January—the date recently announced by the Independent Elections Commission of Iraq. The elections for a Transitional National Assembly will give Iraq's minority groups an opportunity to be represented at all levels of Government in Iraq and we believe that the Assyrians will play their part in the elections. Recent opinion polls make it clear that the majority of Iraqis want to vote.

Members of the Iraqi community in the UK will also be able to vote. The International Organisation for Migration has been tasked with arranging out-of-country voting on behalf of the Independent Elections Commission and preparations, which are still at an early stage, are being finalised.

Iraq's future constitution and state structure remain a matter for Iraqis to debate and to decide in the Transitional National Assembly, which will draft the permanent constitution in 2005, so all Iraqis, including Assyrians, will be able to identify with the values and institutions enshrined in the constitution. We will continue to urge Iraqis to ensure that the fundamental rights of all citizens are protected, regardless of their sect or ethnicity.

The Iraqi people are now set on a course that offers them the best chance to overcome present challenges and the hope for a better future of a free, democratic, stable Iraq. That is the future that all of Iraq's communities, including the Assyrians, richly deserve.

Mr. Deputy Speaker: Order. May I invite hon. Members not wishing to stay for the remainder of the next debate to leave quickly and quietly, please?

Procurement of Army Uniforms

3.28 pm

Mr. Lindsay Hoyle (Chorley) (Lab): I am sure not only that there is much interest in the House of Commons in this matter, but that the good people of Lancashire and the rest of the country share that interest.

A very important contract, better known as the cut and sew tender—DC4 BESL/1002—was let. Quite rightly, Lancashire companies—in the constituency of my right hon. Friend the Foreign Secretary and in my own—have been the backbone of the cut and sew contract in the past. Many will say, "Oh, that is not the case, because this went off to Romania." That cannot be denied, because a smaller part of the contract was carried out there, but the majority of it was done in Lancashire. We must ensure that that is on the record. A company called Cooneen Watts and Stone has got the new contract, after many years of it being held by the people of Lancashire. It is crucial to remember that in the Government's hour of need those people worked round the clock to ensure that the Ministry of Defence and our soldiers had the right kit to go to war.

We must address the key issue: if there were a contract for Army rifles in order that soldiers could defend themselves, do we really believe that we would put it out to tender and that people would look at the tender list and say, "This company has said that it can supply rifles cheaper"? One would ask for a sample and expect the company, whose sample rifle or uniform was being provided, to be the future supplier of that item. A soldier needs a weapon with which he can defend himself—a weapon that can be used. Exactly the same is true of a camouflage uniform: if a soldier is going to war, his uniform is to defend him against death.

The right garment of the right quality will last, whether it is washed or weathered. More importantly, when it turns to night and infrared sensors are put on, the soldier no longer looks like a soldier: his image is deflected because the company that supplied the uniform has ensured that the right camouflage has been printed on it. If that camouflage is not right, the soldier becomes a target.

We know that Cooneen, Watts and Stone has absolutely failed to deliver. More importantly, it has hoodwinked the Ministry of Defence. As my right hon. Friend the Minister of State rightly said in response to parliamentary questions, it bid for the contract when it was not the company that would carry it out. Not once did it tell the Minister that the contract would be taken over by army factory 3533. In fact, the Minister did not understand the meaning of 3533. I understand why: he was never told.

There is something tragically wrong when the Minister and other Members of Parliament have been hoodwinked. More importantly, the good people of Lancashire may well lose their jobs as a result. If we cannot supply the People's Liberation Army, as we should not, because of human rights, we must ask why on earth a subsidised People's Liberation Army factory should be supplying the British Army. It is totally unacceptable morally. Where does that leave us with respect to our agreements on trade union recognition, because we know that no trade unions are allowed

in China? Morally, it stinks to high heaven. More importantly, what rates of pay operate in the factory, which was described as the factory of £1 a week? This is totally unacceptable. The living and working conditions of the employees are unacceptable. Let us say for the record that this is unfair competition.

I believe that we have an opportunity. I ask the Secretary of State to investigate fully how someone can pretend that the sample that they have given is of what will be supplied in the future. Someone in competition with British Aerospace could supply us jets, and we would say, "Not to worry. They are now being built in Chile." They could be built anywhere in the world. That is the danger of what is happening in this case. We must get this right and ensure that the Government address the key issues.

Mr. David Watts (St. Helens, North) (Lab): Does my hon. Friend agree that the pledge made by the MOD that it will if possible support British industry will be a hollow one if every contractor is allowed to subcontract outside the UK?

Mr. Hoyle: Absolutely; that is key. The contract should not be sent off to somewhere such as China. I can hear the Secretary of State saying, "Part was made in Romania." Of course it was; it always has been. Most crucial to the defence of our soldiers—this should be the most important point—is that the camouflage print and material is made in Lancashire. What we can say about the contract is that the cut and sew camouflage uniform will be made in China. My hon. Friend is right: it should not be. This is totally unacceptable.

At the debriefing for the unsuccessful bid for the cut and sew camouflage uniform contract, company representatives were categorically told by the selection panel that it was unable to take account of past experience, because that was unfair and would create an uneven playing field for tendees who had not previously dealt with the MOD. However, the response to a parliamentary question tabled by my hon. Friend the Member for Burnley (Mr. Pike) states that the contractors' past performance was included in every pre-contract award evolution process. One is contradicting the other. There is something seriously wrong.

I believe that the Minister is being told one thing, while there has all along been a different arrangement, and a different agreement seems to have been made. I am worried about what is happening in the MOD. In fact, one has to wonder about Warwick. Warwick is crucial; it is the backbone of future procurement. On one hand, the trade unions meet the Prime Minister, have a dialogue and come out with an agreement that Warwick is about protecting jobs in the UK and the future of technology. If such arrangements continue, textiles in the United Kingdom will become a museum piece. That is not acceptable to the people of the UK; it is totally against the interests of Warwick and the discussions on it. The MOD has to respect the Prime Minister and the Government. It is important that its officials learn who is in charge. This is about the protection of British soldiers—their interests should be paramount, and we should expect the best. The best is the uniforms that have been supplied for many years.

Judy Mallaber (Amber Valley) (Lab): Is my hon. Friend aware that when I raised the issue the Minister said that we had acted according to European Union procurement rules, and that every EU country apart from the UK classifies military uniforms as "warlike", which means that—even if they follow those rules, about which there is some doubt—they are subject to the exemption from EU procurement rules for military materials?

Mr. Hoyle: That is absolutely correct. We went through this before, when we discussed the roll-on, roll-off ferries that were built in Germany. They were built there because they were not "warlike". We are playing cricket and everybody else is playing rugby. It is time that we woke up to the fact that the uniforms should be classed as "warlike", and the contract should be placed not only to create UK jobs but to protect them. Otherwise, we shall see the closure of a factory and the loss of many UK jobs.

Janet Anderson (Rossendale and Darwen) (Lab): Does my hon. Friend share my concern about the allegation that, to qualify for the tender, the winning company used fabric that was printed in the UK, but failed to inform the MOD that it was not from its intended source in China?

Mr. Hoyle: That is absolutely right—it is a crucial point and I echo my hon. Friend's concern. I understand that, at this late stage, some camouflage uniform has suddenly been supplied. The joke is that the MOD may test it, say that it is wonderful, and run with it. It was produced in Adlington in my constituency, which has supplied Cooneen Watts and Stone because it is not able to get any of the material out of China. Therefore, the uniforms made in future will not be of the same quality as those provided. That should tell us something. The alarm bells have been ringing for a long time for the rest of us; now they should be ringing in the MOD. We should stop messing about and pull in the contract as soon as possible.

Mr. Neil Turner (Wigan) (Lab): My hon. Friend has not yet raised the fact—if he is coming to it, I apologise—that if the contract goes to China, and it is confirmed, the factory in Lancashire will shut, people will lose their jobs, taxes will be unpaid and benefits will have to be paid out. That all represents additional cost to the taxpayer in this country, which has not been taken into account, and which is more than the difference between the prices of the contract in this country and in China. When we considered competitive contracts under the Conservative Administration, we were allowed to take such costs into account. Should not the MOD have taken those costs into account when awarding the contract?

Mr. Hoyle: I absolutely agree. We know that other countries rightly take into account redundancy costs, benefit payments and the loss to the exchequer, and it is foolish that we do not do that. That is a good point. If

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we broke down the cut and sew contract, we would see that it cannot have been lost by more than £500,000. We know from the number of workers who will be made redundant and the benefits that will be paid that the loss to the taxpayer is much greater than the windfall that the MOD feels that it has made on the contract so far.

It is crucial that we ask questions. Cooneen Watts and Stone was not on the original tender list, but somehow it was placed on it. We know that it does not have a track record. My hon. Friend the Member for Pendle (Mr. Prentice) suggested that it was the place to go for a wedding dress, but we are not talking about a wedding dress—we are talking about battledress, and we expect the best. We expect the UK to be supplied, but do we really believe that we would have security of supply from China in our hour of need? The answer is no. Are we really willing to run the risk of our soldiers not having the best? I recognise that price is important, but we are not talking about major savings; we are talking about pennies, compared with the MOD's budget. Indeed, there will be a great cost to the taxpayer.

Mr. Watts: Does my hon. Friend agree that if the contract is not changed, there is unlikely to be a UK competitor to bid for a similar contract in the future?

Mr. Hoyle: That is absolutely right. We will lose the crucial know-how and the advantage that we have had. Armies around the world have looked at the contract and said, "If the British Army is using these uniforms, they must be the best", and contracts have been won on the back of that. However, all that will be put at risk because armies will say, "If they're not good enough for you, why should they be good enough for us?" The knock-on effect, quite rightly, will be that they pull out. We will also begin to lose the research and development that has taken place in textiles. Who on earth will design the textiles to meet the MOD's future needs? It will not be some People's Liberation Army factory in China. The long-term costs of what is at stake are therefore very great.

I genuinely believe that Ministers at the MOD have not been told the facts or been given the full story. I want them to consider how on earth we get ourselves out of this mess. I also want them to recognise that we believe in the trade union movement and in UK manufacturing and, more importantly, that when the Prime Minister himself makes an agreement at Warwick, everybody should respect it. All of that is now being put at risk.

The Chamber is very busy, and I know that other hon. Members want to speak, so I will not take up much more time. I simply want to make it clear to everyone once and for all that this contract must be brought back to the UK and jobs in Lancashire must be protected. It is of the utmost importance that our soldiers have the best kit possible so that their lives are not put at risk for the sake of a few pounds and to save the face of the MOD.

Mr. Nigel Evans (Ribble Valley) (Con) *rose—*

Mr. Deputy Speaker: Order. Does the hon. Gentleman have permission to speak from the Member for Chorley (Mr. Hoyle) and the Minister?

The Minister of State, Ministry of Defence (Mr. Adam Ingram): He does not have it from me.

Mr. Evans: I have it from the hon. Member for Chorley, not the Minister.

Mr. Deputy Speaker: The hon. Gentleman needs permission from the Minister, too. I call Judy Mallaber.

3.43 pm

Judy Mallaber (Amber Valley) (Lab): As the Chair of the all-party group on clothing, textiles and footwear, let me say that the industry is hugely important.

Mr. Evans: On a point of order, Mr. Deputy Speaker. Do hon. Members have to seek permission from the Minister from now on to be able to contribute? Does that prevent them from intervening on other hon. Members?

Mr. Deputy Speaker: It has always been the case that an hon. Member needs the permission of the hon. Member who sought the debate and the Minister to make a speech, but they may intervene.

Judy Mallaber: This is a very important industry; indeed, more people work in it than in the automobile industry. However, it has been under huge pressure and strain, and the development of the new area of technical textiles and a high level of research and development are key to its future. Army uniforms are a prime example of that, because the UK is very much in the forefront of developing smart fabrics. My right hon. Friend the Secretary of State for Trade and Industry sees that as hugely important for the industry. The decision on the contract not only seems to have been carried out in a strange way, but demeans and undermines our ability to develop the new styles and techniques that will take the industry forward. That is to be deplored.

Mr. Evans: Does the hon. Lady accept that the security of supply and the quality of the product is important, just as the hon. Member for Chorley said? It is not just about protecting UK jobs; it is about protecting UK soldiers. Do we really think that there would be a debate in the French Assemblée Nationale about procuring clothes from abroad for the French armed forces? It does not sound important, but it is. It is strategically important. If the rest of Europe treat the matter differently, we should do likewise.

Judy Mallaber: I agree. Anybody who has talked to families or people who have been abroad with the Army about the nature of its equipment and the range of different places, climates and environments in which it has to operate knows just how important it is to have the right equipment and uniform and how essential it is that we keep the ability to provide that within this country. That is vital, not just for the future of the industry, but, as the hon. Gentleman says, for the safety of our soldiers.

Those were the only points that I wanted to raise, because I wanted to leave time for the Minister to respond.

3.46 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): I am grateful to my hon. Friend the hon. Member for Chorley (Mr. Hoyle) for securing the debate and for providing me with opportunity to speak on this important issue.

It is clear from the number of hon. Members who have turned up that this is an important matter and there is no doubt about the heat that it has generated. As a result of that both, the Secretary of State and I have met various interested people, including trade unions, hon. Members and representatives of some of the industries involved to hear their concerns at first hand.

Let me say from the outset that we have carried out a careful examination of the issues that have been raised and I refute the allegation that Ministers have been hoodwinked. Hon. Members have the right to say what they think about Ministers, but we have the right to say—not because we are fragile—that that charge is unwarranted and not borne out, as the intensity of effort and examination that has gone into the matter shows. Everything is second checked, looked over again and trawled over and officials are brought in and questioned intensely when such parliamentary interest is raised.

I cannot accept that we are being conned by the professional civil service. People say, "What is the motivation?" Is some other issue being raised, or is some allegation underlying all this? We are talking about professional civil servants who carry out their job to a high standard and know that all their decisions are subject to scrutiny and, when a parliamentary issue or a concern is raised, those are trawled over and examined again.

Mr. Neil Turner: We are not suggesting that there is some underhand method. It is simply that the people in the Ministry of Defence are looking for the cheapest price and our argument is that doing so, in this instance, may harm the interests of the British nation and the British Army in particular.

Mr. Ingram: I will deal with that as I go on. The word used was "hoodwinked", as if there were something else happening. I want to refute and rebut that.

The Secretary of State and I have gone through the issue and examined it in detail and we have come to the firm conclusion that there are no grounds to change the original decision to award the contract to Cooneen Watts and Stone Ltd.—CWS—which is a consortium comprising Cooneen Textiles Ltd. and Watts and Stone. I strongly reject any suggestions that that contract award will provide the armed forces with substandard uniforms and clothing. All clothing items for the armed forces are designed and procured to strict specifications, and contracts are closely monitored.

Mr. Hoyle: The issue is that if there is a tender, the sample that is provided will be the one that is used for the future. The sample used was not provided by the factory in China. The fact that that factory cannot produce what is being requested of it must put a question mark over its meeting the future needs of the British Army. There will be worries if the product cannot be developed to the same standard. We need an answer.

Mr. Ingram: I shall come to the issue of the testing regime.

Let me deal with the view that combat clothing is warlike in nature and should be similar to a rifle or any other piece of military equipment. Article 296 of the European Union treaty provides exemption for some defence procurement, usually on the basis of national security considerations. For many years, the custom and practice have been to undertake military uniform procurement on a competitive basis, without exemption, to secure the best value for money—not the cheapest price, but the best value for money. It would be inconsistent, even perverse, to change that approach when the Ministry of Defence is active in the EU consultation—the Green Paper on opening up the defence procurement market to provide more opportunities for UK small and medium-sized enterprises in Europe.

We are trying to create a better and more open climate in Europe for British industry. What is being argued is that we should close the door because of one part of the British industrial sector. One can imagine the potential impact that that could have elsewhere as we try to open up Europe so that other parts of British industry—the manufacturing base and SMEs—get the opportunity to trade in a more open market.

Mr. Watts: Although many of us believe that fair competition in Europe is good, we do not believe in the option in this case. British industry cannot compete with that subsidised company, because of the pay and conditions of the staff in China. Will the Minister address that issue and tell us how many European countries are giving their combat clothing contracts to companies outside their borders?

Mr. Ingram: I do not have that information to hand, although it can be made available. However, I make the point again: we are trying to open up the European market, not to close it down. The logic of what has been argued is that, from a British perspective, we should close that market down.

Mr. Hoyle *indicated dissent.*

Mr. Ingram: Hon. Members can shake their heads, but I am trying to explain that we are negotiating to try to create a more open market so that there are more opportunities for British industry and business in Europe. If we go for the type of approach suggested, that would be used against us. People would say, "You are now adopting opposite practices to those you have applied over the years." The approach that I have described is not new.

A number of issues have been raised, and I deal now with the procurement structure and the way in which contracts are put together. I shall come to the issue of China if time permits, but countries that appeared on the list of all the bidding companies included, in different shapes and forms, Ukraine, Bulgaria, Romania, Sri Lanka, Dubai and China. The idea that there was a sole British manufacturer seeking to place all its output in the UK sector is simply wrong. My hon. Friend the Member for Chorley accepted that, although almost as if it were a side issue. The company that he was talking about does some of its work in Romania.

All the other companies that bid were also looking at placing the work for the contract elsewhere, outside the United Kingdom. That is the reality that we face, and

there is nothing new about it. That is standard practice, not only in that procurement stream, but in high-street procurement.

Mr. Hoyle: I thank my right hon. Friend for giving way, as we have to clear up the difference. All of this cut and sew contract goes to China. We said that the majority of the cut and sew contract was done in Lancashire—that is the difference. The problem of claiming that we are going to open up the European market is that all that says is that that market should follow Britain's example and go to China.

Mr. Ingram: No, it does not. That would depend on how the countries in question decided to construct their procurement processes. I am saying that other areas of excellence in the UK find it difficult to get into that market at the moment. We are trying to negotiate an open approach. I should have thought that if this is about British industry rather than one sector of British industry, that was a high prize to pursue. It is an important element for us to take into consideration. However, that is not the motivation. The current approach is not new. It has for years been custom and practice for us to do things that way. We would have to change our approach to redefine our clothing industry.

As for the Chinese aspect, because of the way we monitor contracts the defence clothing project team recently visited the subcontractors in China as part of the contract management plan. That was at the request of the prime contractor and is part of the confidence building and communications required in a new partnership. The visit report validated the key aspects of the CWS tender. That was an intensive examination of one part of the supply chain. The team saw no cause for concern about the standards employed, and the report submitted to me stated:

> "The team is convinced that the quality of garments that will be manufactured in China for this contract will fully conform to our specification and that there is no reason to doubt the Prime Contractor's ability to meet its contractual obligations."

It continued:

> "The team confirms that CWS understand their responsibility to manage sub-contractors. Furthermore, they are obliged to monitor ethical standards, minimum ages of employees and environmental obligations."

All that was examined for the plant in question.

However, we are in a slight difficulty because the company itself is exercising its contractual rights not to disclose its supply chain. Other companies do that—for very good reasons. They do not want to open it up to their competitors. If they build a good relationship they will want to preserve it, and they have the right, within the contractual arrangements, not to disclose it and to ask us not to disclose it.

My hon. Friend the Member for Chorley and other hon. Members will be aware that there are court cases pending in this context. Some of the matters could verge on being sub judice, so I am constrained in my approach. Two hearings are to take place in January. Some of the issues will be judged in court; let us see what happens. There has been one attempt to use the judicial process, and the original application failed, but the company, exercising its legal right, decided to find other legal arguments. All that is healthy, although it certainly ties up a lot of Ministry of Defence time, but the matter will be exposed in open court, and it will be decided, in the eyes of the law of the land, whether there has been any breach of obligations.

Janet Anderson: Were Ministry of Defence staff shown any samples during the visit that the Minister mentioned?

Mr. Ingram: I am sorry; I missed that.

Janet Anderson: I was asking whether whether any samples were shown to Ministry of Defence staff during the visit.

Mr. Ingram: Two independent assessments were carried out by independent test facilities in China. Both found that the quality was matched, and that result was replicated at two test facilities in the UK. There have been four tests of the garment, which found that it was satisfactory. That is why we are satisfied about compliance in this contract.

We have two minutes left and I have been generous in giving way, so I have not covered all the issues. Some of those that have been raised are only months away from being ventilated.

Mr. Gordon Prentice (Pendle) (Lab): Will the Minister give way briefly, on that very point?

Mr. Ingram: No; I want to make a point about technology. The way the issue has been argued, it is as if we are dealing with leading-edge British technology, but we are not. The technology is 1970s technology and is widely available in the international marketplace. There is nothing new about what we are dealing with and what we are trying to do.

There are many red herrings in this debate. People make allegations and assertions. I urge my hon. Friends to return to and interrogate their sources and ask why they are raising the issues in the way they do. They should do what they ask the Minister to do: put to the test the contract and the companies that are raising the arguments.

Withdrawal of Pension Books

4 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I am grateful for the opportunity to speak about the withdrawal of pension books and some issues associated with the roll-out of direct payments. Last week, I met the parliamentary panel of the Greater London pensioners forum and its chairman, David Dombey. GLF members expressed concerns about the withdrawal of the pension book and the impact it was having on pensioners throughout London. I said that I would apply for an Adjournment debate to air their worries. This is just one of those times when a debate comes along much quicker than we expect it to, and, given the timing of the changes in respect of pension books, that is probably a good thing, too.

According to figures supplied last year by the Department for Work and Pensions, more than 350,000 pensioners in London used the pension book to collect their pension. About 5,000 such pensioners live in my constituency. This afternoon is not the first time I have sought to express worries about the new arrangements for paying pensions. I have previously asked Ministers, especially the Leader of the House, about the exception service and the implementation of the Post Office card account, both of which issues have been brought to my attention by constituents, especially the Sutton seniors forum and Age Concern Sutton.

My purpose in wanting today's debate was to clarify the Government's intentions, especially in respect of the 140,000 or so pensioners who have, to date, not responded to letters sent by the Department asking how they want their pensions to be paid in future. I believe strongly that pensioners should be able to keep receiving their pension payments via the pension book, if they wish. It should be a matter of choice for them, as individuals. However modern the direct payment system and however good it may be, the fact is that some people do not want their pensions paid that way. Their choice is being reduced, not increased.

Three options were outlined in the Department's letter to pensioners advising them of change to pension payment methods. I am sure that the Minister will be only too familiar with them, but I shall rehearse them for the record. The options are: placing pension payments into existing bank or building society accounts; opening a separate basic account with a bank or a building society for Post Office payments; and the Post Office card account itself.

Members of the Greater London pensioners forum have said that many pensioners in London have not been fully informed about the changes that have taken place and those that will take place. It has not been made at all clear to pensioners that, in effect, a fourth option is available to them—the exception service, which involves the payment of pension by cheque. Pensioners in such circumstances will be sent a cheque to their home address that they can take into their post office to cash, like a giro. To all intents and purposes, it sounds similar to the existing pension book system.

The Department's leaflet "A Guide to Direct Payments" makes no mention of the exception service. It is not presented as an option in that document. There is no reassurance for those with worries about how they will manage a Post Office card or bank account. There is nothing to explain what the alternative might be. Instead, in response to the question posed by many people, "What if I don't think I can manage an account for a direct payment?", the leaflet simply suggests that they contact the Department.

Originally, the Department stated that that fourth option would be open to pensioners only when they could not use one of the other methods. However, it has now confirmed that pensioners who do not opt for any payment method will automatically be transferred to the exception service when the system changes from next April. The literature made available to pensioners does not explain that, as a result of which many feel unnecessarily anxious that, if they do not choose an option, their pension will stop all together. That anxiety led the Greater London pensioners forum to raise the matter with hon. Members just last week. It seems that the Government are determined to get the maximum number of pensioners on to the cheapest possible system for delivering pension payments. That is causing upset and worry. I would like the Minister to say what the Government are doing to communicate more clearly that fourth option—the exception service—to pensioners.

There is also concern about the home visits that Pension Service staff make. The purpose of such visits is ostensibly to be helpful and to give advice and support over the decisions that people need to make about payment methods. However, some elderly and vulnerable pensioners find the visits distressing, no matter how courteous staff try to be. It would be helpful if the Minister could say something about the purpose of such visits and which groups are being targeted for them, in terms of age, disability and so on.

A number of problems with the new system are coming to light. For example, there are difficulties in setting up Post Office card accounts. In answer to a parliamentary question in June, the Under-Secretary of State for Work and Pensions, the hon. Member for Gravesham (Mr. Pond), said:

> "We recognise that some customers may find the process difficult, but we have made it as simple as we can. We are considering ways to make the process more customer friendly and simpler to operate."—[*Official Report*, 7 June 2004; Vol. 422, c. 19W.]

Amen to that.

Someone who wants to open a Post Office card account has to take the following steps. First, they have to receive a letter from the Government telling them about the changes and informing them of the three options. Secondly, the person calls the Government's helpline. Thirdly, they receive a welcome pack from the Department with a personal invitation document. Fourthly, they have to take the personal invitation document to a post office, which will send the application back to the Department. Then another welcome pack is sent with the account and personal identification number. Finally—the sixth stage—the person has to fill in the original form and return it to the Post Office. There seems to be a bias towards take-up of direct payments into bank and building society accounts. Indeed, Postwatch has said that the

> "application process requires the customer to retain and assimilate documents they receive at different stages in the process. Duration between receiving these different documents is often quite long. It can be confusing and is potentially off putting."

[Mr. Paul Burstow]

The message that the process seems to be sending is that the Post Office card account is not the best kind of account.

Postwatch makes it clear that postmasters are being encouraged by the payments system to push ordinary bank accounts instead of Post Office accounts, which is quite striking. Under the terms of the card account sub-postmasters receive 14p per £100 withdrawn. That means that £3,214 will have to be transacted in one hour to generate just £4.50, to cover the cost of the counter clerk, minimum wage and such overheads as national insurance and sickness absence.

By contrast, sub-postmasters receive 12.5p per transaction from the independent banks that are members of the scheme, regardless of the amount being transacted. Therefore, to earn £4.50, only 36 transactions, of any amount, are required each hour. The chairman of Postwatch, Peter Carr, put the matter this way:

"These margins are dangerously thin but given the choice the sub postmaster would elect to dispense cash to bank customers rather than Post Office Card Account customers."

In other words, it is against the interests of postmasters to encourage a transaction that will make them worse off, so they are likely to discourage such a system too.

There are also concerns about accessibility to the new arrangements. Currently, a pensioner can allow anyone to collect their pension on their behalf. Under the new system, a pensioner can nominate a person to collect their pension on their behalf. That person will be sent a card and PIN for the purpose. However, there is no provision for a pensioner who falls ill, as we all do from time to time, to ask someone to pick up their pension if they have not already made those nomination arrangements. Similarly, pensioners who rely on a number of different carers to pick up their pension, as is all too often the case, will not be allowed to carry on doing so.

Part of the answer to such concerns is the exceptions service—it could also be described as the cheque system—which is intended to enable people to cope with such circumstances. However, what happens if the cheque that is paid through that service is lost in the post or severely delayed, perhaps on a bank holiday or over the Christmas period? Indeed, the Post Office seems to be struggling a bit now in that regard.

In answer to a parliamentary question, the Minister for Pensions said:

"Procedures are in place to ensure that, where a cheque is late or goes missing, the customer receives a replacement payment as soon as can be arranged. The action to be taken will depend on the individual customer's needs and circumstances and might involve a home visit if that is the most appropriate solution. Our aim is to ensure as far as possible that a customer does not suffer hardship."

However, he concluded:

"The arrangements are under review."—[*Official Report*, 17 November 2004; Vol. 426, c. 1662W.]

It is unclear what is being reviewed, or what the time scale is of that review. It would be useful if the Minister could shed some light on the nature of that review and when it will be concluded; that would certainly help members of the Greater London pensioners forum.

If pensioners receive a cheque through the post, they should be able to cash it at a post office, but that will surely require some ID, such as a driving licence or passport, and most pensioners who are unable to manage an account are unlikely to have those documents. That point has been put to me by pensioners' groups.

I understand that the current cost of the weekly payment by order book is about £1.10. According to a written answer in November by the Under-Secretary of State for Work and Pensions, the hon. Member for Gravesham, the average cost of the cheque will be £1.35 after next March. The cheque system is more expensive than the current order book system. Those who cannot manage an account will be paid by the cheque system, but that is more expensive than the current book system. Why is it not possible to retain a pension book for those purposes?

The withdrawal of the pension book has contributed to a significant reduction in the number of post offices, especially as, in the past, a large chunk of their business relied on the payment of benefits and pensions. That has had an impact in my constituency, where the Post Office recently proposed the closure of six post offices as part of its area plan. It has already closed, or proposed to close, three of them—those at Angel hill, Church Hill road, and Oldfields road. They are still consulting about three more—those at Belmont, Cheam and Stonecot; they are in limbo because of these difficulties.

It is hard for many of my constituents to take the Department's latest leaflet seriously when it reassures them that they will be able to collect their pension at their post office: first, because those post offices will probably not be there, as so many of them are closing; and secondly, because they can only do so if their bank has an arrangement with their post office.

I want to end with a few questions and points for the Minister. The cost of the cheque is £1.35 compared with £1.10 per payment for the pension book; even at this late stage, therefore, the Government should reconsider their plans to scrap the pension book and allow existing pensioners to carry on with it. They have come to know and love it, and it gives them a sense of security. The information the Department provides for pensioners about payment methods must spell out all the options, including the exception service. Why is that being omitted from the details that pensioners get to see, unless they start ringing up and asking questions? It should be made clear which banks and building societies will allow pensioners to get their money at a local post office. That should be part of what people consider in their decision making. If they are enticed into having a direct payment into a bank account, they should know whether that bank has an arrangement so that they can take the money out at a post office, if one is still open.

The lengthy and complicated application process for the Post Office card account needs to be simplified. Can the Minister say a bit more about where the Department has got to in simplifying the process? There also needs to be more information and safeguards, so that pensioners who use a Post Office card account and forget their PIN can still access their pension money. What is being done to address that gap in this system's armoury? There must also be flexibility in the system to allow pensioners with a Post Office card account to authorise someone

they trust to collect their money, not just a previously nominated person; otherwise, how does the pensioner who falls unexpectedly ill get his or her pension?

For many, the pension book is the right way of collecting their pension. It gives them a sense of control over their money and lives. It gives them the peace of mind that they want. That peace of mind is priceless, yet the Government seem only too willing to take it away. Pensioners want to keep their pension books. They feel that they are being asked to pay a heavy price for the changes that are now going forward. It is those concerns, expressed by many pensioners in my constituency and across London, that led me to seek this debate. I look forward to the Minister's response.

4.15 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. Chris Pond): I congratulate the hon. Member for Sutton and Cheam (Mr. Burstow) on securing this debate. He raised a number of issues and asked a number of questions about the withdrawal of the pension book. Given that our time may be more limited than usual, I may not be able to address them all, but I will write to him about those matters that I cannot cover today.

The move to direct payment, part of which is the withdrawal of order books, will increase customer choice; it will help to address the financial exclusion that blights the lives of so many of our constituents by giving them access to the financial services that the rest of us take for granted. That last point is particularly important, but it is often forgotten.

Over the last year, I have met a number of the interest groups that represent our customers. Help the Aged, Age Concern, Mind, Citizens Advice and the Royal National Institute of the Blind have all helped us to put together a way to progress with the move to direct payment, and all welcomed our attempts to bring more people into the financial mainstream. Indeed, Citizens Advice last year published a booklet called "Beyond Bank Accounts: Full financial inclusion". The foreword to that booklet stated:

> "The government, the banking industry and the Post Office should be commended for the progress they have made in establishing Universal Banking Services. The ambition to enable all people to own the most basic of financial services—a bank account—is one we share."

Last week, the Chancellor reiterated his commitment to halving the number of people without a bank account, who are therefore trapped in financial exclusion. The move to direct payment is an important part of that process.

I came into politics to combat poverty and social exclusion, so I must admit to an element of frustration when I hear people seeking to criticise our attempts to extend financial inclusion to all citizens. There is an element of nostalgia for the drab days of order books and giros, but that is far removed from the reality that has left 3.5 million people excluded.

There is one aspect of the withdrawal of pension books about which I am particularly concerned—the withdrawal of pension books from pensioners by the thugs and thieves who steal an average of 100 books a week. We are not talking about the old days when each order for the basic pension was worth £67. Nowadays, each order book can be worth at least £2,000. That is a tempting prize for the criminal. That is why so many pensioners realise that direct payment into a bank account is a much safer and more flexible way of receiving their funding.

More than three people in every four now have their benefits and pensions paid into an account, and the figure in the hon. Gentleman's constituency is up to 80 per cent. higher than the national average. Overall, it is what customers want. A total of 18 million people now have payments made into their accounts. Independent research commissioned by the Department for Work and Pensions shows that 93 per cent. of people who have changed to direct payment are happy to receive their payments in that way; and less than 1 per cent. of customers say that they want to abolish direct payment and go back to the order book.

Once people have made the change, they realise how much more convenient and safe it is to receive their money in that way. If it is the policy of the hon. Gentleman's party to return to order books—if that is what he is telling the House—he should tell us where the party will find the £400 million needed to do so.

Mr. Burstow: The Minister did not, I fear, listen to my reasons for making this speech, in the sense that I seek to address the specific concerns raised with me by pensioner groups. I am not here to make a partisan political speech about whether my party is in favour of retaining the pension book to the exclusion of all else. Of course, that is not the party's position anyway. I hope that the Minister can respond to my concerns about the 140,000 people who have not yet responded to the call to change the method of payment.

Mr. Pond: I certainly will address those points, but I think that it is helpful to have it on the record exactly what the party's policy is. When we hear representations in the House about the wickedness of moving away from order books we will bear it in mind that there is no plan to return to them. I hope that the hon. Gentleman will tell the pensions organisations in his constituency that that is his policy.

It is important to remember that many current and basic bank accounts can be used at post offices. I know that the hon. Gentleman has had concerns about post office closures in his constituency. He asked about the information available. That is contained in leaflets produced by my Department, which list clearly the bank accounts that can be used at post offices. The fact is that more than 100 million banking transactions have been made in post offices since April 2003. That has to be the future of the post office network, into which we are investing £2 billion. We understand just how important that network is to local communities.

The hon. Gentleman made the point that the Post Office card account is, in his view, difficult to open. I would ask him to talk to the 4.2 million people who have already gone through the process and opened a Post Office card account, 80 per cent. of whom say that opening a POCA is an easy process. For some people, it will not be a simple process. We have to address that to ensure that those people can get access to their money and can get it paid in a way that is appropriate for them.

Most people recognise that order books, which came in with ration books, are an outdated means of providing people with their benefits or pensions. The

[Mr. Pond]

world has changed considerably, and if people have their benefits and pensions paid into an account they can access some of the advantages of financial inclusion that the rest of us take for granted, such as discounts on their fuel bills and the convenience of being able to access their money through a cash point or over a counter at a supermarket as cashback, as well as at a post office and at a bank.

We have emphasised all along that we want people to continue to collect their benefit and pension at the post office. I hope that the hon. Gentleman will join us in a campaign to make sure that people understand that they can continue to do that. We believe that it is important that people understand that the move to direct payment does not involve a move away from the use of the post office if that is what they wish, although they have the choice and convenience of the other options.

The hon. Gentleman raised some important questions about the cheque payment system, which he described as a fourth option. It is not a fourth option. It is not the best option for most people; it is perhaps the only option for some. We have worked hard with organisations representing the groups that I have mentioned—the elderly and people with disabilities, for instance—such as the RNIB and Mind, to ensure that we can devise a system that gives people flexibility and ensures that they receive their money. Customers do not need to apply for the cheque method of payment; we will make sure that if people have not given us bank account details by the time the order books are finally phased out, they will be paid by cheque.

We will make sure that, having called and written first to let people know that we are coming and respecting their wish if they do not want us to visit, we will provide home visits for those customers who need face-to-face help with the process of accessing their money through cheque payments or by another mechanism.

The hon. Gentleman raised the question of what would happen if the cheque were lost in the post or did not arrive. The cheque method of payment is well established; we have used cheques to pay benefits for many years, going back to 1968. We have well tried and trusted contingency arrangements to make sure that people will get their money. I hope that he will report back to his constituents and those pensioner organisations with the reassurance that under no circumstances will people be left without their money. We will make sure that people get access.

The cost of the cheque system, I have to say, is quite considerable. If 2 million people are paid in that way initially, we estimate that the cost will be about £1.35 for each cheque. Frankly, I would prefer that money to go into the pockets and purses of the pensioners rather than into the cost of administering a cheque-based system, but that is the extent to which we are prepared to go to ensure that people who cannot operate an account can access their money in a different way.

Nine out of 10 people have said that changing to the modern accounts has made a real difference to their life. It has given them extra convenience, extra control over their money, and extra security against the thieves whom I mentioned, who so often create the tragedy of withdrawing pension books from pensioners on the street. We recognise that changing a long-standing system such as this one is bound to create anxieties, but our recent research shows that people find the new accounts easy to operate and are satisfied with the way in which the system is working.

In conclusion, we are making sensible changes.

Mr. Burstow: May I repeat one question that I asked the Under-Secretary but which he has not yet had a chance to address? How will people with a Post Office card account who fall ill unexpectedly, as we all do occasionally, but who have not made arrangements for someone else to collect the money, be able to collect their pensions in those circumstances?

Mr. Pond: People in those circumstances have two choices. A normal bank account may be more appropriate, as it is more flexible and other people can access their account on their behalf. If that is not possible, however, they should contact the office that usually makes their payments, and we will ensure that alternative arrangements are made. Someone else can collect their pension or benefit for them, or we can find another mechanism, perhaps through a home visit, to ensure that they get their money.

So we are changing the way in which payments are made, and are doing so through consultation with the organisations representing the most vulnerable of our customers as well as the others. However, I return to the point that I made at the beginning: although this is a change to a long-established system and we understand the anxiety that that creates, we do need to make this change if we really are serious about combating the financial exclusion that blights the lives of so many of our constituents. We will help people through the process of change, and we will do everything that we can to explain why we are making the change and how people can accommodate it.

I thank the hon. Gentleman for raising the issue in the Chamber this afternoon, as it gives me an opportunity to respond in part to his questions. Given the limited time that we have available, I suggest that I write to him with detailed answers to his other questions.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes past Four o'clock.

Westminster Hall

Thursday 9 December 2004

[SIR NICHOLAS WINTERTON *in the Chair*]

Long-term Savings

[Relevant documents: Fifth and Eighth Reports from the Treasury Committee and published Memoranda, Session 2003–04, HC 71, HC 275 and HC 394, and the Government's responses thereto, Fifth and Eighth Special Reports, Session 2003–04, HC 655 and HC 1119.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Derek Twigg.]*

Mr. Deputy Speaker (Sir Nicholas Winterton): I call the respected Chairman of the Treasury Committee.

2.30 pm

Mr. John McFall (Dumbarton) (Lab/Co-op): Thank you, Mr. Deputy Speaker, for that introduction. It is a pleasure for me to introduce this debate on restoring confidence in long-term savings. The inquiry was a lengthy and detailed one. The Treasury Committee began it in November 2003, and we published our report and evidence in June 2004. We had 13 separate evidence sessions with 47 written submissions that we printed, and a further 23 that were not printed.

In the words of many who have read the report it is the most detailed analysis undertaken of the industry. We made a critical analysis of the industry, and it was important that we did so to determine problems and point the way for the future. The responses to the report that we received from the Government, the Financial Services Authority and the industry have been positive.

However, there is still work in progress in connection with the report. First, the industry promised the Committee that it would think about matters such as printing summary boxes on material and considering risk indicators. Industry representatives said that they would respond to us. I shall shortly write asking them to present their submissions to us by the end of January, so that we can assess what progress they have made. Some companies have been in close contact with Treasury Committee staff, and I know that they are getting down to the task, which is welcome news.

The second aspect of work in progress is the establishment of an industry forum. That was one of the key recommendations of our report. Since it was issued, I have had extensive discussions with the industry, the FSA and the Government and have received responses to the initiative. I am glad to say that the main responses were received today. I shall study them and work with the industry and the consumer for the establishment of the body.

The forum will be a forward-looking body and it will not duplicate any of the work that is done elsewhere by the Government, the FSA and others, but it will examine issues that have been raised to bring about alertness in the industry about the types of products that it sells and the way in which it goes about its business. As a result of verbal submissions made to me, I have agreed to chair the first two or three meetings. I shall then look for an independent chairperson to take over that role and set the forum on its way. In that way, the Committee will demonstrate the positive nature of its engagement in the issue.

Several of the points that we raised in our report concerned confidence in long-term savings; the need to improve product information, which was opaque, largely speaking; and the need to align the interests of savers and the industry. My colleagues will focus on areas such as improving distribution channels, with-profit products, Sandler products, the need for simplified products, tax and benefits and financial capability. Financial capability is abysmally low in this country, and there is an urgent need for the FSA and the Government to do something about it.

The financial services industry has been subject to a lot of interest recently. Broadly, we have seen the Myners report, the Sandler report, the Turner report, the "Tomorrow's Company" report on restoring confidence in the investment industry and the Committee's report. As well as those broad inquiries, there has been a string of investigations on narrower aspects of the industry, such as the Penrose report on the Equitable Life inquiry—Lord Penrose appeared as a witness on the issue—and the Morris review of the actuarial profession.

Any industry receiving such attention must be doing either very well or very badly. Sadly, the latter has been the case. The Committee found that the consumer, rightly or wrongly, no longer trusts the financial services industry. Ron Sandler memorably told us that the industry had now arrived at the point where the average man or woman in the street trusts his or her local supermarket much more than they do many of our largest financial institutions. The National Consumer Council told us that in a poll that it had conducted, 52 per cent. of people indicated that they just did not trust the pension industry any more. A string of other independent witnesses offered us similar views. It seems that the mis-selling scandals over the years have taken their toll on consumer trust in the industry.

The important point that the Committee must get out loud and clear is that we must put the situation right. A healthy financial services industry is essential to the future prosperity of the country. The industry is a major employer and provider of capital to British companies, and it is the major repository of the savings of almost every family in the country. It is worth almost £2 trillion, so policy makers simply cannot ignore it. We all have a duty to get together to restore the industry's health. My second point is we must have an agenda for action, as I have clearly illustrated with several points to which I may return.

So what needs doing? One problem is that major parts of the financial services industry have abandoned everyday Britain. Saving was described during our evidence sessions as a middle-class pastime. We tried to understand why those on lower incomes were not saving. The industry is not providing products for such customers, because it feels that doing so is not worth its while commercially. It is important, however, that the savings habit should be re-established. The need to connect with lower-paid individuals is crucial. The

[Mr. John McFall]

Government have gone some way along that road, with the introduction of stakeholder pensions, and they are now introducing a range of other stakeholder saving products, but the simplification of the products and the need to enlarge the market are extremely important.

The confidence issue is crucial, because of the danger of contagion, which hurts good and bad alike in the industry, as we found out in a past inquiry on split capital investment trusts. Such trusts are but a small part of the investment trust industry, but the whole industry was tarnished by apparent wrongdoing. The good need to work to ensure that we progressively eliminate the bad, so that the whole industry's reputation is restored.

That is why the Committee made some solid recommendations to try to cut the risk of further mis-selling scandals and to restore consumer confidence in the long-term savings industry. We thought that one of the best ways of avoiding mis-selling would be to ensure that clients have enough information presented in a simple enough way to judge for themselves whether a product is suitable. Too many savings products are sold today with key points of information hidden in small type. That is why we want a summary box, so that the consumer can understand. In our inquiry into credit cards, which in some ways continues, we challenged the banks and credit card companies to develop such summary boxes. I am glad to say that they responded to the challenge, and every credit card provider will provide a summary box on its products from March this year. Indeed, many products have summary boxes already.

Another of our conclusions is that the common theme of many recent scandals in the savings industry, such as endowment mortgages, precipice bonds and splits, was that relatively high-risk products were sold to people as relatively low-risk products. Such mis-selling would be severely cut, if not made impossible, if a simple, standardised indicator of risk had to be put in the summary box for every product. If that approach forces the industry to think long and hard about how risky some of the products that it sells really are, so much the better for the consumer, as well as for the industry in the long term. Summary boxes and simple risk measures can, I hope, appear quite quickly. What may take longer—

Mr. Andrew Love (Edmonton) (Lab/Co-op): I think that there is common consent that with-profits products are complex. Taking on board what my right hon. Friend said about financial capability, can he see a way in which we can educate consumers sufficiently to understand such products?

Mr. McFall: It is crucial to educate consumers, but we must first educate the industry. When Lord Penrose appeared before the Committee, he memorably asked whether with-profits products can survive without mystery. With such products, people do not know how their investments are doing. If, at some stage, someone finds that they do not like their investment, they ask for it to be cancelled, whereupon the industry imposes on the product a market value adjuster of perhaps 10, 15 or 20 per cent. In what other industry can one sell consumers products based on equities and then, without their knowledge or permission, have them transferred to bonds? There is a long way to go in the industry to get that right.

Overall, it is crucial that consumers are educated on finance. Many people approached me about mis-selling in relation to the Equitable Life debacle. Largely speaking, they were middle-class people such as lawyers, accountants and doctors, who put their money into Equitable Life thinking that something would materialise 25 or 30 years down the line. Like most of us, they did not ask many questions, but they were severely disillusioned at the end of the day. So financial education is not just for one sector of the population, but for the whole population, and it is crucial that it is provided in the long term. There are no easy fixes, and it is important that we realise that. We must be patient when considering this issue.

Mr. David Drew (Stroud) (Lab/Co-op): I am sorry to disrupt the flow of my right hon. Friend's speech, but does he agree—my friend Marie Jennings, who has done more to persuade me of this view than anyone, has always made this comment—that the fault lies with the people who give the explanations, and not with those to whom the explanations are given? These systems could be understood if people made the effort, but they are too often over-complicated. It should be the basis of any of the packages that it is the seller's fault if the buyer does not understand them. Does my right hon. Friend agree?

Mr. McFall: The Committee spent quite a bit of time considering that issue. Product complexity and opaqueness lie at the heart of many of the problems associated with the industry. Simplified products and plain English are important. One response that I received about the industry forum—I think it was from the Association of Private Client Investment Managers and Stockbrokers—said that plain English is essential. One thing that the forum should look at is how products can be explained in plain English, but we have a long way to go on that. I agree with my hon. Friend 100 per cent. on that issue.

Essentially, the Committee questioned customs and business models that have been around in the industry for decades, if not centuries. We feel that the industry does the same thing year after year, decade after decade, and that there is little innovation or entrepreneurship in its approach. That needs to change, as there is little doubt that it has fallen well behind the best standards of customer care and focus that have been developed in other service industries. The savings industry often fails to meet the basic standards of behaviour that consumers have come to expect. We cannot allow the financial services industry to become a museum piece in that respect.

I agree that the Committee is asking the industry to maintain some very high standards, but if it fails to meet them, customers will vote with their feet and put their money elsewhere. One debate about savings says that the level of savings is too low. I do not agree. Some people have examined the savings industry and said, "Wait a minute, I don't want to put my money there; I'll put it in housing." As a result, a lot of money has gone into housing and has been distributed. Like others, I want the situation to be rebalanced, but to achieve that, we must get the industry on its feet.

I say to the Minister that there has been a positive response from the industry. Those who are alert to the problems realise that they must adjust and change, which is why they are coming together, along with me, in the industry forum. We still have a long way to go to flesh out what the forum will do, but it is worth while for me to put some aspects on the record today. I consider that the forum should identify the foundations in which trust is built and sustained, such as transparency, accountability, fair dealing and value for money.

We should recognise that ethos flows from ethics, and we should reach an agreement that long-term savings products require a basis of institutional trust. In addition, we must accept that the product and distribution industries are in an environment in which competition flourishes and individuals are entitled to earn a reasonable return on risk capital. I am delighted that the forum has received a positive endorsement from the Government and the FSA. The Minister's letter outlined the Treasury's commitment to the future of the forum. If we can put the arrangement in order over the next few months, we can start at an institutional, societal and political level in focusing on what the industry must do.

The basic message is that the industry needs to come into communion with the consumers. When it does that, it can be successful. Some industries in the retail sector, such as Tesco, Vodafone and others, have the consumer at the heart of their concerns. I look forward to working with the industry and the Government on such matters, and I recommend the report to this forum.

Mr. Deputy Speaker: May I help the House? I intend to call all Back Benchers who wish to speak. I shall then call the Front Benchers for the Liberal Democrat party and Her Majesty's Opposition, and then, of course, the Treasury Minister.

2.48 pm

Mr. James Plaskitt (Warwick and Leamington) (Lab): I am pleased that the House has taken time to debate this important report. I am also pleased to follow my right hon. Friend the Member for Dumbarton (Mr. McFall), who chairs our Committee, and to hear that he intends to chair the first few sessions of the forum that we are recommending. If he does so with the same professionalism as he chairs our Committee, the forum will succeed.

When the forum gets under way, perhaps it should begin by establishing what the savings problem is. If we are clear about that from the outset, the forum will be more successful. It has recently been suggested in the House in debates on the pre-Budget report and other occasions that there may be a problem with the savings ratio in general. It is worth looking at that, because I do not consider it to be the problem. Nothing unusual is going on with the savings ratio from an historical perspective. If we study the savings ratio in recent history, we find that it tends to track the cycle of growth in the economy fairly closely. It closely tracks the housing market, too.

If we consider the points at which the savings ratio stood at a very high level, 1980–81 stands out as an example—it was at 12 per cent. However, most of us can recall that the economy was in recession then. It was not surprising that people put a large amount by in savings if they did not believe that their job was secure. That was a rational way in which to react in the circumstances.

The next time the savings ratio climbed to anything like the same level was in 1991–92, when it rose to 11 per cent. Again, the economy was in recession at that time. Therefore, there was exactly the same reaction.

On the other hand, the savings ratio has been low at times of rapid growth. It was quite low in 1988; it fell to just 4.9 per cent. That was a period of rapid economic growth. People were feeling very confident. Consumer confidence was high, unemployment was falling, and there was a greater tendency to spend disposable income and to save less.

That puts the current savings ratio in its appropriate context. It now stands at about 6 per cent. and it has averaged 5.6 per cent. over the past few years. That coincides with a period of sustained economic growth, rapid falls in unemployment and high consumer confidence. Therefore, the current savings ratio is entirely consistent with the cycle over the past 20 years or so.

That is even more the case when the savings ratio is tracked against housing, which recent history shows is possibly the greatest determinant. From 1987 to 1989, the savings ratio was down at 5 per cent. or 6 per cent. At that time, the house price inflation index showed annual house price inflation at 20 per cent. The next time in the cycle that the saving ratio was that low, house price inflation was again at 20 per cent.

The house price index is slowing sharply from its highs of last year and, unsurprisingly, the quarterly figures show that the savings ratio is beginning to climb again. Exactly the same relationship that there has been time and again over the past few decades looks like repeating itself.

If house price inflation calms down, we should expect the savings ratio to continue to recover. I doubt that it will return to double digits or anything like that, because we remain in a period of low inflation and low unemployment. Confidence will stay high, and savings will come off the bottom, but they will not soar.

It is worth establishing at the outset that the savings ratio is not in itself a reliable statement on the savings regime, nor does it provide a definition of whether there is a savings crisis. The savings ratio is a consequential measure of lots of other things that are happening in the economy.

What is the savings issue, if it is not about the savings ratio itself? It is worth looking at the overall balances in households' wealth. Much has recently been made of the fact that, overall, household indebtedness has broken through the £1 trillion mark. Some people have sought to use that as an occasion to ring an alarm bell and to suggest that household debt has soared out of control. Too much is made of that. It is not a remarkable statistic in itself. The fact that the figure has gone through that level reflects 10 years of growth in the economy with very low unemployment and high household incomes.

Much of that £1 trillion debt is secured debt. There would be more cause for concern if a large proportion of it were unsecured debt. The key thing is to balance overall indebtedness against overall household assets. The recently published Turner report on pensions gives

[Mr. James Plaskitt]

an interesting and useful breakdown of the figures. It reminds us that net non-pension financial assets in UK households stand at £1.2 trillion, that net private pension assets are at £1.8 trillion, that state pension rights are at £1.1 trillion, and that net housing wealth—I emphasise that that is net housing wealth, which leaves aside mortgage liability—stands at £2.3 trillion.

The overall balance sheet shows total household wealth at over £6 trillion, and that needs to be set against household indebtedness of £1 trillion. It is worth emphasising that, at £6 trillion, total household balances exceed six times over the size of the UK economy in terms of annual GDP. There is not a savings crisis in the sense of an imbalance between savings and assets.

The issue, which came out strongly in the course of our investigations, is more to do with distribution within the net assets in the economy, not the totality of those assets. It is clear that not enough of the total assets or the total savings are going into long-term savings instruments—into pensions, in particular. That becomes the definition of the problem, and if that remains clear as the forum gets under way, its task will be much easier.

It is difficult to know the exact size of the savings gap. There are lots of numerical estimates, but it is difficult to come up with a robust definition of what the amount should be. However, there is useful information on the nature of the gap in the Pensions Commission report, which reminds us that 11 million people are not making contributions to private pension schemes. That includes just under 2 million self-employed people. The Turner report also suggests that 3 million people are "seriously"—that is its word—under-saving.

We must ask why that is the case for long-term savings. The survey evidence is interesting. Most surveys that I have studied point to two major factors as being responsible for the lack of confidence in long-term saving. The first, which features heavily, is recent stock market performance. Four or five years of a sagging stock market has undermined confidence in investment instruments that rely on equities, and that is not a surprise.

The second factor, which goes to the heart of our report, is that people have a lack of confidence in the savings industry and its products. Some 52 per cent. of people responded that they did not trust the pensions industry. If more than half the adult population says that it simply has no trust, it is no surprise that, when households choose where to put what they save, pensions are not high on the list. Instead, there is a reliance on housing or other instruments. There is a fear that money and investments are not going to be safe with the pensions industry. That is the view not only of savers. Prudential gave evidence to the Committee and confirmed what many savers tell us. It referred to

"the damaged reputation of the savings industry".

If one of the large companies is prepared to say that, it is hardly surprising that consumers have lost confidence.

The challenge before us is to restore confidence, and everyone has a part to play in that. The Government could do something to help to restore confidence in long-term savings. If we maintain economic stability, that will help. Doing more to simplify the tax regimes, especially those that relate to pensions saving—and the Government are doing that—will help. If we move towards more flexible concepts and definitions of retirement, that will help. All that work is in progress and will contribute.

Regulators also have something to contribute. There must be a robust and fair system of regulation, which people can believe in and trust to do the job—one that will not allow some of the excesses that we have seen in the past. If consumers believed in such regulation and knew that it was there, that would help to restore their confidence. The industry—the third party—must clearly do something to help to restore confidence. It needs to conduct itself with greater transparency, it must deliver more product simplicity and improve its way of dealing with customers.

Everyone on that list—the Government, the regulator and the industry—can contribute to improving consumer education and financial awareness, which is an issue that I want to come to later.

Mr. Drew: The all-party group on building societies and financial mutuals has produced its report on building societies. One of the things that those of us who believe in mutuality and co-operation have been sore about in recent years, notwithstanding the Equitable Life debacle, is the way in which de-mutualisation has been seen as the salvation of a number of companies. That is palpably untrue. We have our own skeletons to expose in terms of accountability, but mutuality has a place in the financial market—if nothing else, because people trust it. Will my hon. Friend comment on that?

Mr. Plaskitt: I entirely agree. In fact, I would go further and say that as we see some new approaches to saving emerging, especially for those from lower-income groups, or those who have suffered financial exclusion, there is every possibility of seeing more in the way of mutuality replacing some of the vehicles that have de-mutualised. It seems that mutual savings devices come into being, start small and, as they grow bigger, there is a temptation to move out of that market. I hope that in the coming years we will see a replacement of some of the smaller, more localised and accessible vehicles. I think that many more of them will be on a mutual basis and this time I hope that they can sustain themselves.

A key element in restoring long-term confidence in savings will be dealing with the problem of risk assessment. We said in our report:

"The need for the industry to pay greater attention to assessing and clearly communicating the risk inherent in any saving product has been demonstrated by the problems encountered in a string of products in recent years."

I think that our phraseology was quite mild. If we were referring to problems such as Equitable Life, precipice bonds, splits or endowment mortgages, we could have used tougher language. I suspect that, if the right sort of risk assessment had been in place, it is possible that some—possibly even all—of those problems could have been avoided. The FSA told us that:

"there have been too many instances where the industry did not live up to its responsibilities to explain investment risk clearly to its customers at the outset."

For the main regulator to tell us that makes a forceful point.

It is fair to conclude, on the evidence given to us, that the industry has damaged itself by its conduct. I think that the regulator is backing up that point, which is why I am puzzled as to why the industry seems strangely reluctant to embrace innovative solutions to the problem of risk assessment. That problem is soluble. I am convinced that the industry could make much more progress in that sector. It needs greater transparency and needs risk indicators to be attached to the products. It should not be difficult to get to that point, or to get the language clear.

We took evidence from the actuarial profession, which has recently published a report on consumer understanding of risk. I am pleased that it endorsed the point that we are making:

"In providing financial advice, the discourse should be in everyday language and require the customer to have no understanding of the underlying financial markets".

However, it spoils it by saying,

"or the rational choice models,"

which fails to meet its first objective of putting things in everyday language. But never mind, its heart is in the right place and it is moving in the right direction.

It should not be difficult to get clear language on products. However diverse, sophisticated and complex they are, it should be and is possible for them to be explained in straightforward language. At the moment that is done through the key features document, which fails to deliver. That is why we are looking to the industry to develop concepts along the lines of the summary box, which was helpfully introduced in relation to credit cards and other credit products.

Product risk classification is also needed. Again, I am puzzled by the industry's reluctance to embrace that idea. It seems hesitant about going down that road. The interim reports that I have seen from the Association of British Insurers and the British Bankers' Association responding to our report, and statements that they have issued in the full knowledge that this debate was taking place today, are still not giving anything on trying to devise proper product risk classification. That will be a critical part of the solution if we are to restore long-term confidence in the products.

I cannot see the problem in making it clear in any promotional material on any product what the product is appropriate for. It should be possible to see quite easily whether a product is appropriate for short-term saving, medium-term saving or long-term saving. Those are three simple types of saving, but sometimes we find people choosing the wrong product in terms of what they expect to get from it. It should be straightforward to put that information on all promotional and introductory material for any savings product.

However, I think that we can go further. It should be possible to devise a fairly simple risk indicator. I have sometimes heard it suggested that a traffic light system will do, where the products are simply colour coded. I think that that is too simplistic and the market is much more complex than that. Having said that, it is still possible to have a fairly straightforward risk indicator system and one example would involve four essential groups.

The first question would be whether the savings instrument was appropriate for the cautious consumer. Is the investment a cautious one? It is if the capital is absolutely safe; if someone will get a steady and predictable return and limited fluctuations. That is a type of product that the cautious investment consumer should go for.

The second category could involve a more balanced investment, where the advice would be that it should not be someone's only investment vehicle. They should not put all their eggs into that basket, but it could be one investment. The returns might exceed the average but they could go below it. There will be higher fluctuations, but the person's capital sum is protected.

The third category would be for the adventurous investor. Again, it should not be a person's only investment vehicle. The returns will be volatile and their capital is not completely guaranteed. The fourth and final category would basically be for the speculator, of whom there are plenty. It should not be someone's only savings vehicle. They could make a bomb on it, but they could lose their shirt.

It is possible to put pretty much every offer that is available into one of those categories. That would greatly assist consumers in knowing which savings vehicle is appropriate for their needs and would greatly minimise the risk of people finding their money invested in the wrong product, or the risk of not having had a proper explanation about what the product was when they took it on.

The final major area where we urgently need to see progress is consumer education. That gap must be plugged. The FSA—the regulator—told us in evidence that consumer understanding in that area is "worryingly low". The Treasury Committee endorsed that, on the evidence that it took. Product simplification would, of course, help.

The view that we heard from the actuarial profession on that should be condemned at the outset. It told us in evidence that expenditure on consumer education would be wasted money and that it would be ineffective. It could not be more wrong. It went on to say that:

"a 'good' presentation will override good education every time."

First, that is nonsense, if one reflects upon it for any length of time. Secondly, it highlights the problem. For far too long, what we have had from the industry is slick presentation without sufficient consumer education to combat it. That is the blend that we have to obtain in order to solve the problem. Both areas need to be corrected. We need better standards in the industry, so that its presentations are genuine, factual and transparent, and greater consumer education, so that people can understand what is being offered.

Consumer education is, and has to be, in the industry's interest, because informed and confident consumers are far more likely to buy its products than those who lack confidence or lack information. As we saw in the distribution of savings that I mentioned earlier, if there is a tendency to push more money into housing because there is a lack of confidence in the industry, that is one way of solving the problem. If public confidence is built into that aspect of the savings industry, more products will go into it. There is no shortage of money to be saved, as I showed in my introduction. The thing is to get it into the right places.

[Mr. Plaskitt]

The Pensions Commission report hit the nail on the head:

> "A purely free market for private provision may be severely inefficient given the inherent imbalance of knowledge between customers and providers".

That statement is universally applicable, and reinforces the recommendation that I would make to the forum that will now begin its work.

It is worth pointing out that the industry spends at best only £10 million a year on supporting financial and consumer education, but £1.4 billion on advertising and promoting its products. That is a serious imbalance. If the industry really wants to contribute to rebuilding consumer confidence, we can start to take it seriously if it shifts only a small proportion of the money that it spends on advertising and promoting its products to supporting consumer education.

Neither the Government nor the FSA have the resources to fix the consumer education deficit. The National Association of Citizens Advice Bureaux certainly does not have the resources, but the industry does, and it must contribute. It would be a win-win situation for the industry if it did contribute a few of its resources to rebuild consumer confidence, as greater consumer confidence means more purchases of its products. It would simply be a sensible investment for it to make.

As I said, the industry can be taken seriously in its professed commitment to helping to restore confidence only when it starts to make substantial contributions to consumer education and financial literacy. There are huge opportunities for it to do so. Products can be delivered to people's homes and to the workplace, and information can be attached to existing products that are expanding and will expand further on the back of the introduction of the child trust fund this spring.

The industry collectively has made the greatest single contribution to the loss of confidence, so it behoves it collectively to make the greatest contribution to restoring it. If it joins in the work of the forum that my right hon. Friend the Member for Dumbarton will chair, I hope that it will get the opportunity to make that contribution and to show its seriousness of intent. If it seriously engages in all aspects of this agenda, it will do itself, consumers, and the British economy a favour.

3.12 pm

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): There is no doubting the decline of public confidence in long-term savings. The bear market in equities since 2000 has played a major part in that, both in reducing the value of people's savings and in exposing the weaknesses of financial services that had predicated many products and practices on an ever-rising market.

The resulting casualties are numerous and widespread. Half of all with-profits insurance policyholders, with savings of about £160 billion, are now in closed funds with limited long-term growth prospects. Endowment mortgage policyholders are suffering a collective shortfall of about £40 billion, and Equitable Life policyholders are suffering a £3 billion shortfall. Precipice bondholders have suffered a capital loss of £2 billion, and investors in split-capital investment trusts are pressing for £350 million in compensation. It is false to look on that catalogue of disasters and conclude, as some may be inclined to do, that this is all the result of a force of nature; that force is the largest bear market in living memory.

The Treasury Committee has held hearings and taken evidence on all the issues that I have just listed. Every hearing raises serious questions about the conduct of business. Those questions have been highlighted by the falling market; they have not been caused by it. Long-term savings are an industry of about £2,000 billion, whose health is vital for the prosperity of savers and the whole economy. Savings depend on the free choice of millions of individuals, and their choices depend on confidence that their savings will be safe and that they will receive fair and reasonable rewards. There can be no doubt that consumer confidence has been damaged, and it is no accident, as my hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt) pointed out, that the current ratio of savings to income is at a 10-year low.

The problems lie in what are often called retail financial services—that means financial services to the general public. Wholesale financial services for business are not included in the observations, but there is a danger of reputational contagion, because people abroad make no such distinctions and believe that the business practices of wholesale companies are under equal scrutiny. Such an effect would be particularly damaging at a time when immense opportunities for wholesale financial services are opening up in China and the rest of Asia, and throughout the European Union. It is essential for the financial services industry as a whole, for the United Kingdom economy and for individuals who have lost savings that the issues involved in the crisis of confidence are fully, frankly and openly addressed.

The beginning of a remedy is for the industry to recognise that many of the problems arise from its own attitudes and practices. Some of them might have been appropriate in the early part of the previous century, when the market for financial services was confined to a knowledgeable minority at the top of the income scale. The market is now far wider—and it is widening—and financial knowledge is limited. As my hon. Friend the Member for Warwick and Leamington said, it is essential that all retail financial products have a clear, accessible and succinct statement of their most salient characteristics and of the risks associated with them. The more such statements can be made in a summary box, with a common layout across all products, the more will individual understanding be enhanced, as well as competitiveness. Certainly the culture of microscopically small print, obscurely presented, needs to end. The appearance of deliberate obscurity needs to give way to a keenness to inform.

I have heard it said of some who criticise current practices that they want to abolish the principle of buyer beware. That is not true. Buyers cannot beware if they lack the basic information on which to make a judgment; neither can they beware if the inadequacy of products such as insurance policies or pensions are revealed only many years later.

Another argument is that the misunderstandings that lead to charges of mis-selling could be avoided only by increased financial education of the general public—for example, by including financial education in the national curriculum. Here, I differ from my hon. Friend; in my view, that argument is a cop-out. If every interest group that wanted such an approach were allowed an insertion into an already crowded curriculum, children would be at school 27 hours a day, and the school leaving age might have to be postponed. Moreover, big financial decisions are rare in life; a mortgage, a loan for a car and a choice of pension are the three biggest financial issues that most people ever face. People are likely to be interested and motivated only when the choice faces them, and not if it is a distant and remote possibility; but at that point, they will need advice.

Independent financial advisers currently dominate the distribution of long-term savings products. The great majority of them are paid by the product provider through commission. The commission reward arrangements lead to some ambiguity as to whether a product is sold for the benefit of the client or because of an attractive commission. Moreover, many people do not have access to such advice.

The Financial Services Authority has moved towards requiring a full declaration of the fees paid by the client. The Committee felt that a fuller comparison between the client paying a fee and the adviser receiving commission would be preferable. It would certainly be much more comprehensive. What is unacceptable, especially as it is not at all obvious, is the trail commission, whereby the adviser receives about 0.5 per cent. of the value of the product every year throughout its life. The justification given is that the adviser is available to give advice after the first purchase, but the reality is that the relationship between client and adviser is often discontinued. None the less, the commission continues.

A serious drawback with this business arrangement is that the company devising financial service products has no direct link with the ultimate customer, so it is not directly in touch with changing needs in the marketplace. Equally, products are produced at the behest of independent financial advisers, who have an interest in something new, distinct and eye-catching, with a view to enticing new business from clients.

The result is increasingly complex and elaborate products, whose nature is ever more difficult for the customer to comprehend. The trend towards complexity was noted by Mr. Ron Sandler in his inquiry into personal savings. The so-called Sandler products that he proposes are simple and easy to explain, and a minimum of advice is needed, so a much lower fee is appropriate. Such products are an attractive answer to the problem of conveying information without the need for independent advice.

For a wide range of clients, particularly those on low incomes, such standardised products appear to be a solution to many of the recent problems. They could also provide a firm foundation for a range of products offering higher rewards, but with correspondingly higher risks. Such products would be available to people who wished to take those higher risks or were in a position to do so.

A surprising feature of the industry, which my right hon. Friend the Member for Dumbarton (Mr. McFall) mentioned, is the absence of any forum in which the industry, consumer groups, the FSA and the Government can meet regularly. Such a forum would allow those involved to give an early warning of problems that were arising and to identify best practice in changing circumstances. It could also keep under review the complementarity of standardised Sandler-type products and the innovations brought out by the industry, whose role it is, after all, to innovate. Happily, such a forum has now been agreed, and I am pleased that my right hon. Friend will chair the inaugural meetings. That will, I am sure, guarantee a good launch and great success.

In summary, the direction that change must take in the financial services industry is clear. First, there needs to be a general duty of care towards the interests of the customer or client. Secondly, there has to be a deliberate and sustained policy of providing information in a form likely to be understood by the target customers. Thirdly, the operations involved in, for example, calculating bonuses, must be clear and open. The mystery of with-profits insurance policies, for example, to which Lord Penrose referred, does not fit into the 21st century. Fourthly, the reward systems for advisers and those running companies and societies must be closely aligned with the interests of customers, not at odds with them.

The solutions to the problems that have diminished public confidence in financial services lie with the members of the industry collectively. One black sheep can contaminate the reputation of everyone in the industry, and it has done. The FSA has a role to play as the industry policeman, but as in normal policing, it can work only if the general standards of behaviour are good and there are few transgressors to be apprehended. The industry must develop an ethos under which it is self-regulating and self-policing. As the Bishop of London said this week in the City, such an ethos arises from the ethical standards of behaviour of all who are involved. That is the route to trust, on which public confidence depends.

3.25 pm

Dr. Vincent Cable (Twickenham) (LD): I welcome the opportunity to speak on this good, workman-like and well researched report, and congratulate the right hon. Member for Dumbarton (Mr. McFall) on having led the exercise and introducing the report today. I want to apologise—although it may not be necessary, as we are running a little ahead of time—as I have a long-standing appointment at 5.15 pm to discuss this subject with the Financial Services Authority. I apologise to the Minister if I have to leave before he finishes his remarks, if we are still going strong at that time.

It is useful to start, as the hon. Member for Warwick and Leamington (Mr. Plaskitt) did, with basic principles, and to ask the fundamental question: is there a shortage of savings? That seems to be the right place to start and the report started there. There are good reasons for advocating saving. As the report says, there are good reasons why individuals, and society as a whole, should take responsibility for saving for retirement and for unexpected events. We all have a life cycle and at the end of it we need to spend. That is why savings are important.

However, there are also bad reasons for saving. It is not inherently desirable. The classic Keynsian argument is that savings act as a barrier to demand, but we also

[Dr. Vincent Cable]

know about the experience in the past decade of other developed countries such as Japan and, to an extent, Germany, which saved too much. Indeed, saving has been locked away in very unproductive activities and that has dragged their growth down rather than improving it. Savings are not inherently desirable, but, properly focused, they are clearly essential. That is why I agree with the hon. Member for Warwick and Leamington that fixing on a savings ratio is not helpful.

The report reaches exactly the right balance. Some benchmarking is necessary, and a better way of looking at the issue is the idea of a savings gap—a gap in savings required to meet sustainable income, of the kind that is talked about by independent institutes such as the Institute for Fiscal Studies and the National Institute of Economic and Social Research. The report accepts the consensus that there is a substantial savings gap measured against that criterion.

The key issue on which the three right hon. and hon. Members who have spoken have focused is why there is a lack of confidence in long-term savings products. I agree with much, although not all, of what they said. They all focused almost exclusively on the failings of the long-term savings industry. There are failings and it is right to acknowledge them, but that is by no means the end of the story. Unless I missed something, none of them made even a passing reference to chapter 9 of the report, which is an important chapter about tax and benefits and deals with incentive structures.

That is crucial, because one reason for our savings gap problem and for the lack of confidence in saving is that the system of tax and benefits provides a strong disincentive to save. As someone rather cryptically points out in the report, a person may save 22 per cent. on the way in, but will pay 40 per cent. on the way out, which, on any simple calculation, is not a good incentive.

Indeed, the Adair Turner report produced some striking statistics on the structure of incentives for pensioners. I think that 40 per cent. of them face a marginal withdrawal rate—basically, a marginal tax rate—of 50 per cent., which is the combination of the withdrawal from pension credit and the first rate of tax that they pay. A quarter of all pensioners pay a marginal withdrawal rate of 75 per cent., which is the combination of withdrawal of pension credit plus higher rate tax. There is a highly penal disincentive against saving in the tax and benefits structure.

The Financial Secretary to the Treasury (Mr. Stephen Timms): I have listened to the hon. Gentleman's argument with interest, but just wanted to comment on the statistic he mentioned, which has its origin in the Turner report. He will accept, I think, that the figures that he quoted do not apply currently. The Turner report figure is based on an assumption that the indexation with earnings for the level of the pension credit will carry on for decades, but the Government have not said that that is their intention. As there is so much concern about the issue, I wanted to make that correction and to clear up a point that might have been misleading. The current rate is nothing like the hon. Gentleman said.

Dr. Cable: It is not quite the current rate, but there are substantial continuing penalties. I acknowledge that the tapering of the pension credit is less severe than it was under means-tested systems, but it is still a considerable hill to climb.

That is one of the reasons why some of us have been attracted to the idea of the citizen's pension for older pensioners. That would lift a large group of pensioners out of the means-tested system entirely. My party wants that to apply to the 75-plus age group; other organisations have adopted different formulae. That would enable us to say to pensioners that at least for the latter years of their lives they did not need to worry about the state pension. They would have to make provision for a specific number of years—from retirement to 75—rather than in an open-ended way. That would be a much more effective system for creating incentives.

I want to return to the central criticism.

Mr. Plaskitt: Does not the hon. Gentleman accept that the marginal tax rates that he is worried about would be higher still if the council tax were replaced by a local income tax?

Dr. Cable: There would be a very small increase in the marginal tax rate for higher paid earners, but the vast majority of pensioners—and 70 per cent. of all taxpayers—would pay less tax. Of all the groups of people who would be affected by a switch from council tax to local income tax, I think that the pensioners would be the least concerned.

Although Labour Members are keen to intervene in order to minimise the impact of my argument, their own report accepts it. It is worth putting on the record that there was clear consensus in the Treasury Committee:

> "We recommend a detailed study of how the new system is working, which would considerably clarify the debate on how effective the new Pension Credit is at delivering benefits to those who need help while not penalising those who have attempted to make provision for their own future."

Therefore, the point is generally accepted, although we might have a debate about how serious it is.

On mis-selling, the industry has much to account for. The hon. Member for Bexleyheath and Crayford (Mr. Beard) listed the various scandals that have erupted, and he is right that they must be addressed. The report's recommendations contain considerable discussion of the issue of commission and whether commission-based selling should be discouraged—or proscribed, in the most extreme cases. I have some sympathy with those who are concerned about the phenomenon of commission selling, because in its more aggressive form it provided an incentive to the salesmen at the sharp end to engage in unscrupulous practices.

However, we need to be careful here, because many institutions pooled commissions. The classic case of that was Equitable Life. Its salesmen were not on commission; they were salaried. That was one of the reasons why people enjoyed doing business with them. They did not feel under pressure from individual salesmen. The errors—or worse—were made higher up the decision-making chain.

Therefore, there are problems that are not being dealt with. We now have a potential problem with the mis-selling of debt and the aggressive promotion of credit by

the banks. As far as I know, bank employees are not individually commissioned, but a branch may well be, so there is a collective commission problem that is not being addressed.

Mr. Drew: The hon. Gentleman will have heard my remarks about mutualisation. Does that not highlight the need for effective company governance, alongside real accountability, so that people can get elected to the boards of companies—whether or not they are mutuals or plcs—thereby ensuring a changeover of personnel, which will enable us to tell what is going on?

Dr. Cable: I agree. One of the great strengths of the mutual movement was that it provided greater engagement, although because of the problems in some companies—notably, Equitable Life—that has become a little tarnished. However, the hon. Gentleman is right. There is an issue about engagement with companies and corporate governance.

On mis-selling, there is a phenomenon that I do not think the report picks up. Often, we are not dealing with cases of individual mis-selling, but generic mis-selling. In the 1980s, there was an obsession with equity products in the industry in general. The financial press made an assumption that high returns could be achieved from investing in equities and they actively promoted that idea. There was also misrepresentation of the long-term historical record. It was said that equities generally gave a better yield than non-risk products, but the differential was not spectacular and was certainly not justified in the aggressive promotion.

There is a parallel today. We have passed the point at which people are aggressively sold with-profits equity products, but the same phenomenon is apparent in other markets. The classic example is property. There are advertisements on the London Underground saying that people can make a fortune by investing in property. A circular letter from a company called Challenor Investments has been going around my constituency in the past few weeks inviting everybody in the area to phone a number—there is no address on the letter—and to go to a secret destination in Twickenham where they can be briefed on how to make a fortune from property investment at no cost.

Everything about that was wrong. The company's address was not given on the letter, the costs were not explained, no reference was made to the losses that people can make in the property market, and people were told that they could make their fortune. The letter said that making money is easier than working. I do not know how many people fell for that, but there will be people in my constituency, and others, who fall for the idea that there is an easy, riskless way to make money by investing in property and they will be badly hurt. I am not taking a view on the property market and I am not an expert, but bodies such as the International Monetary Fund think that it is 30 per cent. overvalued and others are even more pessimistic. There are risks associated with such things that the property-based investment industry is disguising collectively from potential investors.

Exactly the same thing is happening in the marketing of debt, although that is not the subject of the report, and I am less sanguine about it than the hon. Member for Warwick and Leamington. We are worrying a great deal about the regulation of long-term savings products and putting in place all kinds of regulatory devices to prevent mis-selling, but debt products are being aggressively sold unsolicited without health warnings and are potentially causing much damage. Perhaps it is true, as the hon. Gentleman says, that the overall balance of £1 trillion is not a fundamental problem, but for many families on the margin, faced with unstable incomes and the possible deterioration of economic conditions, it could be fatal. Many of the people who buy such products are not aware of the warnings and the products are actively being mis-sold.

In terms of the ways forward, there are four issues in the report about which I would like to say a few words. First, the report captures the gradual shift in emphasis from process regulation to product regulation—in a sense the Sandler concept of defined, regulated products. When I was a member of the Treasury Committee about five years ago, in the run-up to the Financial Services and Markets Act 2000, there was extensive discussion about whether financial regulation of the retail market should be based on process or products. Many consumer groups said, "No, we must have product regulation, rather than an over-emphasis on process regulation." They were ignored, but I think that they have now been proved right. The emphasis on process regulation by the FSA has produced a box-ticking culture that has got the emphasis seriously wrong.

Mr. Beard: The argument against regulating products is that it would stifle innovation and, to a degree, competitiveness, and there is some justification for it. I was talking about having the Sandler products as a standard and base for the industry, but leaving the industry free to innovate beyond that with products that are more risky that could be marketed to people who are better able to understand them.

Dr. Cable: It is a question of balance, and I share the hon. Gentleman's view. I am not arguing for going from one extreme to the other. However, there was a certain insouciance about the problems of product mis-selling at that time, which we have now recognised to be misplaced.

The remedy suggested by the report is the summary box, which seems a sensible idea. It was not entirely clear whether the box would be standardised. One of the issues that emerged in the case of the information box and credit cards was that the companies accepted the principle of a summary box, but they were not standardised and as a result many of the old problems persisted. Unless they are standardised, there is no basis for making comparisons. I hope that that will be made absolutely clear.

Secondly, in terms of simple, long-term Sandler products, some good, useful thinking has clearly gone on. I commend the initiatives that are being taken. I want to add several other points about things that we should perhaps be thinking of. Other mechanisms are available for simple, cheap, reliable products on the market. One could be to make more use of National Savings as an institution to market its products, possibly using outlets such as post offices.

[Dr. Cable]

One of the concepts that my colleagues and I have been promoting in the context of our wider pension policy is that, if there were a generous state pension for older pensioners, there would still be a need for younger pensioners to provide additional savings. A 10-year annuity provided by a institution such as National Savings—totally reliable and low cost—would help to fill that gap.

There are other forms of long-term savings, such as the bonds marketed by friendly societies that, for a variety of reasons, the Treasury has never responded warmly to. I remember long discussions in Finance Bill Committee sittings about the friendly society products and whether they should be regarded on the same basis as other savings products. As far as I am aware, the Treasury has been pretty unrelenting in its attitude.

The third issue is about financial advisers and independent financial advice. In the context of mis-selling scandals, it is often the IFAs who have been fingered as the culprits. There undoubtedly have been some unscrupulous IFAs who have taken advantage of people, but I think that in a way the blame has often been unfairly laid at their door. We need to think a little about how independent financial advisers can be helped to play a more professional role.

The problem often is that IFAs have little training. I was appalled to learn, when discussing the matter with their association, just how few have any qualifications or training. One way—this is just a suggestion, not a party point—may be to consider what we might call statutory self-regulation, to make an analogy with the medical profession. That may not be a happy analogy on the day that the Shipman study has emerged. None the less, we should consider the principle by which someone offers their services in the market as a recognised provider but belongs to a profession that sets its own rules and training standards, provides insurance to consumers and, in that way, provides objective standards without all the red tape associated with highly prescriptive rules dictated, in this case, by the FSA, for example.

Mr. McFall: Only the other day, I received a letter from the Association of Independent Financial Advisers. The Select Committee focused on a code of ethics, asking the association to accede to that. In its latest letter to me on 3 December, talking about the codes of ethics for professional bodies, the association stated:

"The existence of these codes has meant that we have not developed any code of our own to date. There is a case for arguing that they sit better with professional bodies."

In other words, it does not see itself as a professional body. There is an educational element to ensure that it sees itself as a professional body and joins others.

Dr. Cable: I agree with the line of argument, and perhaps that is what we should be trying to encourage. We have a system under which not only doctors but professionals such as osteopaths are governed in such a way, but trades on which we are inclined, rather snobbishly, to look down, are not. One could argue that plumbers as well as financial advisers should be governed by a regime that improves standards by allowing the professionals to set their own training standards without detailed interference from the state—that way, we would probably get the right balance.

My final point concerns information services and financial information, which I discussed at some length with the Economic Secretary to the Treasury in an Adjournment debate two years ago. At that time, the Treasury was considering proposals to roll out a more substantial network of citizens' advice institutions. That struck me as a useful idea. The Chancellor mentioned it in his pre-Budget report, but I have not seen any details as to how it will happen. It will be useful to know that. The essential point is that, at the moment, it is possible to get financial advice through the CAB network only if one is in difficult financial circumstances, close to bankruptcy. What people often need is the financial equivalent of the health check—an assessment of the decisions that one should be making about new products relating to savings and debts—that one gets on the first visit to a GP if one has a medical problem. That does not exist.

I know that citizens advice bureaux are anxious to do that and so, in principle, are the Government. However, nothing has happened. I suspect that that is because nobody has come to a conclusion about who would be responsible for funding it. It is linked to what the hon. Member for Warwick and Leamington said about financial education being something that the industry should shoulder. Anything that restores confidence in financial services products at very low cost—£20 million or £30 million for a proper national network, which is not much in relation to the turnover of the industry—will be in the industry's interests. It should not be a publicly financed activity; the Government should act as a catalyst. I am surprised and disappointed that the industry has been so slow to move. Perhaps the Minister can explain what is happening.

3.47 pm

Mr. Richard Spring (West Suffolk) (Con): I am grateful for the opportunity to speak on this important issue, and I congratulate the right hon. Member for Dumbarton (Mr. McFall), as Chairman, and his Committee, on their assiduity in producing the report. It has involved a lot of work and it is an extremely valuable contribution to the debate on the long-term savings market.

The Opposition recognise that there are problems in the long-term savings industry. Indeed, before I became a Member of Parliament twelve and a half years ago, I spent my professional career in the City of London, running the divisions of large financial services organisations that dealt with equities, so I have experience of such matters. I realise that the problems have grown over the past 20 years and have come to a head in the past few years. It is hugely important that we try to resolve them, for investor and consumer protection. As the Select Committee points out, it is essential that we get long-term savings right—they give savers the benefits of independence and security, and provide an important source of capital to fund investment and economic growth.

As the report states, there are concerns that, as a nation, we are saving too little. The savings ratio has already been rehearsed. I would simply point out that,

at 6.1 per cent., it is well below the past 10 years' average of 8.9 per cent. The household savings ratio has not been higher than 6.7 per cent. in the past five years. It was certainly materially higher than that in the previous six years.

I take issue slightly with the hon. Member for Warwick and Leamington (Mr. Plaskitt). One cannot draw exact parallels. For example, the rising housing market has not affected the savings ratio in the same way in other European countries. The issues are complex and I suspect that the underperformance of the stock market has had some impact. The tremendous skewing of investors' appetites into property has certainly had an impact on saving. However, I do not believe that the relationship is as exact as that; there are other more complicated reasons for the change. We have only to look at the whole growth of buy-to-rent property as a way in which people seek to preserve their capital in the longer run, in the absence of being able to secure for themselves a pension. There is anxiety about what the saving situation for individuals will be, especially with the pressures on pensions in the private sector.

It is worth my pointing out that there are rising levels of borrowing. In July, household debt reached £1 trillion. In the last quarter, personal bankruptcies reached a record high. The number of individuals who were declared bankrupt increased to more than 9,000, which was an increase of nearly one third on the same period in 2003. All hon. Members will know the position from talking to individuals in their citizens advice bureaux. Time and again, when I have asked about the key problem of the moment, debt and being trapped in debt was the live issue. In the past year, the number of people asking citizens advice bureaux for help with debt has increased by 35,000 to an astonishing 706,000. That is the reverse side of the coin linked in with a decline in savings and I am willing to accept that there are several complicated reasons for that.

The figures do not correlate directly with the issues facing the long-term savings market. However, they are part of the same picture where individuals are discouraged for whatever reason from saving and easily find themselves building up debt. As part of the answer, the Conservative party has proposed a lifetime savings account. There are variants of that, but we all recognise the need to look into the matter. It would allow people who draw on their savings to put back the money later. It would enable people to save for the long term, without requiring them to pledge not to draw on such savings before they reach retirement. They could also be topped up by the Government. The Government must take such an idea seriously. In addition, we have set up a commission, chaired by Lord Griffiths of Fforestfach, to investigate all aspects of household debt and we will examine its findings in due course.

More specifically, in the area of long-term savings, there have been several instances when consumers have lost out with endowment mortgages, with-profits funds, split-capital investment trusts and Equitable Life. All hon. Members will recognise that the situation surrounding Equitable Life has had a huge impact on the overall confidence in the industry by consumers. Since the Penrose report was published in March, the parliamentary ombudsman has agreed to reopen the investigation into the regulation of Equitable Life and the Government are to give her the jurisdiction to investigate the Government Actuary's Department.

However, I fear that such moves are coming rather late. It has been asserted that the Government sought to persuade the ombudsman not to reopen her inquiry. Apparently, they tried to deny that the ombudsman could investigate the GAD without primary legislation and, most recently, they have refused to bring forward legislation to remove the possible unlimited liability that hangs over policy holders and annuitants in the event that Equitable were to become insolvent. That is despite the promise made in a Treasury consultation document that

> "Treasury Ministers do not believe that it would necessarily be just that members of an unlimited liability insurer should be exposed to the risk that calls could be made against them. The Treasury therefore proposes to bring forward, when Parliamentary time allows, legislation which confers a discretion on the Financial Services Authority ... to give a direction in certain circumstances which extinguishes the liability of contributories to have calls made on them and the liability to meet any calls which have been made."

Given the publicity surrounding Equitable Life and the negative consequences that have flowed from it, I do not believe that that helps in restoring confidence in long-term savings.

The losses suffered by consumers in events such as the Equitable Life affair have served to reduce confidence. The Committee examined three general reasons for the decline in confidence. First, it noted the underperformance of the stock market. That underperformance is partly explained by the removal of the dividend tax credit, which has cost pension funds £5 billion a year. I have had many conversations with insurance companies; they feel that in the current atmosphere it has been much more difficult for them to put money into the stock market.

Mr. Beard: The value of the stock market has fallen by about £150 billion and the tax to which the hon. Gentleman refers is £5 billion a year, which amounts to only £35 billion over five years. Which does he think has had the greater influence on savings: the £160 billion fall in the value of stocks or the £35 billion in tax?

Mr. Spring: I suggest to the hon. Gentleman that the two are inextricably linked. Of course £5 billion a year, on the margin, multiplied over a period of time, has had an impact at a time when there have been other pressures on the industry. That has been absolutely inevitable. I have been in this area of professional life and seen what an impact taxation changes, for example, can make. The tax that I mentioned has had an effect of some significance, and that is the view of the insurance companies themselves.

Mr. Timms: How does the hon. Gentleman account for the fact that the values of the stock markets in France and Germany have fallen a lot further than the UK stock market?

Mr. Spring: I would not like to involve myself in exaggerated gloating, but I suggest that stock markets have been weak in many parts of the world. The underperformance of the economies on the continent, and their high levels of unemployment—we know what has happened to the Maastricht criteria—have had an impact as well.

[Mr. Spring]

However, we are dealing with the situation in the United Kingdom. The Minister will certainly agree with one thing: the financial services industry in the United Kingdom occupies a position in this country that is unique in comparison to European countries. Its force and influence cannot be compared to that of such industries in other countries, and I hope that the Minister will acknowledge that.

The FTSE 100 has risen by only 2.1 per cent. since 1 May 1997. The Minister has talked about the performance of stock markets elsewhere, but my understanding is that the equivalent figures are 42.1 per cent. for France and 49.8 per cent. for the United States. The average increase in the stock markets of developed economies comparable to ours over the period was 46 per cent.

In fairness, many witnesses who appeared before the Committee suggested that weak equity markets had simply exposed and exacerbated issues that had their origin elsewhere, and stated that the industry had a poor record of treating its customers fairly. That second reason for the decline in confidence in long-term savings, and how that should be best addressed, has dominated the debate today and they are very reasonable and pertinent points to consider.

The third reason mentioned by the Committee was Government policy on savings, tax and benefits, which was often viewed as confusing and potentially discouraging for savers. For example, the Investment Management Association said that

"the present system of means-tested benefits for pensioners is a real discouragement to long term saving, since it imposes a penal rate of tax on saving by people on low incomes."

The right hon. Member for Dumbarton made exactly that point: there has been a lack of saving at the lower income level; I shall touch on that again in a moment. I agree with that view, as does the Turner commission, which found that

"there are clearly many people for whom means-tested benefits do create a significant disincentive to save individually".

The commission also noted that the number of people covered by means-testing would grow further if current indexation approaches continued indefinitely. There have been projections of a huge increase over the next 40 years or so. Means-testing has not encouraged savings or simplicity, but exacerbated the burden of bureaucracy, which is now an increasing feature of our national life. We need to consider carefully the long-term impact of that on savings in the nation as a whole.

I agree with those witnesses who told the Committee that Government policy on tax was potentially discouraging for savings. As the hon. Member for Twickenham (Dr. Cable) mentioned, the current system of taxation on savings is both unfair and highly complex. We have a plethora of different rates, rules, allowances and restrictions that make it difficult for savers to make informed choices about how best to invest their money. Nevertheless, the Committee concluded that, fundamentally, the industry had a poor record for treating its customers fairly.

I applaud the Committee for suggesting a number of ways for the industry to address its image and to help ensure that it offers customers fair treatment in future. We have already touched on summary boxes, which are important for giving customers information, such as guarantees associated with a product, the risk of a product, what the investment is linked to, what the charges are and whether there are penalties for early withdrawal. Transparency is one of the most important elements in dealing with mis-selling.

I should like to make a point to the hon. Member for Bexleyheath and Crayford (Mr. Beard), however. I ran an equities division in the City of London where payment was partially through a pooled commission basis, although I fully accept that we dealt only with institutional clients. There was an incentive effect on those who sought to serve as what were known as account executives, but as long as transparency is evident, there is a major disincentive to mis-selling. However, my main point is that ultimately the market will determine the success or failure of an individual or group of individuals, in terms of their relationships with other institutions. Irrespective of what the basis for commission payment actually is, if people give bad advice or advice that is skewed to a higher commission, it is only a matter of time before the market will take its course.

Mr. McFall: If the hon. Gentleman looks at the report, he will see that we are not against commission per se, but up-front commission. He talked about the market taking over, but with endowment mortgages the whole market was involved in up-front commission, the legacy of which is, by conservative estimates, a £40 billion shortfall. I go along with the hon. Gentleman on transparency, but endowment mortgages provide an example of where the market was not working.

Mr. Spring: I could not agree with the hon. Gentleman more, and the ombudsman will confirm that he has been hard pressed to cope with the demands. However, I was simply making the point to the hon. Member for Bexleyheath and Crayford that there is nothing necessarily wrong with some form of commission payment.

Mr. Beard: I did not suggest for a moment that commissions were generally wrong, but in the case in question the commission comes up-front. Thereafter the adviser can wash his hands of the client. Moreover, most clients consult a financial adviser on one instance, such as when they buy a house, a car or a pension. Such clients are unlikely to buy another pension in two or three years' time. The market therefore does not work as clearly as the hon. Gentleman says.

Mr. Spring: We may be talking slightly at cross-purposes. I was explaining about my own experience, in the context of equity investments. The hon. Gentleman is entirely correct that there will be one-off purchases, such as of a pension or house, that involve a different structure, but that was not quite what I was talking about. If I misunderstood his overall conceptual rejection of commissions, I apologise to him for so doing.

The Government state that they are keen to see the results of the work that the industry and the regulators have agreed to undertake. In addition, the Committee suggests the development of a single system of signalling

the inherent risk level of a savings product. Again, the industry and the regulator have agreed to work together on that, which is hugely important. I hope that the matter will be taken forward.

On regulation and bureaucracy, the difficultly with the culture of risk aversion that now obsesses our society at every level—it has become damaging and undermining—is that if one purchases a financial services product and it carries with it, for example, 25 pages of health warning, the net effect is that the individual who is acquiring the product will simply not read the information. That is why the simplification, which has been talked about—the Sandler-type products—is extremely important. A more general point is that burdensome over-regulation, which has arisen in this country over many years, is now becoming rather threatening to the financial services industry. Therefore, we must find a balance.

In the absence of the Treasury producing a considered report on the FSA, may I just tell the Minister that I am writing one myself? I hope that he will find it of interest and it should be available in the next few weeks. I hope that it will make a genuine and sensible contribution to the question of how we regulate the financial services industry in a way that keeps it competitive, yet, given the sort of difficulties that there have been in the past few years, offers investor protection.

We have touched on the issue of remuneration and we have discussed it before. Again, it is a matter that needs transparency. The one thing that I would say—I think that the hon. Member for Stroud (Mr. Drew), who is no longer present, alluded to this—is that shareholder power is an important and growing phenomenon in taming excesses in executive pay that have no linkage to profitability. I am glad to see that that is happening and I hope that it becomes a much greater feature of our national life. Greater shareholder action should be encouraged.

On independent financial advice, the Treasury Committee recommends a move away from commission-based payments. I understand that that has just been debated and I hope that a balance can be achieved. It is certainly my impression, from talking to the Association of Independent Financial Advisors, that it wants to have a regulatory environment around it, because given what has gone on in the past, it feels that it presents it with some sort of *Good Housekeeping* seal of approval. I understand that as well.

I accept that the incorporation of a curriculum subject such as financial education would be difficult and burdensome, but I think that we need to try to find ways to educate people on making critical lifetime choices as far as their individual financial viability and protection is concerned. We want Government to provide a framework where businesses and the marketplace are encouraged to have procedures in place and to make education available, to enable free choice and good judgment. That is critical. That is a big carrot to chew on and it brings us back to the point that we need to find a balance between investor protection and letting people know that there has to be risk in making judgments in life. If we go so far down the route of risk aversion that it begins to undermine innovation and risk-taking of an entrepreneurial nature, it will ultimately have a serious impact on the economy's performance.

It is good to see that the Treasury Committee found support from both industry and consumer bodies for the FSA's efforts to co-ordinate a programme aimed at improving financial literacy. I hope that such a programme can be made to work.

Mr. Plaskitt: Will the hon. Gentleman give way?

Mr. Spring: I am just finishing.

I once again applaud the members of the Committee for trying to grapple with this difficult subject. I cannot but think that the story is not yet over.

4.9 pm

The Financial Secretary to the Treasury (Mr. Stephen Timms): I am grateful to the Treasury Committee for the opportunity to contribute to this welcome and timely debate. On behalf of the Government, I also want to express thanks to the Committee for its work in examining the issue of restoring confidence in long-term savings. In the little more than two months for which I have been in my current role, I have been struck forcefully by the Committee's profound influence in the financial services market, which goes far beyond the influence that it enjoyed when I was a member of it before 1997. It has made an impressive contribution to the debate on this issue.

The Government share the Committee's belief that the issue of confidence in long-term savings needs to be resolved for the benefit of us all and that restoring confidence will require concerted effort by us all. That includes the Government and the industry—I was heartened by the comments of my right hon. Friend the Member for Dumbarton (Mr. McFall) about the progress that the industry has made since the report was published—and it also includes regulators, consumer bodies and trade associations.

The personal investment market has not always produced the best outcomes for consumers. Competition among providers has sometimes focused as much on winning access to customers as on giving them good quality at the best price. Misdirected competition has driven further product proliferation, complexity and confusion, making consumer choices even more difficult. My hon. Friend the Member for Bexleyheath and Crayford (Mr. Beard) was right to draw attention to Ron Sandler's conclusion about the perverse effects of the way in which competition in the market has developed over the past few years. Consumers need not only to have the information to make well-informed financial decisions, but to be confident that they will be treated fairly when they engage with the industry.

Our vision is of a simpler, more transparent market, in which trusted and trustworthy providers sell simple, good value products to well-informed customers. We have been working in that direction, and there is a range of measures to give savers confidence in the products that they are offered and to make it easier for them to save. Much has been done to build the right environment, and my hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt) was right to draw attention to the importance of the stability-orientated macro-economic framework that we have in place. It is conducive to long-term planning, which

[Mr. Stephen Timms]

people need to be able to make the right decisions. They also need high levels of employment, because that gives them the means to save.

We have streamlined the regulatory framework, creating a single regulator and accessible redress mechanism—the financial ombudsman service—to improve market confidence and protect consumers. Last week, we announced further changes when we set out the conclusions of the two-year review of the working of the Financial Services and Markets Act 2000. I hope that the hon. Member for West Suffolk (Mr. Spring) saw the report, because I am sure that he would want to take account of it before concluding his eagerly awaited report on financial services regulation; I am certainly looking forward to seeing it, as I am sure the whole House is.

Alongside that work, we have been developing the infrastructure to allow individuals to make decisions that best meet their interests. We have introduced basic bank accounts over the past couple of years to help tackle financial exclusion. Last week, in the pre-Budget report, we announced that we had agreed with the banks on the goal of halving the large number of adults in households with no bank account.

We have also been setting out and taking forward policies to tackle over-indebtedness, unfair lending practices and loan sharks. Those measures include the £120 million financial inclusion fund, which we announced in the pre-Budget report last week. I should tell the hon. Member for Twickenham (Dr. Cable) that a chunk of that money will, as we have made clear, be used to fund an extension of free face-to-face debt advice.

The hon. Gentleman made an interesting point about a health check, and he is right that there has been some discussion about that. The generic advice working group in the FSA-led financial capabilities steering group is developing an online financial health check tool, which it will be piloting. The initiative was developed jointly by the FSA and the BBC. That will be a first step in the direction that he described.

Mr. Plaskitt: I welcome all the measures that my hon. Friend has mentioned, but would he, like me, welcome the early introduction of the consumer credit Bill?

Mr. Timms: My hon. Friend knows that the announcement in the Queen's Speech was widely welcomed, and I certainly look forward to the Bill's introduction.

Another strand of the work is about improving pensions information through pensions forecasts. Many people do not know what situation their pension savings will leave them in when they retire. Pensions forecasts work by piloting different forms of information and advice from employers. As we announced last week in the review of the Financial Services and Markets Act 2000, we will be freeing from regulation advice provided through employers in order to make it easier.

We have established the pension protection fund, setting up a new proactive regulator to improve protection for members of occupational pension schemes, and we have been developing the stakeholder suite of simple, low-cost, risk-controlled saving and investment products. The hon. Member for West Suffolk, my hon. Friend the Member for Eccles (Ian Stewart) and I were all in Committee this morning when we agreed to key planks in the regulatory underpinning for the Sandler stakeholder suite, and I welcome the support of the hon. Member for West Suffolk for that principle.

We have also been working on incentives. We have introduced individual savings accounts, which have proved extremely popular, and stakeholder pensions. We have legislated in order radically to simplify the way in which pensions are taxed—the arrangements come in from April 2006—and introduced the pension credit in order to tackle pensioner poverty. I hope that every hon. Member acknowledges the dramatic impact that the pension credit has had in relieving the deep problems of pensioner poverty that have existed in the past and in rewarding pensioners for having built up savings during their working lives.

It is important that people look at the present position with regard to the pension credit, because many people say that it makes it difficult to know whether they should save. That is not true. As the Financial Services Authority said, the position is very clear: for most people, for most of the time, it is certainly worth saving for retirement. Some of the comments made about this issue are self-fulfilling, as they discourage saving when it is actually most certainly in people's interests to save. The introduction of the pension credit has removed well over 1 million people from facing a 100 per cent. rate of withdrawal—those who were formerly below the minimum income guarantee level.

We have reformed capital limits by announcing a doubling of the threshold above which savings reduce eligibility to income-related working age benefits, and we have introduced the child trust fund. We have also been piloting the matching of savings of low-income savers through the savings gateway, with further progress announced in the PBR last week. Incidentally, I wish to correct a rather misleading point made by the hon. Member for Twickenham. I have just written to the Association of Friendly Societies, inviting its participation in discussions about how it might be involved in the next wave of savings gateway pilots. We certainly welcome its contribution.

We had an interesting discussion about the savings ratio, and I welcome the expert assessment provided by my hon. Friend the Member for Warwick and Leamington. Indeed, I agree with some of the points made by the hon. Member for Twickenham on that issue. The hon. Member for West Suffolk also touched on the subject, perhaps slightly less helpfully.

It is important to recognise that household wealth has increased by 50 per cent. in real terms since 1997. It is true that the debt has increased, but household net assets have increased considerably more—by up to £6 trillion, compared with the £1 trillion of household debt. Indeed, current interest rates mean that household interest payments as a proportion of household expenditure are very much lower today than they were in the early 1990s.

Mr. Spring: I am sorry that the Minister believes that I was unhelpful in spreading a little light on the matter.

As he is busy on the statistics, will he confirm that about half the economic growth that is currently being enjoyed in this country as a result of consumer spending is due to equity withdrawal? Is that correct?

Mr. Timms: I do not have that statistic to hand, but I am happy to drop the hon. Gentleman a line to comment on his point.

I very much welcome the recognition by the financial services industry that it will command customers' confidence only if it treats its customers well by putting right mis-selling when it occurs and by ensuring that customers in closed funds are well informed and receive fair returns—a point that was made earlier. The industry needs to align its interests much more closely with those of its consumers, and consumers need to be able to see trusted providers offering clearly labelled, easy-to-understand products, as my hon. Friends the Members for Bexleyheath and Crayford and for Warwick and Leamington have said. The industry also needs to adopt business strategies that enhance shareholder value by providing services and products that meet its customers' needs.

The financial services industry should be accessible to everyone who has the capacity to save, and initiatives by the FSA to remove the polarisation requirement from the market and to introduce a menu document for firms to provide consumers with a clear indication of cost and the basic advice process will encourage that accessibility.

We have introduced initiatives such as the stakeholder suite and informed choice, which are designed to address the information asymmetries inherent in the market with financial inclusion initiatives. We also want to broaden access. The child trust fund will provide every child with financial assets, encouraging every child from their earliest years to form relationships with the financial services industry. The impact could, over time, be very profound and beneficial.

The FSA continues to develop its policy on the disclosure of product design and charges. Its work on financial capability will be very important. I serve on the financial capability working group with my hon. Friend the Minister for Pensions. That work will be critical to helping consumers engage positively with the financial services market.

My right hon. Friend the Member for Dumbarton—I believe that he was quoting Lord Penrose at the time—asked this well-formed question: can with-profits operate without mystery? Welcome steps have been taken towards improving consumer information in that area. The principles and practices of financial management will be followed by a consumer-friendly and more accessible version, and I share the Committee's view that the FSA needs to ensure that policyholders receive the information that they need to reach sensible decisions about those policies.

Mr. McFall: The Minister mentioned information being given to consumers. Only today, I received a letter from the Prudential on the mis-selling of endowment mortgages. It has implemented the colour coding on reprojection letters, which the Committee recommended. It believes that the change in style should make it easier for consumers to understand them. That is a positive measure.

Mr. Timms: I welcome that approach, which is a very good example of the way in which the Committee is profoundly influencing the industry for the benefit of consumers and the industry itself.

The hon. Member for West Suffolk made some comments about the Equitable Life matter, on which I wish to comment. I think that he was reflecting on some rather misleading comments that have appeared in the press. He said that we have not acted on the possibility of unlimited liability. The Parliamentary Commissioner for Administration—the ombudsman—is independent of the Government, so the timing of her investigation is a matter for her. We have consulted on legislation on unlimited liability that would help policyholders if that should become necessary. Our position has always been that we will not legislate unless it is necessary; if it turns out to be necessary, we have already consulted on the legislation required to do the job. I have written to the company on that point, given the rather misleading press comments that have appeared, and I remain in contact with it.

There were some comments and exchanges about commission-based selling. I welcome and support the FSA's recent work on commission disclosure. The consumer testing that it carried out provided evidence that the disclosure of charges under its menu proposals was far more effective than the current regime.

The hon. Member for Twickenham talked about training for independent financial advisers. They have to have the financial planning certificate, level 3, and there is an ongoing requirement that they update their competencies, but the Financial Services Skills Council will conduct a review next year that will specifically consider whether the qualifications for financial advisers, and the investment qualifications, are appropriate, and whether more needs to be done.

I welcome the industry's constructive response to the Committee's report, about which we have heard today, and I look forward to working with the industry, the Committee and the FSA to develop effective measures further to restore levels of confidence in the industry and engagement among consumers. Those measures include the forum proposed by the Committee, on which my right hon. Friend was able to give some encouraging news of progress.

I agree with the Committee's recommendation for a forum that focuses on how the industry can better serve its customers, as it would send a strong signal to consumers that the industry wants to tackle those problems. I agree also that it should be industry led, so that the industry is talking directly with consumers and their representatives, and that it will demonstrate a capability for collective action to address some of the problems to which the debate has drawn attention.

[Mr. Timms]

The Committee has made an important contribution to examining the issue of confidence in long-term savings. I share its view that the restoration of that confidence needs to be tackled effectively for the benefit of our whole economy and everyone in society. All the parties involved need to play their part. We in Government remain committed to fulfilling our role in achieving that important objective, and I am pleased that we have had this opportunity to air these widespread concerns—something that is of great importance to all of us and our constituents.

Mr. Deputy Speaker: I congratulate the Chamber on a well informed, constructive debate. It has been a pleasure to be in the Chair.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Tuesday 14 December 2004

[SIR NICHOLAS WINTERTON *in the Chair*]

Health Services (Norfolk)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Margaret Moran.]*

9.30 am

Mr. Richard Bacon (South Norfolk) (Con): Mr. Deputy Speaker, it is a great pleasure to introduce the debate under your magnificent chairmanship—[HON. MEMBERS: "Creep!"] Better to get one's creeping in first, eh? It is also a pleasure to speak about England's greatest county, particularly when so many hon. Members who represent Norfolk are here. Such occasions always seem festive, even when the subject is as serious as the one that we are about to discuss. I note that my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) has even dressed in Christmas colours, and that some representatives of old Labour are present, too.

The debate is about the financing of the health service in Norfolk, a serious subject. It will be partly about the funding itself, and partly about the uses of the funding and the pressure on it. At present, there is a serious deficit in the Norfolk health economy. According to recent figures supplied to me on 9 December by the Norfolk, Suffolk and Cambridgeshire strategic health authority, national health service bodies in Norfolk have forecast the following year-end positions in their most recent financial returns. Norwich primary care trust forecasts a deficit of just under £1.8 million. Southern Norfolk primary care trust in my constituency forecasts a deficit of £9.2 million—a reflection of the fact that it is by far the largest primary care trust in Norfolk. North Norfolk primary care trust forecasts a deficit of £3.1 million, Broadland primary care trust one of £4.8 million, and West Norfolk primary care trust one of £1.7 million.

Alone among the primary care trusts, Great Yarmouth PCT is running a more or less balanced position, with a small surplus of about £100,000. Perhaps that is a reflection of the extra money that goes into Yarmouth. I shall not say that that is attributable to the hon. Member for Great Yarmouth (Mr. Wright), although I am sure that he would like me to do so. There is no doubt, however, that Great Yarmouth is well funded compared with some of the other primary care trusts. Having projected a much bigger deficit earlier in the year, the Norfolk and Norwich hospital, our new flagship private finance initiative national health service trust, is now projecting a deficit of about £2 million. The Norfolk and Waveney mental health partnership has a break-even position. The King's Lynn and Wisbech NHS trust has a deficit of £7.9 million. The James Paget NHS trust, again in the constituency of the hon. Member for Great Yarmouth, has a break-even position and the East Anglian Ambulance national health service trust has a surplus of £750,000, although that is mainly due to a one-off asset sale of the ambulance station at Newmarket.

The total deficit is about £29.7 million. That includes the repayment of deficits from the previous year of £6.6 million, of which £5.2 million is at King's Lynn hospital. It is worth noting that in each of the three previous financial years—1999–2000 to 2002–03—NHS bodies in Norfolk were in overall balance. The financial problem is relatively new to Norfolk, but not confined to the county—it is common throughout the national health service. However, it might be worse in Norfolk than elsewhere, which is an issue that I want the Minister to examine.

I refer to an estimate based on board papers published by the West Midlands strategic health authority. I commend the Government on the number of board papers now available across the country on the internet. If only central Government took the same attitude to the most interesting information about Departments. I certainly commend the Department for the guidance that it has given health authorities, hospitals and PCTs on what information should be made available to the public. At a meeting on 17 November, a strategic health authority assessment of the national position was that there was a deficit of £499 million in NHS organisations across the country. A board paper notes that 75 primary care trusts and 73 NHS hospital or other trusts forecast deficits.

One must acknowledge that the problems are complex and that there are no simple headline answers, but it is not enough for the NHS to say that it always needs more money, as more money has being going into it. Plainly, in some areas, including Norfolk, there has been a lack of tight management, which has led to extra financial problems. An obvious example of where problems have arisen, which has been widely referred to in the county, is the learning difficulties pooled fund. In that case, it is possible that managers took their eye off the ball—or, more probably, designed and developed a service without having enough regard for what was affordable in the context of all the other priorities.

Mr. Anthony D. Wright (Great Yarmouth) (Lab): I understood the hon. Gentleman's point about learning difficulty services, but is it not true that the county council is in charge of the financing of that service? The truth is that there has been overspend in the past two years, and although that was not down to the PCTs, in the end they had to pick up a proportion of the tab—55 per cent., I believe—without having had direct input into the way in which the budget was run.

Mr. Bacon: The hon. Gentleman makes a fair point.

Mrs. Gillian Shephard (South-West Norfolk) (Con): Of course services for people with learning difficulties depend heavily on co-operation and on part-funding in social services, but I remind the Chamber that Norfolk social services department is seriously underfunded because of the way in which the present Government have dealt with the funding of rural shire counties, because of the regulations that the Government have imposed on all aspects of social services and because of the Government's determination to ring-fence funds within social services, which means that there is almost no flexibility. The hon. Member for Great Yarmouth

[Mrs. Gillian Shephard]

(Mr. Wright) is absolutely right: the problem in local government funding has been transferred to the health services.

Mr. Bacon: I am grateful to my right hon. Friend, and I agree with everything that she said. Of course, the hon. Member for Great Yarmouth is right to say that one should not blame the PCTs for the issue. The problem is complex, with some of the roots lying in Government provision of funding to the shire counties. There is also a more general problem relating to what the hon. Gentleman says: with joint working and joint funding arrangements, one has to make sure that the proper management is in place.

On a slightly separate subject—but one that makes my point—I was in Northern Ireland recently looking into a project for the Public Accounts Committee, and the person before us, the accounting officer, was pleased to say in the first 30 seconds of her evidence that her department was responsible for only 2 per cent. of the budget that we were discussing and the other 98 per cent. was funded by a series of other agencies and Government bodies, yet it was she who had to account for it. The learning difficulties pooled fund run by PCTs and social services was to some degree an innovation; there is nothing quite the same elsewhere. However, when joint or partnership working arrangements are made, one has to be sure that one has adequate management arrangements in place. I do not think that that has always been the case.

When problems are identified it is not enough simply to say that the NHS always needs more money. Although the problems have complex causes, some of them are Government-inspired. Equally, it is not enough for the Government to say, "We've given the NHS some more money; now let it get on with it," as if to suggest that they have no responsibility for the extra pressures at present. The truth is that the Government have imposed a whole series of extra initiatives that have extra costs attached to them. There is a complex interplay between the money provided and what the Government insist that the NHS does with it. The Government are good at willing the ends, but not necessarily the means, and some of their initiatives are making life more difficult and expensive.

Perhaps the most striking such initiative is the so-called "Agenda for Change", which is bringing about a series of new pay arrangements, conditions and terms of employment for NHS staff under one heading. I talked to a finance director in Norfolk who said that

"we simply don't know how much this is going to cost".

Paul Kemp, the finance director for Norfolk, Suffolk and Cambridgeshire SHA, said that

"the main financial risks are that the cost of Agenda for Change will exceed planning assumptions, and that growth in emergency activity will continue to rise above planned levels, putting pressure on the delivery of elective targets".

There is a series of other pressures. The European working time directive has an impact on hospital junior doctors' hours. Everyone understood that it was sensible to do something about the hours that such doctors were forced to work, which in some cases were ridiculous. It is good that junior doctors are working more sensible hours, but has the cost of implementing that reform been properly calculated?

The costs of the new GP contract were supposed to be paid for out of GPs taking somewhat less—on average, I think, £6,000 per GP. That was to lead to the funding of the out-of-hours service, but there are many reports from primary care trusts that the implementation of the new GP contract has been underfunded or, in some cases, unfunded. In addition, out-of-hours cover is patchy, with some very good and some less good. A senior manager in the Norfolk health economy told me that he thought that the main thing that had been achieved in out-of-hours cover was the creation of confusion, so that in some cases people simply did not know where to go because of the profusion of options.

In an e-mail that others might have seen this morning, Waveney primary care trust talks about the 10 top tips for staying healthy in winter. It lists different things that people can do, including calling NHS Direct, looking things up on the internet and Lord knows what else. However, many people think that, although there is always a winter peak, the huge, aggressive increase in emergency admissions throughout the country is directly related to, among other things, the confusion surrounding out-of-hours cover and the fact that many more people turn up at accident and emergency departments than would have done otherwise. That is particularly true when there is a shiny new flagship hospital that offers 24-hour cover—a hospital that always has its lights on, is always open and whose location people know. We have such a new hospital and despite the fact that the Government managed to build it without building an adequate road to get to it, it is still in some cases easier to drive to than the old Norfolk and Norwich hospital in the centre of town, simply because there is less traffic and one does not get blocked in quite the same way.

There is no doubt that emergency admissions have increased, and that is partly because of the out-of-hours arrangements. The Government have been experimenting with putting GPs into accident and emergency departments. Sir Nigel Crisp spoke about that recently and primary care trusts in Norfolk are talking about funding a full GP practice at the hospital. That is an interesting development and I look forward to seeing how it goes. Finally there is recognition of the fact that, rather than tell people what they should do and where they should go, we should follow what people are doing, and enable them to be seen in a way and at a time and a place that suits them, without the attendant costs that would normally arise if they were actually treated by the accident and emergency department. People arrive in the hospital, but are treated by GPs at GP costs.

There are many other financial pressures, such as the increasing cost of specialist mental health treatments. That has been made worse in Norfolk because it has been sending people out of county, in some cases to London, at very high costs. There is also the cost of the new consultant contract. Again, the Government may have underestimated the cost of that and may well have been out-negotiated by the consultants. In the face of rising prescription bills, the SHA has placed an emphasis on prescribing more generic drugs and fewer branded drugs, but that has been done for many years in the NHS. There is now quite a high rate of usage of generic drugs, so I do not think that there are huge cost savings to be gained from that. Let us also consider the

costs of the national framework for IT in the health service. The main contracts let are worth £6.2 billion, but recently it was revealed that the additional costs if all the implementation is taken into account will be between three and five times more—in other words, between £18 billion and £30 billion over the next 10 years.

All those costs added together mean that primary care trusts have to run very hard just to stand still and to have any serious opportunity of coping, even with the extra funding that they have had. In Norfolk, we have the added problem of the private finance initiative: it is an open question to what extent that has increased overall costs. I am not dogmatic about the PFI. I have examined a lot of PFI projects in many different areas and there is no doubt that if one wants a hospital, prison or school delivered on budget and on time, the PFI is a good way of getting that. We have seen many examples of that across the country in different sectors. It is also true that criticisms of the PFI sometimes do not take adequate account of the potential costs and the risks that would have attended on a different approach. Conventional procurements are full of horror stories—take the examples of the British Library, the Jubilee line extension and Portcullis House, where the windows alone cost £23 million more than they were supposed to and the wrong kind of bronze was used on the roof, so it does not go bronze coloured. If I dare say so in the presence of the hon. Member for Norwich, North (Dr. Gibson), there is also the example of the Scottish Parliament, which is a locus classicus of how not to carry out a conventional procurement.

Let us be clear that the old way of carrying out a procurement has had its problems. That is not to say that we should not be questioning and critical about the PFI. It does appear—and the hon. Member for North Norfolk (Norman Lamb) has asked many questions about this, as have I—that the way in which the original contract for the hospital was let may have resulted in very large windfall refinancing gains. So far as the contractors are concerned, they will be shared on a 30:70 per cent. basis and will be crystallised immediately, and yet as far as the hospital is concerned they will have to be taken over the life of the contract.

Most people do not think that their local school or hospital ought to be put into an investment fund and traded by City institutions; if there is enough income around to make that possible, many people will question whether it would not be better for the money to go to the school or to the hospital, many of which have charitable activities going on alongside them because they have not got enough money for some of the things that they would like. A leading City investment banker who works in the securitisation area of the PFI recently told me:

"I like PFI. It's a good source of income. It's good for the business."

But he added that, as a taxpayer, it really cheeses him off—except he did not use the word "cheeses". I feel that in your august company, Mr. Deputy Speaker, I should edit his words.

There are legitimate questions to be asked about the PFI. I think that the answer lies in having the greatest possible degree of transparency, so that we can form a fair assessment of the fair costs and the fair returns. After all, no one worries about schools or hospitals buying equipment from the private sector, and in the PFI we are essentially talking about buying services from the private sector instead. We should not have an ideological objection to the PFI, but we must examine it carefully.

The SHA has announced a number of measures that it proposes to take to improve the financial situation. I will not list all of those now, but details are available from the SHA. There are certain questions that I think are legitimate to ask of local health managers, particularly in relation to the learning difficulties pooled fund. Notwithstanding the point made by the hon. Member for Great Yarmouth, I emphasise that if we are to have joint working arrangements, we need joint management arrangements adequate to that task. Given the already considerable progress in prescribing generic drugs in recent years, is it realistic to suppose that that will provide serious savings in future? What can be done to reassure people that the so-called "better care for Norfolk" proposals, which aim to deliver cost-effective care closer to people's homes instead of in much more expensive hospital settings, are about getting closer to patients rather than saving costs? Are the out-of-hours arrangements now in place working well and communicated well so that people understand them when they are working well?

I honestly do not think that there is widespread bad management locally. Huge extra activity is being imposed from the centre without the resources to pay for it. As I said, 75 primary care trusts and 73 NHS trusts across the country forecast deficits, which suggests to me that there is a systemic problem. Norfolk's deficit accounts for about 6 per cent. of the deficit of NHS organisations nationally—that is, in England—yet it has only about 1.6 per cent. of England's population. It may be that the Government are not only imposing costs on the NHS that are way in excess of the resources that they make available, but, in particular, that they have their sums wrong on Norfolk. There seems to be problem of asymmetry: the county had managed a position of financial balance until the rapid stream of reforms. Are we seeing the systemic underfunding of Norfolk?

Finally, I am interested in hearing the Minister's comments on the extra costs that the Department estimates will be imposed on Norfolk as a result of the national programme for IT in the health service. GPs and others have expressed many concerns that they may be forced to withdraw working systems that they have developed incrementally over a long time—systems in which they have faith and through which they have close relationships with IT suppliers—and to replace them with systems whose software in some cases has not yet even been written. Understandably, that is a cause of huge concern among GPs, who, after all, are the people closest to patients. If we are to see that kind of transformation with that kind of uncertainty and at huge cost, it is not surprising that people are concerned. I would be interested in the Minister's comment on that IT issue.

In conclusion, the Norfolk health economy faces serious problems that are not the result of overall bad management by local managers—notwithstanding the management issues that have to be dealt with—but

[Mr. Bacon]

primarily the result of a high level of extra activity and burdens imposed from the centre without the resources to pay for them.

Several hon. Members *rose—*

Mr. Deputy Speaker: Before I call the next speaker, may I offer right hon. and hon. Members some help? This is a 90-minute debate and the winding-up speeches will begin at half-past 10. I ask all Members who wish to participate—six Back Benchers want to do so—to look at the digital clock or glance at me and my body language as they speak. They will see when they have spoken for long enough.

9.54 am

Dr. Ian Gibson (Norwich, North) (Lab): We meet again, Mr. Deputy Speaker. I shall pay attention to your body language; as long as you do not use your hands, that will be fine by me.

I find it difficult to be negative about anything in Norfolk following the events that culminated at 5 o'clock last Saturday afternoon in a great victory for the Canaries over those horrible northern people from Bolton, who went home to think again. Things are quite vibrant in Norfolk at the moment. That is true of the health service as well, despite the fact that all of us as constituency Members of Parliament hear about the odd dirty toilet, the example of bad communication, the individual who has to wait a long time, and so on. I am aware of that in part as an MP and in part because I was on the hospital management committee of the Norfolk and Norwich hospital so many years ago that I cannot remember—I think I was in my twenties—and have been involved in it ever since.

This Friday I will be with the neonatal nursing team—one of the top teams in the country—which is going to show me its wares. I will robe up and go with that team to see the newborn babies. Such staff are subjected to pressures at this time of the year and I will see how they are handling that. I will then go to the cardiology unit, where once again following my scare in the west bank, attempts will be made to find my heart. I believe that I have one somewhere. Although some people think that I do not have a heart, I do and it seems to be functioning well, although the unit will have another look at it. I think that medical students will be looking at me, which scares me to death.

Let me quickly put the debate in context. There is a great book out at the moment called "Norwich Since 1550", edited by two professors at the university of East Anglia, Carole Rawcliffe and Richard Wilson. I guess that none of us were around in 1550, but the story of Norfolk, for year after year in every public service, leads us to the conclusion that we can do better. That much needs to be done is almost the motto of Norfolk about every event with which I have been involved. That is true today and no one is going to deny it.

I never expected the NHS to be perfect. So many events happen beyond our ken that problems are likely to arise. For example, will malaria come to Norfolk with climate change? There are new diseases that are transmitted from animals to human beings, such as severe acute respiratory syndrome, and so on, and hepatitis C is suddenly a new problem, so new measures have to be taken. The Government are responding with their new initiatives. New technology has come along, including, for example, shunts in hearts and arteries. New drugs and vaccines are being discovered all the time in a highly scientific and technological age, which is recognised by the Government.

We want new services all the time and we want them to be delivered immediately for people, irrespective of their class, colour or creed. That happens more and more in Norfolk. We hear little about that kind of selection. Of course, there is private medicine, although there is no evidence that it is increasing—and although I would like to see it eliminated, it is still around. We need more resources for all the different things that are happening.

There has been a sudden splurge of activity around methicillin-resistant Staphylococcus aureus, and more money has been put into the problem. The infection unit at the local flagship hospital has recognised the problem and done something about it. Scanners have come in since I first got involved at a hospital: one's brain can be scanned in different ways and infarctions and all sorts of things can be seen. The local flagship hospital is trying to get magnetic resonance imaging scanners in Cromer, so that people do not have to be moved from Cromer to Norwich. There are problems with the kidney dialysis unit at Cromer, but the chief executive tells me—I believe him—that although there is a financial problem, it will be sorted out early in the new year.

Through the Government's activity, the local hospitals and the wonderful dedicated staff who work there—not just the doctors and nurses, but all the other people, including some of the managers and the technicians who deliver the biopsies and treatment—form a tremendous force. We must not break the morale of those people; we must make them determined to respond to the new initiatives that come from Government but must be translated into the reality of the geography of a county such as Norfolk.

Mr. Keith Simpson (Mid-Norfolk) (Con): Does the hon. Gentleman recall being quoted in the *Eastern Daily Press* of Tuesday 30 November saying:

> "I have been concerned for some time about the lack of money for the health service. The Government must really change its tack on funding for the NHS"?

What did he mean?

Dr. Gibson: There is lots of money going in, but the real question is whether it is going to where it is needed. Who makes the decision? The Minister knows that I have campaigned hard in the cancer field, because, whether or not it is ring-fenced, the bulk of the money that goes to the primary care trusts does not always get into cancer. The East Anglian cancer network should receive that money and prioritise it for cancer services. That should also be the case for cardiology and mental health, which are the highlights of the Government's

campaign. There should be a cardiology unit in Norfolk to prevent patients having to move down to Papworth, and people are currently campaigning for that.

Mr. Paul Burstow (Sutton and Cheam) (LD): Does the hon. Gentleman share my concern that if we ring-fence every Government priority, there may not be any money left for anything else?

Dr. Gibson: Yes, that might happen, but I do not think that it will. The ring-fencing of certain prioritised areas will deliver better health in the county. The flagship arenas in health need that method of resourcing, and I would be happy to see that approach initially in cancer, mental health and cardiology, because those are the problems that afflict the largest number of people.

There are problems surrounding private finance initiative, about which the hon. Member for North Norfolk (Norman Lamb) and I have often talked. I would love to see the documents on the PFI contract. Early in 1997—the health service in Norfolk really has changed since 1997—my right hon. Friend the Member for Norwich, South (Mr. Clarke) and I tried to gain access to the details, but we were not allowed to because of commercial secrecy. I will get hold of that information somehow, because we should see the details of that PFI contract.

Norman Lamb (North Norfolk) (LD): Is the hon. Gentleman watching the Deputy Speaker's body language?

Dr. Gibson: I have observed finger movements, so I will wrap up.

Representatives of the flagship hospital assure me—I tend to believe them—that the financial deficit is being handled. A few months ago it was estimated to be £15 million, but it is now down to £2 million. The staff show amazing dedication and initiative, and I believe that the problems will be eliminated so that new diseases can be treated. With the help of Government initiative and new financial plans, the county will handle the problem. The hospital will remain a flagship hospital, and Norfolk will stay at the top of the league in terms of star status or whatever replaces that rating system. At the moment that position is shaky, but I have great confidence that the people in place will help the medical school to attract amazing doctors, nurses and other staff, and that Norfolk will remain top of the league.

10.3 am

Mrs. Gillian Shephard (South-West Norfolk) (Con): I congratulate my hon. Friend the Member for South Norfolk (Mr. Bacon) on securing this debate on an extremely important subject for all of us in Norfolk. I am particularly pleased to have the chance to raise my anxieties about health funding. The last time I spoke about health in Westminster Hall, I drew the attention of the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), to the view of school health advisers in the West and Southern Norfolk PCT teams that their services were both underfunded and overstretched. The West Norfolk PCT was at that time running with 42 per cent. of its appropriate staff quota, and the Southern Norfolk PCT described itself as "seriously depleted".

The Under-Secretary will be aware that on page 7 of "Every Child Matters: Next Steps", the Government state that there is a

"need to intervene earlier through better information sharing, a common assessment framework, lead professionals"

and "multi-disciplinary teams".

However, the reality on the ground in the school health service in both PCTs at that time was described by the Southern Norfolk PCT as follows:

"All we, as a primary care group, are doing is crisis managing such public health issues and not providing any early intervention or preventive input."

I particularly wanted to face the Minister of State, Department of Health at that time with the problem on the ground because of the amount of hype that the Government have attached to the co-ordination of services for children. On that occasion she said:

"it is up to primary care trusts, which are the cornerstone of the NHS and are best placed to ensure that the local health service reflects the needs of the local community".

She continued:

"Between them, the Southern Norfolk and West Norfolk PCTs have been examining how to spend some of the increase of £27 million that they have received this year on improving school health services."—[*Official Report, Westminster Hall*, 16 June 2004; Vol. 422, c. 266WH.]

Yet, as my hon. Friend the Member for South Norfolk has pointed out, a letter dated 9 December 2004 from the SHA tells us that between them the PCTs and trusts in Norfolk have a deficit of nearly £30 million. The Southern Norfolk PCT is forecast to have a deficit of nearly £9 million and West Norfolk PCT a deficit of £2 million. What has become of the increase of £27 million about which we were told on 16 June? Where has it gone? Was the Minister of State mistaken on that occasion? I do not expect the Minister to have all the answers now, but I would like a letter from her so that I can pass it to the trusts and to the school nursing service, whose representatives took the trouble to attend the debate. She might pay particular attention to the Minister of State's comment to the effect that steps must be taken to ensure that it is possible to enlarge the school nursing services. There is scant chance of that given the deficits that the two PCTs are facing.

I should like to make one other point, about the elderly mentally ill. We are told that the number of high-cost specialist mental health treatments has increased. Will the Minister specify those costs and tell us whether there is any connection between them and the planned closure of 100 beds for the elderly mentally ill, to be replaced with just 20 beds at the Julian hospital in Norwich? The planned closures have caused outrage—and no wonder. The future of the units is being consulted on at the moment, but the relatives affected are naturally immensely anxious about whether care in the community can really work for those clients.

Of course those dedicated people who provide care in the community for every group do their utmost to provide care, but does the Minister know about the reality on the ground? Given limited budgets, growing lists of clients, and above all the distances that have to be travelled and the sheer logistics of caring for people

[Mrs. Gillian Shephard]

in far-flung communities, the relatives' anxiety is well placed. Without adequate and regular supervision, particularly as regards medication, such clients can rapidly deteriorate, causing a quite different kind of crisis—according to the SHA, the sort of crisis that has contributed to our budgetary problems.

The Minister cannot look to social services for help, not least because of the Government's imposition of unrealistic regulations on the sector, and also partly because of the squeeze on rural local authority funding. The Minister and her colleagues are constantly telling people that more money is being spent on health, and I am sure that is true. Yet the reality is that health services in Norfolk are £30 million in the red. Where has the money from the 66 tax rises in seven years of this Government gone? As my hon. Friend the Member for South Norfolk and the hon. Member for Norwich, North (Dr. Gibson) said, the money is going in but it is not being used to benefit the patients and the clients. Where is it?

These are the questions to which we want answers from the Minister today. We want to know how it can have happened, when extra money has gone in, that there is a £30 million deficit, which will affect every client and patient in Norfolk. According to the Government, people are happy to pay extra taxes. I am sure that those people who should be benefiting from increased health services in Norfolk would like to think that those taxes are going to help them and their families.

10.9 am

Mr. Anthony D. Wright (Great Yarmouth) (Lab): I add my congratulations to the hon. Member for South Norfolk (Mr. Bacon) on securing today's timely debate. While we are talking about the financing of the NHS in Norfolk, I shall concentrate on my constituency, where there is a good story to be told. As has already been said, the targets for the funding of the various strands of the NHS in Great Yarmouth have already been met. I congratulate the managers of the NHS services in my constituency.

I am delighted that the Great Yarmouth PCT has managed to improve its rating from one star to two this year, and that the James Paget Healthcare NHS trust has met or exceeded all key targets for performance ratings. I am also delighted by the increase in access to primary care professionals, which, coupled with the high rate of health improvement, has shown that the benefits have increased and have sustained Government investment in local NHS services.

The income received by Great Yarmouth PCT is set to increase by 9.9 per cent. from 2003–04 to 2004–05, and by 11.2 per cent. from 2004–05 to 2005–06, from £96 million to more than £117 million. Funding increases have meant better NHS services delivered by the Great Yarmouth PCT. New national service framework-compliant mental health services, such as crisis intervention, home treatment and assertive outreach, are now in place. Brand new single-sex mental health ward accommodation is due to open in June 2005. Additionally, £250,000 is being invested in tackling substance misuse, including the NHS provision of clinical treatment and a new role for the independent sector, which will be in place from May 2005.

Better services thanks to increased funding have meant better results. There have been significant reductions in maximum waiting times for acute care, which are now down to a maximum of nine months. Further improvements are being implemented to ensure that no patient waits for longer than six months. Primary care waiting time targets of 48 hours to see a GP and 24 hours to see a primary care professional have also consistently been achieved.

In addition, increased financing has allowed the PCT to engage with local strategic partnerships to focus on the real health and social issues affecting Great Yarmouth, including coronary heart disease, cancers, smoking prevalence, mental health, substance misuse and teenage pregnancy rates. I am incredibly proud of the fact that Great Yarmouth officially has the highest quit rate for smoking among NHS services in the east of England—more than twice the regional average. Thanks to increased funding, the PCT is also overachieving on rates of progress towards a 50 per cent. reduction in teenage pregnancy by 2010, and is on target to surpass Government targets on reducing premature death from coronary heart disease, which is predicted to reach 14 per cent. by 2005, as opposed to 2010.

The James Paget Healthcare NHS trust is benefiting from similar funding increases, which have resulted in more services and beds and in reduced waiting times. Thanks to a massive £56.7 million capital investment in the trust for the next five years, exciting new services can continue to be designed, building on recent successes. Only last year, I had the pleasure of joining Princess Anne at the opening of a new intensive care unit at the trust. It took two years to build and cost £1.2 million, about half of which was raised by dedicated local fundraisers and donations to the hospital's intensive care appeal. A new stroke unit has also been opened, in line with Government efforts, and will be developed further in the next few years. Indeed, I cannot remember a time during the past few years when the builders have been away from the hospital. Millions of pounds have been invested, and we are reaping the benefits in my constituency.

Capacity plans developed in Great Yarmouth have shown that there will be sufficient beds to meet future demands, taking account of rigorous Government targets such as reduced waiting times. To complement the excellent work done by staff at the trust, there will be 52 extra staff, including 17 doctors and 30 nurses over the period in question. That is possible only because of the increased investment in the hospital—contrary to what local Conservatives say. They insist on telling the story of the hospital going into a £4 million deficit, with many redundancies among doctors and nurses. Perhaps after today they will retract that lie and congratulate the NHS in Great Yarmouth instead of criticising it. Perhaps they will also congratulate the Government on that massive investment.

Expanding mental health care services throughout Norfolk has been an important element of the overall improvement in health care provision that is visible in my constituency today. The mental health service in Norfolk has too often been treated as a Cinderella service, suffering from many years of Tory underfunding. That used to be true of Great Yarmouth, but last year I spoke at the opening of the community mental health resource centre, built as a result of

increased Government funding, which will provide an operational base for community staff, medical staff, psychologists and therapists.

Mental health care services across Norfolk are benefiting from increased funding, with a rapid expansion in acute services to allow more patients to be treated in their own homes, with fewer hospital admissions. Increased funding has allowed the Norfolk and Waveney mental health partnership NHS trust to provide additional services such as around-the-clock access to crisis services, rapid response following referral, and intensive intervention and support in the early stages of a crisis. For the first time, we can begin to praise the level of care being made available for the mentally ill in Norfolk.

I am keenly aware of the fact that the continued increase in funding for the NHS in Norfolk should deliver the best and most efficient services possible. Great Yarmouth is a prime example of the fact that the Government are achieving that aim in Norfolk. According to the most recent financial returns received by the SHA, my local PCT and hospital respectively are in surplus and breaking even, with the Norfolk and Waveney mental health partnership NHS trust also breaking even. *[Interruption.]* I do not know whether that was a hint through body language, Mr. Deputy Speaker, but I shall in any case wind up my speech.

There is a good-news story to be told in the Great Yarmouth area, which shows that there has been strict funding management. I am sure that with similar management and control, and increased funding from the Government, we will see the turn-around in fortunes in other parts of Norfolk that we have seen in Great Yarmouth.

10.16 am

Norman Lamb (North Norfolk) (LD): I congratulate the hon. Member for South Norfolk (Mr. Bacon) on securing the debate. He and I have a similar view on one issue: the private finance initiative. We are not philosophically opposed to the PFI, but have real concerns about how it has operated. The massive deficit that we in Norfolk face should be a cause of concern, particularly given the legal obligation on trusts to break even. The strategic health authority produced a brief, which the hon. Gentleman referred to, that talked about the different causes of the financial pressures. It did not mention one particular cause that I wish to spend a few moments talking about: the cost of the PFI.

A recently published report of research commissioned by the Association of Chartered Certified Accountants concluded that trusts with PFI hospitals are more likely than the average to be in deficit. Its overall conclusion was that

"our analysis suggests that PFI is an expensive way of financing and delivering public services that may, where public expenditure is constrained, lead to cuts in public services and/or tax rises, that is, it represents a cut in the social wage. In contrast, we suggest that the chief beneficiaries are the providers of finance and some of, but not necessarily all the private sector service providers, rather than the public sector."

The problems in Norfolk are exacerbated because we were one of the pioneer PFI contract areas. The extra cost of being a pioneer has been demonstrated by the fact that £100 million was released as a result of refinancing. As the hon. Gentleman mentioned, 70 per cent. of that sum went to the private partners, and only 30 per cent. to the trust. I have referred the issue to the National Audit Office and I await its response. I hope that its conclusion will reflect the belief of many in the Norfolk health economy that we are, in effect, paying a premium for being one of the PFI pioneers and that the Government should therefore provide extra support for Norfolk to take account of that additional cost.

I am anxious about one aspect in particular of the PFI contract. Concerns were voiced earlier this year about negative pressure rooms, which are used for isolating patients with infectious diseases. Loose ducting was found above the ceilings and rooms were not fit for the purpose. The cost of getting the facility right was £80,000, which was paid by the trust, not by the private sector partners. The NAO was asked to investigate and it concluded that it could not exclude the possibility of fraud. It has referred the case to the Counter Fraud and Security Management Service in the Department of Health. We await that body's conclusions, but that must be a serious concern.

Every patient in Norfolk is very worried about the effect of the financial pressures. The strategic health authority talks about efficiency savings, but there is a thin line between efficiency savings and cuts in services. The right hon. Member for South-West Norfolk (Mrs. Shephard) referred to dementia services. The proposed closure of small hospital units is causing immense concern. Dr. Ian Mack, a former chair of a primary care group in Norfolk, believes that the proposed cuts are financially driven. The "better care for Norfolk" strategy—an initiative from the primary care trusts in the county—amounts to a proposal to close beds in cottage hospitals and local hospitals and to replace them with better care for people in their own homes. That is a good initiative in itself, but if the aim really is to improve patient service, the outreach services—the care in people's homes—should be developed first, and how many beds can be cut decided only after that has been done. Cutting the beds first puts the cart before the horse.

The hon. Member for Norwich, North (Dr. Gibson) mentioned a dialysis unit proposed for Cromer hospital, which will be of massive benefit to local people. The chief executive of the Norfolk and Norwich hospital says that it is

"critical to ensure that the health system has sufficient capacity to meet current targets."

Yet we are now being told that the strategic health authority is putting a block on the development. My message to the SHA and the Minister is that they should remove that block and allow local decision making. If local people decide that that much-needed initiative is needed for clinical purposes, let them proceed with it.

There is also a fear in Norfolk that cottage hospitals are at risk because of the state of the health economy in that county. I shall be grateful if the Minister provides reassurance that there will not be closures.

A lot of good work is being done in Norfolk, and I acknowledge that extra money is going in. The Liberal Democrats supported that, unlike the Conservatives—[HON. MEMBERS: "Rubbish!"] The Conservatives did not support the extra money through national insurance. That money is needed, and some good things are happening. The Norfolk and Norwich hospital is doing a lot of very good work to improve efficiency—for example, the chairman of that trust wants to get the

[Norman Lamb]

operating theatres working for much more of the working week, which is a good thing. However, that good work could be threatened by the financial pressures. I urge the Minister to provide extra support for Norfolk, specifically because of the extra cost of the private finance initiative.

10.22 am

Mr. Keith Simpson (Mid-Norfolk) (Con): I congratulate my hon. Friend the Member for South Norfolk (Mr. Bacon) on raising this important subject and colleagues on raising important points. The tone was lowered by the hon. Member for North Norfolk (Norman Lamb); as usual, the Liberal Democrats want to have it both ways in every way and any way they can.

I shall concentrate briefly on a number of points connected with the Broadland PCT, which covers two thirds of my constituency. Overall, Norfolk health services are £30 million in deficit, but I believe that one of the key factors in that is the Government's failure to recognise the impact of the growth in Norfolk's population and the likely increase in that growth over the next few years.

With a budget of £120 million, Broadland PCT faces a £4.9 million deficit. The chief executive admits that there has been growth in the NHS budget, but says that that has to be measured against the requirements attached to the extra money. Waiting times for operations must be reduced to six months; new contracts for staff must be introduced; emergency admissions, which increased by 10 per cent. last year, must be covered; and the cost burden of running a new hospital must be met. Can the Minister produce a table comparing the extra moneys received by Broadland PCT with itemised expenditure for the four extra requirements, so that I can see whether they entail a surplus, a break-even, or a deficit position?

Broadland PCT has said that the key to cutting its deficits lies in taking certain measures. First, it says that there are savings to be made on GP prescribing budgets. I would like the Minister to say how she thinks that will be achieved and what impact it will have on patients. Secondly, the trust can sell surplus land at, for example, St. Michael's hospital in Aylsham. That, however, is controversial not least in terms of the impact on the local community in my constituency. Finally, the "better care for Norfolk" strategy is cited—but how will the implementation of those measures reduce the Broadland primary care trust's deficit?

My constituents are, to say the least, cynical about some of the Government's promises. The Minister might not be aware that, as part of joined-up government, the Department for Transport has just announced that it is cutting the planned new access roads from the A47 to the Norfolk and Norwich hospital. It might be easy to get to that hospital from Norwich, but at certain times of day it is almost impossible to get there from the rest of Norfolk.

I conclude by asking the Minister a series of specific questions. I realise that, given the time, she might not be able to answer them today, so I shall be grateful if she responds to me in writing. Does she believe that the Norfolk health service deficits are normal? Does she believe that local managers have put measures in place to reduce the deficits? What impact will those measures have on health care for my constituents and those who work in the health service? What measures does the Minister think that the Government need to implement, or to reduce, or to stop, which will enable Norfolk health services to avoid such deficits in future?

10.26 am

Mr. Henry Bellingham (North-West Norfolk) (Con): I am grateful to my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) for speaking so briefly that I have the time to speak. I also congratulate my hon. Friend the Member for South Norfolk (Mr. Bacon) on introducing the debate.

There are growing expectations among our constituents, because the Government keep telling us that everything is getting better and better and that far more money is being invested. However, what is happening on the ground? I receive increasing numbers of letters from constituents complaining about problems in the NHS. I do not know whether that is to do with growing expectations, or because things are not getting better. However, I wish to flag up four areas on which I hope the Minister will comment.

First, I have had a volley of letters about long waits for MRI scans. I have one letter from someone who is having to wait 40 weeks, as is another person who lives in Snettisham and who is in a great deal of pain. Another waited nine months, then decided to go private. People expect to be able to use modern technology and when those raised expectations cannot be satisfied they are disappointed.

A constituent of mine who had a stroke while in South Africa received daily speech therapy in that country. When he returned to west Norfolk, he was told that he could have only two sessions of speech therapy over the next five weeks, and probably two sessions a month from then onwards.

There are problems in accident and emergency at the Queen Elizabeth hospital in King's Lynn. I have an e-mail from a constituent whose child had to wait 10 hours in A and E. She says:

"There appears to be an issue with the GPs out of hours not working and the availability of Doctors in the hospital to cope with the massive up surge in out of hours work."

We have all had letters about orthopaedic services from people who are waiting for hip operations, knee operations or elbow replacements. I have three recent letters about waiting times for such operations: one from someone in West Walton, one from someone in South Creek, and one from someone who lives in King's Lynn. The average wait for those operations is nine to 10 weeks, which in my judgment is too long.

I accept that the staff are doing their best—there is a great deal of professionalism among management, doctors and ancillary staff—and the vast majority of patients are satisfied with the treatment that they receive. However, the other day my local paper reported that King's Lynn's Queen Elizabeth hospital was in crisis and "under siege", with disease spreading, wards closed, operations cancelled and longer waiting times.

I find it ironic that in this day and age we are unable to get a grip on very simple matters such as hygiene in hospitals. Firmer management and more imagination

on the part of management are needed. The staff, who long to do their best, need that extra measure of leadership and inspiration. They need more help from the top. Rather than put every possible administrative hurdle in the way of staff, the Government should combine the extra money with ways of bringing out the best in the staff, who want to work hard and solve the problems. As my hon. Friend the Member for Mid-Norfolk said a moment ago, our constituents expect better than what is happening now. I hope that the Minister will provide some answers this morning.

Mr. Deputy Speaker: Before I call the Liberal Democrat spokesman to wind up for his party, I thank all hon. Members for their co-operation in this important debate.

10.30 am

Mr. Paul Burstow (Sutton and Cheam) (LD): I am grateful for the opportunity to take part in this useful debate and I congratulate the hon. Member for South Norfolk (Mr. Bacon) on securing it. It is always useful to air concerns about local budgetary difficulties. Those concerns are probably mirrored up and down the country in PCTs and local health economies grappling with underlying deficits, struggling to make the books balance from one year to the next while gently slicing away at certain services, particularly those that do not enjoy the benefit of being subject to Government targets and priorities.

I was interested in the fact that the hon. Member for North-West Norfolk (Mr. Bellingham) suggested that what was needed to enable local NHS organisations to improve and deal with their financial problems was more help from the centre. We have had too much "help" from the centre for far too long—that is the problem—so I was surprised to hear that suggested as a remedy to the local difficulties in Norfolk. My remedy and that of my colleagues would be to set the NHS free from central Government interference, and allow it a great deal more flexibility to make its own decisions about its priorities and to meet the needs of its local population.

Mrs. Shephard: Will the hon. Gentleman give way?

Mr. Burstow: I suspect that my next remarks may relate to the issue that has provoked the right hon. Lady's desire to intervene, so I shall finish the point before giving way.

Hon. Members have all spoken about the financial state of the local health economy in Norfolk. I reflect on the fact that when my hon. Friend the Member for North Norfolk (Norman Lamb) and I went through the Lobby in support of the extra funding that is now going to the NHS, it was not so crowded as to suggest that the massed ranks of the Conservative party were going through it with us. The record clearly shows that the Conservatives have not supported extra investment in this Parliament. Their Front-Bench spokesman must explain how his party would have improved the financial position across the board in Norfolk.

Mrs. Shephard: The hon. Gentleman was quite wrong in his forecast of what I was going to say. I was going to say that he obviously had not been listening to the points made by my hon. Friends and me, and other speakers. The fact is that the Government's ring-fencing and the decisions taken centrally have had a great effect on the funding problems in Norfolk and elsewhere. Everyone made that point, so I am surprised that the hon. Gentleman missed it.

Mr. Burstow: The right hon. Lady and I are in accordance on that matter. I was reflecting on other comments made by her hon. Friends. Perhaps she will need to check the record after this debate to see the point that I was picking up on.

The hon. Member for South Norfolk rightly identified the £29.7 million financial deficit in the local health economy and the way in which the organisations in Norfolk are trying to deal with it. One of my concerns—it is a concern not just in Norfolk, but across the country—is that pressure from strategic health authorities to deal with such financial difficulties often leads to one-off savings being identified. Such savings mask the problem from one year to the next but never deal with the underlying financial gap. In that regard, it would be particularly interesting to explore in more detail than today's debate has allowed precisely how Norfolk and Norwich university hospital NHS trust has moved from an original forecast deficit of £20 million to one of just £2 million now, to what extent it is just deferring problems rather than addressing them, and whether the recovery plans that are being put in place are realistic.

In that respect, I draw attention to the briefing produced for this debate in which the strategic health authority notes that there are problems dealing with the forecast deficits because of the inability to make the required levels of efficiency savings. The SHA, in its board papers of 1 October, says:

> "The board raised concern about financial management in some organisations and the reliability of figures submitted."

There was also concern about the delivery of financial recovery plans, especially ambitious ones. There are clearly some serious problems there that need to be addressed.

Hon. Members who have spoken before me have described adequately the financial pressures on our health economy, so I do not need to rehearse them. However, such pressures are common to many health economies across the country. It is also worth noting that our mailbags reflect the fact that people tend to write to us when things go wrong in the NHS—a point that the hon. Members for Norwich, North (Dr. Gibson) and for Great Yarmouth (Mr. Wright) made.

I join my hon. Friend the Member for North Norfolk in praising the work of NHS staff in making the very best of the resources available to them to deliver the very best of health care. We should do all we can to support and encourage that. However, I remain concerned about the culture of targets and tick boxes, which the Government have raised to such a pre-eminent position in the NHS that it gets in the way of identifying the needs of local populations and making sure that they are properly met.

The right hon. Member for South-West Norfolk (Mrs. Shephard) quite rightly referred to the changes in the service provided to the elderly mentally ill. I agree with my hon. Friend the Member for North Norfolk

[Mr. Burstow]

that if there is to be a change in the numbers of beds available, the necessary services to support people in the community should be put in place before those changes are made, and even then a clear assessment should be made of longer-term requirements. People in my area, including my colleague Ian Mack, and I are worried that the changes will ultimately result in means-tested nursing care beds. There is real concern that there has been a tightening of the eligibility criteria for NHS continuing care, which means that individuals wind up out of pocket and paying for basic health care. That cannot be a good outcome for people in Norfolk, or anywhere else for that matter.

The PFI has been mentioned as perhaps being at the core of the financial difficulties in Norfolk, and my hon. Friend the Member for North Norfolk has asked an awful lot of questions to try to shed more light on that. The fundamental criticism that my Opposition colleagues and I make of the PFI is about the completely opaque nature of the process. It is difficult to know whether the PFI represents genuine value for taxpayers' money, whether it delivers good services, and whether the risk undertaken by the private sector warrants windfall profits of some £100 million going back into the investors' pockets so soon after the completion of projects. Of course the private sector deserves its reward for taking risks, but that does not seem to be entirely reflected in how the Norwich and Norfolk PFI contract has developed. My hon. Friend is entirely right to raise those concerns.

I hope that the Minister will show that she recognises the fact that, because the Norfolk and Norwich University hospital PFI was in the vanguard of that method of financing capital projects, things were done that would not be done in the same way today. As a consequence, the NHS is bearing costs that it will not have to bear in future. There is a need to reflect in the organisation of funding the additional premium costs that my hon. Friend talked about. It would be helpful if the Minister said something about that. Today's debate has helpfully aired concerns about a particular health economy—concerns that are shared by many across the country.

10.38 am

Mr. John Baron (Billericay) (Con): I add my congratulations to my hon. Friend the Member for South Norfolk (Mr. Bacon) on introducing the debate, which is on a very important subject. We have heard many worthwhile contributions.

The situation is serious: there is no doubt about it. The forecast deficit is about £30 million. Five of the 75 primary care trusts and I think three of the 73 NHS trusts forecasting a year-end deficit are in Norfolk. Our central contention is that the Minister and her colleagues have imposed a number of exceptional costs on the NHS that are far in excess of the financial resources made available to the trusts. That is the major reason why there are such large deficits in Norfolk. Some of those additional costs have already started to bite. They include the unfunded costs of the new GP contract and the new consultants' contract, and the unfunded impact of the European working time directive. Some of the costs, such as those associated with "Agenda for Change", have yet to bite, but in the years to come, front-line services will also be forced to shoulder the burden of the NHS programme for IT.

Conservative Members have tried to warn the Government about those proposed changes and where they fall short. On 21 April, we held a debate in Opposition time that drew attention to the Government's failure to prepare the NHS for changes to doctors' working hours. At the time, the working time directive was still some months away, GPs had only begun to hand over their responsibility for providing out-of-hours services and there was time for the Government to ensure that the NHS could handle the changes and to ensure that NHS organisations would not be forced into debt. However, that opportunity was not seized by the Government.

On 22 June, we held another debate, again in Opposition time, which drew attention to the problems that the NHS was having in implementing "Agenda for Change". Again, the Government failed to heed our warnings. Furthermore, we held a debate on 11 November, which drew attention to the problems of the national programme for IT. Not only is there a dearth of experience in the NHS on that subject—for example, four out of every 10 PCTs do not have an IT director—but the costs of the IT programme are unfunded. The declared costs are something like £6 billion, but some independent sources suggest that the costs will rise to something in excess of £18 billion, which is three times the other amount. The shortfall—the unfunded costs of the programme—will fall on PCTs and will adversely affect front-line services. That is money that health services in Norfolk can ill afford to do without.

Largely because of those additional costs imposed by central Government, as we have heard on numerous occasions Norfolk's trusts will be forced to accept unplanned support, and their star ratings will be adversely affected because of their deficits. That is unfair to the NHS staff who work in the region, because it is not they but the Government who have burdened their organisations with unfair and unfunded financial requirements. For all their hard work and success in caring for patients this year, they will be branded failures by the Government, when the actual failure lies with the Government. Star ratings may be a good instrument for measuring hotels, but they are not a very good one for measuring complex organisations such as hospitals and PCTs.

What is worrying about the future is that according to the financial director of the SHA there are a number of financial risks to the Norfolk health economy. The first is that emergency activity will continue to rise. We would contend that the cause of that is the new GP contract. Since it was introduced from April this year, the number of attendances in accident and emergency has risen aggressively—from something like 3.7 million in the quarter ending April 2004 to almost 4.6 million in the quarter ending September.

The truth is that because many patients are now not able to see a GP out of hours, they present themselves at A and E. The impact of that on the local health economy is immense. Each GP consultation costs about £17. By

contrast, each A and E attendance costs £77. According to one Norfolk PCT chief executive, the percentage increase in A and E attendances is still rising.

That represents a substantial additional burden on the NHS that is not being recognised by this Government. That is one of the main reasons why we are seeing ballooning deficits in the Norfolk health economy—particularly when we bear in mind the growing population—and that is before the additional costs of providing a skeleton out-of-hours service are factored in. A poll of PCTs in September found a

"frightening level of underfunding for the new GP contract".

It is patient care that is being affected.

The second financial risk, according to the strategic health authority that is responsible for Norfolk, is due to the Government's unfunded costs of the implementation of "Agenda for Change". That was rolled out on 1 December, so it is early days. However, it is likely that the impact on Norfolk's health economy will be severe. Unfortunately, the Government have no real idea of how "Agenda for Change" will impact on the NHS.

The Minister will be aware of the concerns of radiographers that their hourly rate of pay will fall. Speech and language therapists have expressed similar concerns, but we do not seem to be receiving anything by way of a response from the Government. The fact is that the pilot implementer sites were poorly designed, a point that is becoming accepted generally. The Government do not have enough information about the impact on the NHS of "Agenda for Change" and, if past form is anything to go by, they will not have provided enough funding for its implementation, so individual NHS organisations will plunge deeper into the red.

Since the Government have been in power, there have been 66 tax increases and a massive increase in spending on the NHS. No one can deny the Government's good intentions, and it would be churlish not to accept that there have been some improvements in the NHS. However, bearing in mind the money that has gone in, there have not been as many improvements as there should have been. Increasingly, patients and taxpayers are asking where the money is going. Despite the massive increase in funding, nearly 1 million patients are on the waiting list. According to the latest figures, average waiting times are rising. Those figures come not from Conservative central office but from the Department of Health, whose hospital episode statistics, table 2, 1999 to 2004, suggest that average hospital waiting times have increased by five days since 1999.

Patients are not seeing benefits on the front line. The Government have been successful in getting rid of the longer waiting times, but at the cost of average waiting times rising. They cannot deny that, given that the figures are their own. The massive increase in spending has resulted in only a 5 per cent. increase in hospital treatments—a point reinforced by the Department's own figures. Let us be clear: the Conservative party has committed itself to matching the Government's spending plans on health. We will increase spending by £34 billion by 2009–10. We do not want there to be misunderstandings of the kind that one or two hon. Gentlemen have tried to create. We will match the Government's spending.

What does not divide the parties is how much money is to be spent. What does divide the Government and the Conservatives is how it is spent. How can we best make sure that the money reaches front-line services so that patients benefit? At the moment, that does not happen in many areas. A lot of money is being wasted, perhaps for two key reasons. First, the Government have introduced a massive increase in targets, which has resulted in a growth in managers and bureaucracy. The number of new managers has grown at three times the rate of the number of new nurses and doctors. As a result, clinical priorities are being distorted. We should get rid of targets. The NHS has been a political football for far too long. We must allow the medical professionals to make the key decisions about patient care. Politicians should step back and allow the medical professionals to get on with the job.

Dr. Gibson: What about patients?

Mr. Baron: Perhaps the hon. Gentleman would like to intervene.

The second reason why so much money is being wasted is that the Government are forcing on NHS trusts several misguided policies that have not been properly funded by the Government. We have heard many examples of such policies during this important debate. That fact is also contributing to the financial crisis in Norfolk. One of the sad consequences of what has happened is that, because of the star rating systems and various other mechanisms imposed by the Government, the NHS staff will be blamed for the financial deficits, when in reality they are working extremely hard and deserve our congratulations. Because of the way in which the system is constructed at present, partly because of star ratings, the impression will be created that what is happening is the staff's fault, whereas in reality, it is the Government's fault.

10.49 am

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): I am delighted to respond to the debate. I congratulate the hon. Member for South Norfolk (Mr. Bacon) on securing it. I have listened to the concerns expressed by the hon. Gentleman and several other hon. Members about the financing of health services in Norfolk and the financial position across the Norfolk health community. As they know full well, our policy is that primary care trusts have specific local knowledge and expertise; that they are responsible for improving health, securing the provision of all health services and integrating health and social care; and, to reflect that greater responsibility, that they control 80 per cent. of the total NHS budget at a local level.

It would be helpful to remind Members of the investment that we have made in the health service in Norfolk. My hon. Friends have mentioned it, but we have heard very much less from Conservative Members about the investment and the things that it has been buying for patients—a word not often used by Conservative Members—as part of improving health care.

Since we came to power the average real-terms annual increase across the health service has been 6.2 per cent., and the spend is set to rise on average a further

[Miss Melanie Johnson]

7.1 per cent., in real terms, during each of the next three years. That compares to just 3 per cent. a year under the Conservatives.

Mr. Baron: Will the Minister give way?

Miss Johnson: I would like to make progress. The hon. Gentleman can intervene later if he wishes.

That investment means that NHS expenditure will top £92 billion by 2007–08, and we are committed to seeing that funding devolved to local level.

I would like to join other Members—again, particularly my hon. Friends—in congratulating staff on the contributions that they have made. One of the striking things about Conservative Members is the frequency with which they criticise health service staff. Waiting times are falling across Norfolk. There are no patients waiting for more than nine months for in-patient treatment at the Norfolk and Norwich university hospital NHS trust. In 1997, more than 1,000 patients were waiting for more than nine months. *[Interruption.]* Hon. Members are muttering from a sedentary position. I take it that it is a mutter of congratulation at the thought of the 1,000 or so patients no longer on that waiting list. There has been a 17 per cent. reduction since 1997 in out-patients waiting 13 weeks or more.

Mr. Baron: The Minister is missing the point. No one denies that the extra money has gone in, but it is not reaching front-line services. The hon. Lady has not addressed my central point, which is that, although longer waiting times may be being eliminated, according to the Department's own figures, average waiting times are rising. Will the Minister address that central point?

Miss Johnson: I shall not take many interventions if they are likely to be that long. I was making exactly the point about how the investment is reaching the front line. Services to patients at the front line are improving. Patients with suspected cancer are now seen by a specialist within two weeks of urgent GP referral. That was not even measured by the previous Government—still less do Conservative Members acknowledge our success in these matters.

There has been investment in facilities, as my hon. Friends have said. I would like to recall a few—not all—of the highlights: new facilities at the James Paget Healthcare NHS trust include a new day-care centre, an ophthalmology theatre and an upgraded intensive care unit. A new emergency admission and discharge unit will open in February 2005; a new computerised tomography scanner has been installed in upgraded facilities and a second CT scanner and replacement MRI scanner will be installed during 2005.

The hon. Member for North-West Norfolk (Mr. Bellingham) mentioned waiting times for MRI scans. In the West Norfolk PCT, the waiting time is now 22 weeks, owing to a visit by a centrally funded MRI service in September. Two new primary care premises are being built in north Norfolk and an existing surgery is being expanded. "Better care for Norfolk", launched in April 2004, aims to provide enhanced services for patients across the areas of Broadland, Norwich and north and south Norfolk. Those services will allow NHS treatment closer to home and give more help to people with long-term conditions such as asthma and diabetes.

Mr. Bellingham: Is it true that average waiting times have increased?

Miss Johnson: I have been explaining to the hon. Gentleman how we have been improving the health service. He is well aware that the statistics he uses are much disputed.

Mr. Baron: Will the Minister give way?

Miss Johnson: No. I need to make progress.

Over the years 2003–04 to 2007–08, the plans across the area mean that there will be an increase on average of 7.2 per cent., over and above inflation. That amounts to Norfolk getting an additional £224 million—an increase of 31.6 per cent. Of course, the effective and efficient use of those significant additional resources will always be challenging.

I was grateful to the hon. Member for South Norfolk for recognising that some of the issues are complex. Equally, some things are simple. One simple fact is that Norfolk and Norwich hospital's A and E performance is in the top five, out of 400 hospitals across the country. Another simple fact is that we are putting in all this additional money. As the hon. Member for Sutton and Cheam (Mr. Burstow) recalled, the Conservative party voted against the rise in the investment in the health service. I do not want to hear pious lectures from the hon. Member for Billericay (Mr. Baron) about what they would do with money in the NHS and what they would maintain. His right hon. and learned Friend the Leader of the Opposition has committed himself to a £35 billion cut. The Conservative party's flagship policy—Conservative Members dare not speak its name because they do not support it sufficiently—is to introduce a patient's passport. That means removing money from the NHS to support a few people in accessing private treatment.

Mr. Baron: Rubbish.

Miss Johnson: I shall give way to the hon. Gentleman.

Mr. Baron: That is not the policy. The Minister is totally misconstruing our policy. The bottom line is that the Minister cannot answer some simple questions. She is making the point about all this extra investment but cannot tell us why average waiting times are rising and why we still have nearly 1 million patients on the waiting list. Those are Department of Health statistics. Will the Minister address that issue?

Miss Johnson: The hon. Gentleman is well aware that only recently the Opposition had a debate on this subject and failed to make any progress. I will not go over something that was debated in the Chamber for several hours. I return to the point that I was making, because the hon. Gentleman does not want to address it. The patient's passport is the Opposition's policy. That, together with cuts, is their answer to the health service.

Conservative Members can sit there for an hour and a half having a debate about the health service without mentioning it, or the word "patient", once.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. The Minister is replying to the debate. She must be shown courtesy.

Miss Johnson: I have just a few minutes left. I will not give way because I want to address some of the other points that hon. Members have raised. Several hon. Members referred to the PFI.

Mr. Keith Simpson: On a point of order, Mr. Deputy Speaker.

Mr. Deputy Speaker: I do not believe that there can be a point of order, but I will hear it because I respect the hon. Gentleman.

Mr. Simpson: I did not expect the Minister to be able to answer all the questions my colleagues or I put to her. I simply want to ask her whether she will reply to some of the—

Mr. Deputy Speaker: Order. That is not a point of order. The Minister gives way when she wishes to do so.

Miss Johnson: That was another waste of a minute.

As a result of a refinancing deal on PFI, the Norfolk and Norwich trust will receive £1 million a year for the next 30 years, which is the life of the PFI contract. Refinancing benefits both the private and public sector, as partnerships should. All the PFI schemes—this one is no exception—have already demonstrated value for money when compared with a public sector comparator at the time of signing. The many gains to the trust are a bonus. The gain is being used to reduce the hospital's annual charge, making money available for other purposes.

I am aware that the hon. Member for North Norfolk (Norman Lamb) has addressed the question of the NAO investigation and the PFI scheme. The NAO will shortly be responding to him. I welcome that move as he will now have a final, authoritative, independent and objective report on the subject. If the hon. Gentleman wishes, I am more than willing to ensure that the Department supplies its views on its conclusions.

I shall conclude because I do not think I have any more time to answer questions—*[Interruption.]* That is because the digital clock is flashing. I should point out that it is not unusual for the NHS to be reporting deficits at this time of the financial year—

Mr. Deputy-Speaker: Order. Time is up. We thank the Minister for her reply. Will hon. Members leaving the Chamber please do so quietly?

Road Safety (West Derbyshire)

11 am

Mr. Patrick McLoughlin (West Derbyshire) (Con): I am grateful for the opportunity to raise the issue of road safety, which is an important subject in every hon. Member's constituency. It is particularly important in my constituency, partly because of the huge number of visitors to the Peak district every year—an average of 20 million—which brings associated road problems. I want to raise several issues today; I have given the Minister notice of some of them. I will end by suggesting something for him to take away and consider.

It is worth mentioning some of the different factors relating to the problems in the Derbyshire dales and West Derbyshire, which is the only area in Derbyshire where the number of accidents is highest on Sundays, when it is double the midweek figure. That is unusual. Similarly, the Derbyshire dales is the only area to have fewer accidents in the darkest months of the year, such as December, which is also unusual.

Overall in this country we have a good record on road safety. I was, for a time, responsible for road safety in the Department of Transport. I remember launching, with the then Secretary of State, Cecil Parkinson, the "Kill Your Speed. Not a Child" campaign, which is still running 14 years on. There is no doubt that speed can be a big contributory factor in a lot of road accidents, which we need to get across.

I am worried about a developing trend of fatalities on rural roads classes B and C. I have expressed my concern to the chief constable of Derbyshire that siting speed cameras on the A6 will cause motorists to leave the main roads for some of the back roads. I wonder whether that is reflected in what is happening. It is difficult to say that just because road accidents increase in one year, something is going drastically wrong; I am not here to make that point. Each accident that occurs is devastating to the family involved, but individual circumstances could have led to that accident.

In 2001, there were 585 accidents on rural roads classes B and C, and in 2002, the latest year for which I have the figures, there were 632. That is a sizeable increase in the space of a year. I do not have the figures to show whether that increase is continuing, but I am concerned about the trend from those two figures alone. I hope that the Minister will reassure me, or, if he cannot, that he will say that we should be considering the reasons why there is an increase in accidents on rural roads. Is it because people are using rural roads to avoid speed cameras? I do not know, but I am concerned. The Minister does not think that that was the reason and I accept his point, but I want to raise that concern.

I want to raise specific areas of concern in my constituency. I start with the A5012, the Via Gellia road between Cromford and Newhaven. In three months this year, between 11 September and 24 November, there were four fatalities on that road. I have taken up the issue with the Derbyshire constabulary, and a letter that I received yesterday informed me that the investigations on some of the fatalities are not yet completed but that it is clear that the collisions occurred at different locations and at different times of the day. Inspector Constantine went on to say that, in view of the number of fatalities

[Mr. Patrick McLoughlin]

in such a short time, an urgent meeting took place between the police and representatives of Derbyshire county council on Friday 26 November 2004.

"At the meeting a review took place of all four fatal collisions, their locations and the collision history of the route. Derbyshire County Council staff had, prior to the meeting, carried out site visits and arranged for tests to be carried out on the road surface to see if there had been any changes which would explain the sudden increase in collisions on the road. Neither Police nor DCC staff was able to explain why, after a period of three years without a fatal, there has suddenly been four in the last two months. Prior to Year 2000 the last fatal collision had been in 1992."

I accept that that shows there was not a long history of fatalities on the road, but four fatalities in the space of three months should concern us all, especially those of us who are interested in good road safety in our country. I know that that includes both the Minister and me.

A local cyclist, Mr. Orford, wrote to me in April to say that he was very concerned about the road, well before the accidents that cost the lives of four young people. I have a reply from Derbyshire county council dated 5 August—again, before the terrible tragedies took place—in which it said that

"resurfacing of this section of road has been identified as part of a continuing programme of works. Unfortunately, it did not attract the necessary funding. However, the scheme will be considered for 2005–6".

The work has now been brought forward, which I am pleased about, but it is a tragedy that that has been as a result of four fatalities. Arnold Crosby, the chairman of Cromford parish council, rightly expressed the views of the local community:

"We are shocked at this tragic series of fatalities . . . I would be very concerned if nothing was done at all."

I accept that something is being done; I regret that it has taken four fatalities for that to happen.

I have raised the position of other roads in this Chamber before. The A623 Calver road basically splits Calver in two, and residents have long been campaigning for a 30 mph limit on the section. The hon. Member for Crewe and Nantwich (Mrs. Dunwoody), Chairman of the Select Committee on Transport, chaired a public meeting in Calver and lent her support to the campaign. It was an effective public meeting, and a lot of work was done. However, it was frustrating for the local community that, despite all that work, the county council refused to accept the arguments for a 30 mph limit.

One problem about speed limits is that they seem to be assessed in different ways in different places. Why is there a 30 mph limit just as one leaves the A38, on the A6 going up to Belper? It is a wide road with good footpaths alongside it. In other areas—such as the A623 through Calver, where the road runs between the village and school with only a narrow-cut path at certain points—we cannot get a 30 mph limit. If a local community makes a good case for a restriction in speed limits, that should be carefully considered and, if possible, accepted. That is what the local community wants, rather than the county council saying that, for whatever reasons, it knows better and the answer is no.

Similarly, I mentioned a crossing on the A50, which is a new road that links Derby and Stoke. It has become known as the M1-M6 link road, yet the crossing at Aston is a disgrace. It is a gap between the two carriageways where people are expected to dodge the traffic. It is appalling and action should be taken. Action should have been taken during construction of the road, but for some reason it was not.

Because my constituency is so large—more than 350 sq miles—I have to express concerns about several different roads. Since the building of the A50, another problem that has occurred is the increase in traffic on the A515, which goes from Sudbury up to Buxton. There has been an inordinate number of extra accidents on the stretch of road between Sudbury and Ashbourne, usually involving heavy goods vehicles. That has also been the case on the stretch of road above that, coming down through Fenny Bentley. There was a very serious incident there a few months ago in which two people lost their lives. The county council now suggests raising the bridge at Fenny Bentley, but there is grave concern among local residents that that will lead to an increase in heavy traffic going through Fenny Bentley and the surrounding areas.

I believe that one way around the problem would be to address the Ashbourne bypass. Part of Ashbourne was bypassed some years ago. Unfortunately, at that stage the county council would not put the remaining section forward as a programme that needed to be completed. I think that completion of the Ashbourne bypass would make Ashbourne safer, and we should at the same time address some of the other problems that the road suffers.

The A517 is the road from Belper to Ashbourne. It goes through Hulland Ward in particular. Again, there has been a plea from the local community and the parish council because they desperately want a 30 mph limit on the part of the road that goes through the village. I do not see why that should not be agreed to, considering the 30 mph limits on roads in various other parts of the county.

Whenever a road accident takes place, it inflicts random devastation on a family. There are no easy answers to such devastation; it is particular to the family involved. Because there are so many road accidents, we do not tend to hear about every one. Let us say that there is a rail crash in which 10 or 20 people are killed. I think that Kevin Delaney of the RAC Foundation said that the trouble is that although there are as many as 10 road deaths a day, they do not happen in the same place at the same time and they happen for a variety of reasons, which more often than not relate to human error, so they do not receive the publicity that one accident on public transport may receive. That is a problem. As I explained, there have been four accidents on the Via Gellia in a very short space of time. We need to address that section of road and do what needs to be done.

A few years ago, just south of the village of Duffield on the A6, there was a spot of road on which there were a number of fatalities. No one could understand why fatalities were taking place on that spot of road. They ranged from a young person to a man of 45 driving a Volvo estate who lived in Duffield. The Highways Agency reviewed the whole road and came up with the idea of re-marking parts of it. I admit to being fairly sceptical at the time about whether just re-marking the road would have an impact, but it did. Since re-marking has taken place, which did not cost a huge amount of money, there has not been a fatality at that spot.

I have given a lot of thought to the matter of road and car accidents, and something is lacking. We have the air accidents investigation branch and the marine accident investigation branch, and we now have the rail accident investigation branch—the RAIB. It is time for the Government to think about establishing a CAIB—a car accident investigation branch. That could have an effect where there are a number of fatalities, perhaps in a short period, such as on the Via Gellia—the A5012. When that sort of signal comes through to the Department for Transport, it would be possible for the CAIB to bring together national experts in road safety to look at a particular section of road, so that decisions can be taken quickly and maintenance can be carried out on that section of road, at the discretion of the Department. There are certain blackspots around the country where bringing a national context of what has worked in one part of the country to bear in another part of the country could play a useful role in road safety.

We all want greater road safety. Given the number of cars that we now drive in this country, it is incredible that, overall, road accidents have been falling. I realise that there has been a slight increase in road accidents; the Government want to address that trend, and everyone wants them to succeed in that. It is partly about getting the message of road safety across.

We have special problems in West Derbyshire because of the amount of rural roads, which are sometimes not given the same priority as main roads in urban areas. In constituencies such as West Derbyshire and areas such as the Derbyshire dales that get a lot of visitors, this is one of the most serious issues, and I hope that the Minister can give some reassurance on how the Government will address it.

11. 17 am

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): I congratulate the hon. Member for West Derbyshire (Mr. McLoughlin) on securing the debate, and on the consensual way in which he raised the key issues on behalf of his constituents and people in the wider area of the Peak district. I am also grateful to him for giving notice of some of the issues he wanted to raise. I will try to cover all of them in the time that I have available, and if there are any that I do not have time to cover, I will jot him a line on them.

With regard to the hon. Gentleman's final comments, I hope that we can get some political consensus on road safety. A couple of weeks ago we published the Road Safety Bill, and I hope that we will join together in common interest on many of the issues that it addresses. Over the past 30 years, under Governments of different political persuasions, there has been a gradual decline in the number of people killed and seriously injured on our roads. This country has a good record; we have one of the best road safety records in the world, and I am very proud of that. We are equal with countries such as Sweden and Holland and very much better than many other European countries.

However, 3,500 people were killed on our roads last year, and 34,000 people were seriously injured. We set ourselves a target of reducing those figures by 40 per cent. between 2000 and 2010, and I am pleased to say that there has been a 22 per cent. reduction in just three and a half years. We are making good progress, but we have much more to do. One of the concerns is the number of deaths that there still are on the roads. That figure has plateaued out in the past few years; it is a trend that has also been spotted in a number of other European countries.

The hon. Gentleman raised the issue of rural roads. They are a particular problem. Our motorways are our safest roads, and rural roads have the most problems. There are particular reasons for that. In his area, and in some other areas such as Wales, Devon and North Yorkshire, there are problems to do with motor cyclists on the roads. Many of the deaths are single-vehicle crashes where someone comes off the road and kills themselves. In some cases they kill other people as well.

Mr. McLoughlin: I am grateful to the Minister, because I had intended to raise that in my speech. I think I am right in saying that of the fatalities in Derbyshire, a third are motor cyclists. That is high, and is partly because of the visitors that we get to the dales.

Mr. Jamieson: Yes indeed. Particularly in areas such as the Peak district and others to which people are attracted for recreational purposes, motor cycle accidents are disturbingly high. They are not always youngsters; they are men of a certain age, who return to cycling and sometimes do not do so safely.

Apart from the A50 trunk road, which is the responsibility of the Highways Agency and my Department, all the roads that the hon. Gentleman mentioned are the responsibility of Derbyshire county council. Derbyshire county council is one of the best performing local transport authorities and has a good record on road safety. The number of people killed or seriously injured on Derbyshire's roads fell from 608 in 2002 to 579 in 2003, which is a welcome 14 per cent. reduction. However, as I said earlier, it is not enough, and all of us must do more. The hon. Gentleman will be aware of the campaigns that Derbyshire county council has had: the "Speed kills", "Think bike" and "To die for" road safety campaigns.

In 2003 the county council invested £1.8 million of capital funding in safety schemes through the local transport plans, supported by my Department, and it has added another £1.25 million of revenue spending on those schemes. More widely, the integrated transport funding awarded to Derbyshire over the five-year life of its current local transport plan amounts to more than £33 million. The authority has seen an increase of over 300 per cent. in real terms in its local transport plan settlement since 2000–01. As a consequence of that investment, the council has been able to bring down some of the casualty figures although, as the hon. Gentleman said in his opening remarks, there are some ongoing problems.

I turn now to some of the specific issues that have been raised, not necessarily in the order in which they were raised. The A50 Sudbury pedestrian subway is on a 70 mph road approaching an island, and looks extremely dangerous. The number of casualties there has lowered, partly because people are probably too scared to cross. As the hon. Gentleman may know, the Highways Agency is working on a plan to start construction in 2007–08 of a subway under the road, which will be a great benefit to people in that area. I hope then that they will not be too frightened to cross the road.

[Mr. Jamieson]

Turning to the question of road safety on the A5012, the Via Gellia, the accident record did not suggest a deterioration in safety before the recent spate of fatal accidents. Indeed, the monitoring of previous schemes implemented by Derbyshire county council on the road indicated a reduction in casualties. However, there have been four fatal accidents over the last two months, three of them involving relatively young people. As the hon. Gentleman said, each one of those is a tragedy for their families and the wider communities in which they live. A programme of measures is proposed, including consistent signing of significant bends, advisory speed limits, rumble strips, chevron signing and measures at both ends of the Via Gellia to advise drivers of road characteristics.

As the hon. Gentleman knows and raised earlier in the debate, a number of similar measures were taken on the A6, showing considerable benefits. He mentioned the double fatal accident on the A515, the Fenny Bentley road, and Derbyshire county council intends to address the problem of the low bridge by reconstructing the structure to provide sufficient clearance. He raised the argument that that might attract more heavy goods vehicles; all I can say is that he cannot have it both ways. The authority can, if it wants, create a restriction on vehicles going down that road, but that would have to be taken up by the county council.

The A515—the Sudbury-Buxton road—is the main north-south route through West Derbyshire, and mobile safety cameras were introduced on a section of it last year. Derbyshire county council is also investigating a number of potential junction improvements and has reviewed the signing and lining along a large proportion of the route. More significantly, it is examining the case for an A515 bypass of Ashbourne. However, it is up to the council to decide whether to make a bid for funding through the local transport plan process. If a bid is submitted, we would consider its merits in the light of competing priorities and the availability of funds.

The A623—the Calver road—has been identified by the Derbyshire safety camera partnership as a route that would benefit from mobile safety camera enforcement, which I understand is now actively taking place. A number of other measures have also been implemented to reduce the number of casualties. In Calver village, surface dressing of the carriageway seems to have been effective. There have been no reported injury accidents since works were undertaken in 2003, compared with three reported injury accidents during the three-year period before that.

I understand that Calver parish council is pressing for the current 40 mph speed limit through the village to be reduced to 30 mph, but the county council does not believe that to be appropriate. The hon. Gentleman said that the county council was too remote to make such a decision, but a decision from Westminster or Whitehall would be even more remote. Such decisions are most properly made at the local democratic level. It is up to the parish council to continue to make its case and get public support behind it. If he has not done so already, the hon. Gentleman may want to look at our consultation about draft revised guidance on the setting of speed limits, which may be relevant and inform further discussion and debate.

The sections of the road through Stoney Middleton and Middleton dale were resurfaced last year, and surface dressing has been carried out west of Tideswell at White Rake bends. At Sparrowpit bend, signing and lining improvements together with high skid-resistant surfacing have proved effective in reducing the number of casualties.

I now turn briefly to issues relating to the Peak District national park. I am told that the Peak district is the second most visited national park in the world—one in Japan has more visitors—and attracts some 22 million visitors each year. It is not surprising that a large proportion of those visitors arrive by car; I have done so on a number of occasions and it is a part of the world that I find particularly attractive. Therefore, motor traffic and associated road safety problems are particular concerns to all of us. It is no coincidence that most road casualties occur during the summer and on weekends, which is the reverse of the general pattern on the roads.

Derbyshire county council, through the South Pennines integrated transport strategy, is trying to reduce the impact of car travel on the Peak park by developing and promoting more sustainable modes of travel. Other measures being explored as part of the strategy include the introduction of traffic restraint on through and minor roads.

Mr. McLoughlin: I realise that the Minister is up against the time constraint, but the idea that I mentioned about the CAIB is an interesting one. He does not have much time left in the debate, but will he take that idea away and consider it?

Mr. Jamieson: We have considered a CAIB carefully and implement a similar policy for air, marine and rail transport. Casualties and accidents on the road are examined closely by the police, and the Highways Agency studies particular incidents on its roads. We learn a lot from that, and some of the good schemes on our roads are a result of learning from past casualties.

This has been a short but useful debate. If the hon. Gentleman would let me know if I have not been able to cover any issues in the available time, I should be pleased to correspond with him.

11.29 am

Sitting suspended until Two o'clock.

Regional Television

2 pm

Mr. John Grogan (Selby) (Lab): There are many distractions in the House today. The thoughts of some hon. Members are turning already to the festive season. In the main Chamber, matters of life and death are being debated. Outside the House it is a cold December day, and my constituents tell me that in the northern regions of England—and probably in Scotland too—a chill wind is blowing. I hope that hon. Members believe that today's debate, and the story that I have to tell, is a true winter's tale, worthy of the presence of the Minister for the Arts. It is a story about the prospect of another chill wind blowing through one of our finest traditions of broadcasting—regional programming—in the new year. It involves differences of opinion in the Cabinet and differences of opinion in the regulator, Ofcom. It is a winter's tale of intrigue—a tale that involves a former adviser to the Prime Minister, as well as a triple-jumping gold medallist hero.

I shall begin at the beginning. In the 1950s, ITV was born. For the first time we truly had competition in our public service broadcasting. That was evidenced by the fact that on ITV's opening night the BBC tried a spoiler, and had a special story line in "The Archers" involving a fire and a main character—would they live or would they die? Viewers have benefited from competition between the BBC and ITV and, latterly, other public service broadcasters. As a result, our broadcasting has been much the stronger.

ITV's regional structure is said to have originally been an accident. The civil servant who drew up the plan in the 1950s, so the story goes, was an expert in the structure of the then regional electricity boards, and drew up the plans for regional ITV companies on similar lines. Whether or not it was an accident, ITV's regionality was at its core from the beginning. At the time, it revealed itself in three ways that are still relevant and evident today. For the first time, a considerable amount of network production came from regional studios, which increased in number in the 1960s and 1970s. I went to school in Kirkstall, in Leeds, and I remember seeing the Yorkshire Television studios grow during that period. The right hon. Member for Richmond, Yorks (Mr. Hague) famously remarked that we did not need regional government in Yorkshire because we already had an attitude and a cricket team. In the 1970s we still had an attitude—although not much of a cricket team, beyond Geoff Boycott. However, we had Yorkshire Television, and that helped to define the cultural identity of the region.

The second aspect of regionality was that, for the first time, it was possible to make programmes in the region for consumption by viewers in the region. Many a star, such as Richard Whiteley, in our region, or Gloria Hunniford, started off in those programmes and moved on to national level—a particular aspect of regionality, on which I shall concentrate most of my remarks. Thirdly, programmes such as "Coronation Street" presented a regional perspective of life to the nation.

Now let us fast-forward from the 1950s, through the 1990s—when Mrs. Thatcher auctioned the franchises to the highest bidder—to 2002, and the debates in which some hon. Members who are here today were involved, such as those on the Communications Act 2003 and the creation of Ofcom. It is relevant to remind hon. Members of what some of the key players in the debate were saying two years ago.

In 2002, ITV produced the ITV charter for broadcasting in the nation and the regions. It was agreed with the then regulator, the Independent Television Commission, that the new charter

"will secure a sustainable future for regional programming."

Point 2 of the charter covered

"Producing programmes in the regions for the regions".

Point 6 concentrated on access to peak times and stated:

"Regional programmes will remain a key part of the ITV schedule. The level of access to peak and near peak slots for dedicated regional programmes will be improved in the late evening and in addition there will be on average an additional half hour per week of peaktime regional news"

in the programme schedule.

At the time, Charles Allen of Granada said:

"I am very passionate about programming from the regions . . . We want to build the regional element of our output".

In September 2003—just over a year ago—he said:

"In all the main ITV regions, regional programme hours account for more of the schedule than Coronation Street, Emmerdale and The Bill combined. A single ITV will be absolutely focused on getting the most out of every minute of its schedule—and that very much includes regional programming."

Even in June 2004—only a few short months ago—he said:

"ITV's commitment to regional broadcasting is a unique part of its heritage."

In 2002–03, Government Ministers were looking to Ofcom, the new regulator, to take action on regional programming. In June 2002, my right hon. Friend the Secretary of State said:

"Regional character matters. We will look to Ofcom to defend it with vigour."

In 2002, there was an agreement between the regulator and the ITV companies to reduce the number of regional programme hours, and regional spend declined by about 18 per cent. from 1998. What the regional franchisees promised in 2002 was that although they would have fewer hours of regional programming, they would spend more on the programmes that remained.

In 2002, the Minister responsible for broadcasting said that the regional charter

"seeks to enhance investment in regional programme production, introduce a more effective regional schedule and strengthen regional accountability."—[*Official Report*, 25 June 2002; Vol. 387, c. 742W.]

What has happened in the intervening years? In 2003 there were 15,000 hours of original programming, both news and non-news, across the whole of the broadcasting networks—down from 17,000 hours in 1999. ITV still had 7,000 hours, which was more than the BBC, which had 6,000 hours, although by that stage the BBC was spending more per programme.

At the beginning of this year we had the public service broadcasting review of the regulator, Ofcom. Basically, there were three proposals in the second stage of the review—and we are waiting anxiously for the third stage and the final outcome. It was proposed that non-news regional programming be reduced by half from three

[Mr. John Grogan]

hours per week to one and a half hours per week. It was also proposed that even that one and a half hours might not be sustainable once digital switchover started in 2007. The review said that regional news shows such as "Calendar" in Yorkshire should continue for the time being, but that after digital switchover they should continue only if they are financially sustainable.

That brings me to the differences of opinion that we have seen in the Cabinet. My right hon. Friend the Leader of the House said during questions just a couple of weeks ago that those proposals were unacceptable. My right hon. Friend the Secretary of State for Culture, Media and Sport took a rather different view at questions only a week or so ago: she quoted Ofcom figures suggesting that those regional programmes were appreciated by only 7 per cent. of the audience. I will return to Ofcom's figures.

I want to examine two basic arguments that Ofcom has put forward. One is that ITV can no longer afford regional programmes because there is so much more competition in the market than a decade ago, and it is threatened by digital switchover. The second argument is—to paraphrase—that no one values or watches regional programmes, so they can be cut without too much pain.

With regard to the first argument, a key question is whether ITV is really at the end of the road or under tremendous financial pressure. I refer to the recent half year financial results of ITV plc, published in June 2004 and headed "Delivering revenue growth and significantly higher profits". Operating profits are up 32 per cent. to £123 million. Pre-tax profits are up to £132 million, so ITV has done quite well in recent months. Some Members may have been watching "The X Factor" on Saturday nights, or they may have been fans of "Strictly Come Dancing" on the other channel—I would not like to presume. However, Saturday night television is alive and well on both the major networks.

Even BBC News Online characterised the ITV autumn schedules and performance as representing a brighter outlook for ITV. The media section of *The Guardian* has referred to ITV "trouncing" the BBC in the autumn ratings battle, and in *The Sunday Times*, a Merrill Lynch media analyst said that the market expected the licence fees to fall by about 40 per cent. and ITV to do better in future.

I must explain what licence fees I am talking about: I mean the money that ITV pays for the privilege of holding the licences. That costs about £220 million each year—that is the best figure that I have obtained. The regulator proposes to reduce the commitment to regional programming; at the same time, it is negotiating with ITV to reduce the payments that the network makes to the Government. The total cost of the regional programmes is estimated at about £50 million, and there seems to be the potential basis of a deal. The Ofcom spokesman is quoted in *The Sunday Times* of 27 June as saying:

> "We are trying to take a holistic view of all three issues—renegotiation of licences, the public-service review and the digital switchover."

It does not seem to me that it is taking that holistic view. It seems to be selling the pass on much valued regional programming.

Is regional programming really valued? That is the other question. Ofcom says—and the Secretary of State agrees—that it is not. However, the opinion research for Ofcom has produced some startling figures. On a slot-by-slot basis, more people watch the regional opt-outs than the general alternative ITV output, which suggests that regional programmes are valued. Some 65 per cent. of the people who responded to the survey attached importance to programmes that reflected the needs of the different regions, and 60 per cent. agreed that more TV programmes should be made specifically for and about each region in the UK.

What figures are quoted by Ofcom and the Secretary of State? The opinion researchers presented choices to viewers. They asked whether viewers would prefer regional programming to news. Obviously, people said, "No—if it came to that, we would prefer news." Regional programming scored less well when people were asked whether they preferred, for example, drama or entertainment to regional programming. However, such programming is not an abstract in itself. Similarly, someone could ask, "What food do you prefer? Should we eat chicken, beef, vegetables or fish tonight—or do you prefer regional food?" In most cases, we would opt for chicken or fish rather than ill-defined "regional" food, and that was the sort of choice that Ofcom offered people.

Let us look at some of the programmes. Meridian, for example, makes a programme about religion in Southampton called "Faith and the City", and a late night sports programme about local motor sport called "Hell for Leather", plus entertainment programmes and so on. There is a full range of programming; there is no such dry, dull and boring thing as a "regional" programme per se. The ITV regional review for 2004 shows that despite cuts in budgets, 11 of the 13 regions have improved their year-on-year regional programming performance.

More people are watching regional programmes than did last year. I shall choose one particular day: Thursday 18 November. Some of the regional programming, such as "The Dales Diary" in Yorkshire, was up against "EastEnders". On that night, 10.7 million people watched the BBC—not surprisingly, as it was showing its strongly performing soap. However, 5 million people watched the regional ITV opt-outs—more than watched the regional news on ITV, which had had 4.4 million viewers just an hour or so before. Such programmes are watched, even late at night.

Let us think back to the regional referendum—although I do not want to dwell on it, and shall move swiftly on. That night, Gerry Foley, the much respected presenter of Tyne Tees political coverage, was on Tyne Tees television until the result came out at about half-past 2. The channel had a 65 per cent. share that night. Even when the programme finished, 70,000 people were still up and watching. That was regional broadcasting at its very best.

Some crime programmes late at night focus on the regional fight against crime. In Granadaland, such programmes get ratings of about 40 per cent., and those on Border television get about the same. In Tyne Tees, "Crimefighters" gets about 33 per cent. Recently, Geoff Drewett, the political presenter on Yorkshire

Television, did a late night programme following the life of a Yorkshire vicar, and the following week there were programmes about Muslim life in Bradford.

It is worth reminding the House that under section 287 of the Communications Act, Ofcom has a duty to defend the quality of regional programming on ITV. It sent a letter to many hon. Members, saying that it does not have any such duties

"beyond the highly imprecise requirement that, overall, regional programmes should be of 'quality'."

We pay some people in Ofcom, including the former adviser to the Prime Minister, Ed Richards, more than £250,000 a year. For a quarter of a million pounds a year, I would have thought that someone could make a good fist of finding out whether ITV regions are producing quality programmes, and Ofcom has that duty.

That brings me to the Olympic gold medallist. Who will speak up for the viewers? When some hon. Members who are here today were working on the Communications Bill, as it then was, we looked forward with interest to the creation of the Ofcom content board, which I thought was going to be something like the Monetary Policy Committee of the Bank of England. Under the Act, it was charged with

"understanding, analysing and championing the voices and interests of the viewer, the listener and the citizen."

Its power, and influence, is to examine issues where citizens' interests extend beyond consumers' interests, with a focus on aspects of the public interest that competition and market forces do not reach.

Jon Trickett (Hemsworth) (Lab): I thank my hon. Friend for giving way to me; it will give him a chance to replenish his glass of water. He has come to a point that illustrates the idea that there can be a tension between the overwhelming chase for audience numbers and quality, or minority interests. Where does he think that the balance should be struck? Is it not a fact that the drive for audience share simply drives us further toward transatlantic pap, rather than quality programmes, some of which are designed to be watched by minorities?

Mr. Grogan: My hon. Friend makes a very good point. He draws attention to transatlantic influences, and the fear must be that if we are not careful, in a few years' time we shall have hundreds of digital channels but nothing distinctive to watch, and little distinctive regional character.

As I was saying, we should look to the Ofcom content board, which has 15 members, including Jonathan Edwards, a triple-jumping gold medallist, who has specific responsibility for the English regions. For Back Benchers, the one good thing about this debate is that everyone leaks: the Ofcom content board members leak, and so do the ITV regional companies. Everyone below Charles Allen has a view of the issue different from that of the man himself; even some of the managing directors brief against him. I call on the Ofcom content board, and Jonathan Edwards in particular, to assert themselves. If the Bank of England's Monetary Policy Committee minutes can identify doves and hawks, why cannot the content board's minutes?

The only Ofcom minutes to which I have had access are those for October, which simply say:

"The Content Board discussed possible options regarding the timing for implementing the proposals in Phase 2 of the Review on non-news programming in the Nations and the Regions."

Even the minutes of the parliamentary Labour party allow one to glean more about what is going on than the content board's minutes. I appeal directly to Jonathan Edwards and the rest of the content board to stand up to some of the professionals. One content board member said that some of the Ofcom professionals are very clever people, and some of them used to work for the Prime Minister—but even if they are very clever people, and even if they used to work for the Prime Minister, their views still need to be challenged.

I know that there are a couple more hon. Members who want to speak, so I shall move swiftly on. I want to focus on the importance of independent production in the regions. As well as the ITV companies themselves being of value to the regions, they acted as a sort of catalyst, and were the centre of a cluster of lots of individual independent production companies, which fed off commissions from Yorkshire Television and others and gradually grew. That is what is now under threat.

I draw the Chamber's attention to the words of Malcolm Brinkworth, who is the chair of nations and regions for Pact, the organisation that brings together independent producers. He said to a recent Westminster media forum that

"the regional slots of ITV provide the essential financial glue for many companies outside of London. They support staff and overheads in-between network commissions . . . The free market alone will not provide this public good, since the market has already been skewed by the historic dominance of London production—all of which has been helped along by years of heavy public investment.

"Many ITV companies have said that with their sport commitments, with their current affairs strands being produced in-house, and with their long running countryways style brands, there are now almost no regional slots to be produced for next year. There is no phasing in, no time for businesses to plan. At a time when there is serious effort being made to create scale in the regional production sector and with many partnerships in place in the public and private sector, this immediate cut will undermine such initiatives."

Mr. Brinkworth makes a very good suggestion, which I will leave with Ofcom. In fact, it might be attractive for the Chancellor too, because as well as a cultural element to the debate, there are both trade and industry and economic aspects in building up the regional television industry. Mr. Brinkworth suggests:

"So why not give ITV a financial incentive to maintain high quality programmes for the local audience?"

That would reduce licence payments to the Treasury, but maintain high-quality regional programmes. He suggests that if for every million pounds ITV genuinely spends on regional programming it got a rebate, it might suddenly find convincing arguments for continuing to provide regional programming.

On the subject of independent production, it is worth drawing hon. Members' attention to another debate during the passage of the Communications Act 2003. It was about whether small regional ITV companies such as Tyne Tees and Border should be able to bid for the 25 per cent. of BBC, Channel 4 and ITV output that

[Mr. Grogan]

must be produced by the independent sector. At the moment, small ITV companies cannot bid even for the BBC section of independent output, even though some of the independent companies are far bigger than they are.

During the passage of the 2003 Act, ITV suggested that an independent production might be defined as any programme commissioned by a broadcaster from which the producer is independent in ownership terms. We might prefer to include just the smaller ITV companies in that definition, rather than the big ones such as Granada, and I am sure that a scale factor could be included. I urge Ofcom to revisit that debate. I applaud the growth of independents, but all the 10 biggest companies, which produce 60 per cent. of all the independent production for the main terrestrial channels, are based in London. There are growing independent production companies elsewhere, such as Red in Manchester and Maverick in Birmingham, but they are currently not in the top 10.

It would be wrong not to make some reference to the important announcement by the BBC last week about moving a lot of its production to Manchester. There is obviously another aspect to the debate about regional production, which involves production outside London for the networks. For the BBC, that will be a growing share in the coming years. It is worth remembering that that will not happen for five years, when all BBC sport and children's programming will go to Manchester, but it will be worth £225 million of production spend and £275 million of commissioning spend.

That will give the BBC a much more regional character than it has ever had before. The BBC has never made programmes in the regions for the regions on quite the same scale as ITV, although in the nations—Scotland and Wales—it has a longer tradition of producing non-news programming. I think of "River City", the Scottish soap, as an example. However, I do not think that we can rely on the BBC to take up the slack immediately from ITV if the proposed cuts are made.

The regulator's proposals are too hasty, and the relationship between the Government, ITV and the regulator looks a little too cosy. There should be much more tension between those bodies than there has been in recent weeks. It is okay to look forward to digital television in the future, and the possibility of local television when we have complete digital switchover, although there are currently only 18 restricted licences for local television. I am not saying that things will not change in the future; I hope that by 2010 everyone will have switched over to digital television. I am not saying that we can preserve in aspic everything that we have had since the 1950s—but nor should we hastily throw it all away before alternatives can be built up.

There is a real danger that if the proposals go through unchallenged, in a few months' time only a few regional programmes will remain, some of them at the margins of the schedule, and by 2007 they will have completely disappeared. We cannot even guarantee that ITV will continue its proud tradition of regional news coverage beyond 2007. Hon. Members have been right to challenge Ofcom, and I hope that phase 3 of its broadcasting review will be very different from the proposals in phase 2.

2.26 pm

Angus Robertson (Moray) (SNP): I commend the hon. Member for Selby (Mr. Grogan) for securing this debate and making a convincing case in defence of regional broadcasting. I have a lot of sympathy with English colleagues who wish to sustain a strong level of coverage throughout the English regions. The hon. Gentleman and other hon. Members from south of the border will understand that there is a particular concern in Scotland, Wales and Northern Ireland, which I shall come to.

I should start with a declaration of interest. I am a vice-chairman of the all-party group on the National Union of Journalists, which is very active on this subject. I also worked as a broadcaster for seven years before being elected.

I shall describe the nature of "regional" broadcasting in the area that I represent. My constituency is the exact centre point of the broadcasting area for Grampian Television, which covers an area in which viewers speak three languages: English, Scots and Gaelic. The area runs from Stornoway to Aberdeen and from Argyll to Dundee—it is bigger than Belgium. That is the geographical and cultural reality of the area that my local "regional" broadcaster covers, and it underscores the significance of the task that it has in adequately broadcasting local programmes of interest.

In ITV's 2002 charter for the nations and regions, Sir Robin Biggam, the chairman of the Independent Television Commission, said:

> "National and regional programming is fundamentally important to the economy and cultural life of a devolved United Kingdom."

I agree with that statement entirely. We are in a slightly difficult situation because we are unaware of the full Ofcom proposals for Scotland, Wales and Northern Ireland. However, we do know that its position is that

"many of the same considerations apply".

We have heard concerns about what is likely to happen south of the border. If many of the same considerations apply in Scotland, Wales and Northern Ireland, heaven help us, for reasons that I shall outline shortly.

My concerns are shared by many others. The former head of programmes at Scottish Television and chairman of STV until 2003, Alistair Moffatt, said recently that the plans were tantamount to a "timetable of cultural loss." My background in broadcasting is in news and current affairs rather than in cultural programming, so I will leave it to others to make the case for cultural programmes and concentrate on areas that relate to governance and democracy. This is not only about news and current affairs; it is about programming that reflects issues of importance throughout our society.

Right hon. and hon. Members will be aware that pre-devolution we had a well developed political life in Scotland regardless of the lack of governance. We had and still have a different education system. Our sporting realities are very different, if not more successful. I shall be gracious for a moment to my English colleagues and

admit that we seem to be profoundly underachieving in football and rugby, although as of last week we are apparently the world champions in elephant polo. That is not much of a claim to fame.

The religious realities in Scotland before devolution were different, as they still are. Since 1999 we have the fundamental difference in governance and democracy; the majority of issues of public concern are decided not in this place, but in Scotland's Parliament. Health, education, justice, policing and the environment are not areas simply of interest for news and current affairs; we need general programming reflecting all those subjects. They are part of social, economic, cultural and political life. Yet, and this is where it is perhaps a little more difficult for non-Scottish colleagues who do not watch day-to-day broadcasting north of the border to understand, network coverage is—I am being generous here—predominantly English or English and Welsh.

Mr. Austin Mitchell (Great Grimsby) (Lab): Southern English.

Angus Robertson: I do not disagree with that interjection.

In 2001, together with colleagues, I conducted a media monitoring exercise to try to put some facts behind our assertion about the coverage which is also most people's perceived reality. We monitored the BBC, ITN, Scottish Television, Grampian and Border during February two years after devolution to determine the broadcasting mix of the "regional" broadcasters and the network. The findings were overwhelming. Both the BBC and ITN gave a much higher priority to UK politicians and Ministers, but not just those Ministers who had responsibility for the whole of the UK—they gave more coverage to Ministers who had next to no responsibility for anything north of the border.

For example, the then UK Secretary of State for Health—essentially the English Health Minister—was on television in Scotland four times more than Scotland's First Minister. The Secretary of State for Education and Skills—essentially the English Education Secretary—was on television 14 times as much as the deputy First Minister. Scottish politicians and parties were all but excluded entirely from network coverage. I am not making special pleading here as a representative of the principal Opposition party in Scotland, but my party secured only 0.83 per cent. of broadcast seconds of interviews with the BBC and only 1.04 per cent. on ITN through a whole month.

Mentions of political parties also showed a complete lack of Scottish coverage. On the issue of specificity—being only of English or English and Welsh concern or of interest to a whole UK audience—in 63 per cent. of stories that were of relevance only to England and Wales the BBC failed to mention that fact. I used to report for the BBC from Austria and the idea that one would not mention in one's report where one was reporting from was unheard of. ITV failed in 87 per cent. of cases to mention whether the stories were of any relevance to anyone beyond England and Wales.

I do not want to create the impression among colleagues that I am not interested in what goes on in England or England and Wales—I am—but the overwhelming majority of television coverage of news and current affairs is about something that has no direct relevance to those north of the border. Today is a classic example. An issue of profound importance to people in England is being debated but it has no impact north of the border. I am certain that it will dominate the airwaves today. Important as it is, it is not relevant to viewers north of the border to the same extent.

I shall use one final example from the study to illustrate the point that I am trying to make. During the whole month of February both ITV and the BBC, in their network news and current affairs coverage, failed to report on a single story of any devolved interest whatever. The idea that network provides any decent or balanced coverage of the important issues that I have outlined is a mirage. That is why the issue of "regional" broadcasting in Scotland—that means STV, Grampian and Border Television—is of such profound importance.

No doubt the Minister will say that we do not yet know the full range of the Ofcom proposals. However, I put a marker down today, because we will debate the matter at the beginning of next year. Rather than talking about less broadcasting being produced by the independent sector and the independent companies in Scotland, we should be talking about more.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The argument that the hon. Gentleman puts forward applies also to the other devolved nations—particularly to Wales. Even if Ofcom protects the amount of time that is devoted to regional programmes, unless finance is available for making decent programmes and putting them on in a decent slot, regional broadcasting will deteriorate and will not play the important part that it should in the life of the nation.

Angus Robertson: The hon. Gentleman makes an important point. I wanted to move on briefly to discuss issues covering Wales, because they also are important. Unfortunately, my colleagues from Plaid Cymru cannot be present at this debate because of other commitments, but they impressed on me the importance of a number of subjects that they wanted to be highlighted. No doubt the hon. Gentleman will agree with them that much of what I have said about Scotland has a similar impact on Wales. However, over recent years there have been other worrying developments in broadcasting in Wales that need to be taken into account. For example, hundreds of jobs have been lost in broadcasting in Wales since 1987, including, most recently, those of staff employed in support of Welsh programming—subtitling, website and community outreach. Moreover, national programming for Wales on ITV1 has already felt the pressure from the network centre, so there has been a 12.5 per cent. cut in the number of hours of national programmes produced by ITV for Wales, to just 10 hours per week.

There are a number of other issues that are of concern in Wales but, in particular, there is great concern about the downsizing of HTV. In 1989, there were 873 permanent staff employed in Cardiff; today, there are only 183. HTV has seen its level of network production—programmes produced for the whole ITV network—reduced to almost nothing. In Scotland, there is an almost exact parallel. SMG, the company that owns STV and Grampian, produces only 2 per cent. of

[Angus Robertson]

ITV network programmes. Undoubtedly, therefore, there is an issue of metropolitan-centric—London-centric—commissioning.

Mr. Austin Mitchell: I hope that the hon. Gentleman accepts that this issue does not concern Scotland and Wales alone. It is also an issue for the regions of the UK, particularly the northern regions. Yorkshire, the Tyne Tees region and Lancashire all have different regional ways of life, different issues and different problems, all of which need to be reflected on the screen. The original purpose of ITV was to put the life of the regions on to the regions' screens. Unless we have regional programming that is devoted to that, we are all—the companies and the regions—the poorer.

Angus Robertson: The hon. Gentleman makes an important point, with which I do not disagree. Thank goodness England's regions have such doughty campaigners as those who have spoken in the debate so far. If I lived south of the border, particularly outside the south-east of England, no doubt I would be jumping up as much in support of regional output in England. However, I am sure that the hon. Gentleman appreciates the particular nature of Scotland, Wales and Northern Ireland, which should in no way be seen to be conflicting with the concerns of people in the English regions.

Broadcasting is so important that it should be devolved anyway. I have raised that matter with the Minister, so she will not be surprised to hear me say it. A UK Labour Government are prepared to devolve powers over railways, although spokespeople from the Labour party previously said that it was unthinkable and one could not do such a thing. North of the border we have a Minister for Tourism, Culture and Sport who is not even responsible for broadcasting. This issue is so important that it should be devolved.

I hope that the case has been made effectively today that we need more programming, not less, because the status quo already fails viewers in Scotland and, I suspect, in Wales and Northern Ireland. I am certain that there are also many concerns in the English regions. I hope that the Minister listens to those concerns and that when we return to them in the new year we will be able to secure the appropriate level of broadcasting for viewers throughout the country.

2.41 pm

John McDonnell (Hayes and Harlington) (Lab): I want to raise the issue of the role of Ofcom, because it seems to be the key body in this debate, but the role that it should be playing is not being brought to the table. When Ofcom was established under the Communications Act 2003, it brought together the regulatory role of the Radio Authority and the Independent Television Commission. At that point the Government made the mistake of asking it to play a light-touch role in terms of regulation. Nevertheless, the description of Ofcom in the 2003 Act made it clear that its central role was not just about promoting competition; it was also to protect public service broadcasting. As has been demonstrated in the debate today, our main concern is that Ofcom is not playing that role. We are seeing a decimation of the regional services in public service broadcasting, and there is the prospect of the situation becoming dramatically worse.

We have already heard that Ofcom is to allow ITV to cut regional non-news programmes in half in the English regions, which means that regional news will virtually cease to exist in a number of years. Although the protections provided under the existing contracts and licences are supposed to last until 2014, we were told in a recent statement that although there were protections under the Ofcom proposals, there will be no requirement beyond 2007 for ITV companies to produce regional and local news. There might be some disparity about the dates, but the overall direction of policy is fairly clear. Regional news no longer has the priority that it should be given in public service broadcasting, and eventually we will see the loss of production on a massive scale.

One option that has been put forward is that instead of requiring ITV to maintain regional output, Ofcom should propose setting up a public service publisher—a single, monolithic, UK-wide organisation with a budget of about £300 million. That is enough for about three hours of public service broadcasting a day. The body would supposedly make public service broadcast programmes for distribution, and could be owned and run by any of the existing companies—except the BBC—or even by a new company. Many of us who have had discussions with those working in the field at the moment feel that that is an inadequate response to the cuts in public service broadcasting proposed by ITV.

Mr. Mitchell: My hon. Friend is right. It is extraordinary that the commitments that the companies gave to get the contracts in the first place, which were to last until 2014, and were a condition of getting the contracts, should just be written off, with the consequent effect on the companies and their staff. The cuts will be damaging to the companies. I am an antediluvian from the days when John Logie Baird sets were normal in the home, and I mainly appeared in black and white throughout most of my television career. In those days regional programmes were a means of training staff, plugging into local issues and taking up problems that developed into national documentaries—

Mr. Deputy Speaker (Sir Nicholas Winterton): Order. I love to listen to the hon. Gentleman, but an intervention should be brief, rather than a speech in disguise.

Mr. Mitchell: I accept that, Mr. Deputy Speaker, because I know that on the west of the Pennines, you did not have the advantage of seeing me on television. I was seeking to make the point that if the regional roots are cut as has been described, those companies will wither into out-of-London production centres for other people's programmes.

John McDonnell: My hon. Friend demonstrates the expertise that he has developed over years—I think that my grandmother used to listen to him on a cat's whisker radio in the 1920s. His point is clear: Ofcom is presiding over a gradual withdrawal of any form of regulation, and companies that bid for licences under false

pretences are, as far as we can see, allowed to refuse to adhere in any way to the conditions attached to those licences. This is not only about the time scale for the withdrawal of services, but about the scale of the withdrawal. The alternative idea of a public service publisher will hardly provide us with appropriate regional news or programming in future—I think that it is simply a sop to some of the debate that has gone on in recent years.

There are real concerns about Ofcom's consultation. Although it is not due to be completed until early next year, ITV companies seem to have taken it into account already and seen it as a green light to make cuts now. Let me run through some details of the massacre that is going on in regional broadcasting. We have heard about what has happened in Scotland and Wales, but news from the front about Northern Ireland tells us that the ITN proposal is not to have any of its own correspondents or reporters in the Province. There will be no producer either, so the coverage will now consist of one cameraperson. That shows a complete disregard for everything that we have said about maintaining regional news, particularly in that area.

Let me run through what has been going on elsewhere. At Meridian, 175 jobs have already gone and the studios at New Hythe are being closed. Sub-regional news will be produced from outside the region by non-resident reporters, which will obviously affect the quality of the local response. Regional programme slots have been altered. The 5.30 pm Sunday slot—the one for which Meridian had the strongest audience base—has been removed, and there was no public consultation whatever about the proposal. Programme budgets have been cut by as much as 75 per cent. in the region; an estimated £4 million to £7 million has been lost from regional production. Scheduling has become erratic, with regional programmes taken off air to make room for network programmes frequently and almost on a whim, again without consultation. Meridian used to produce more regional programming than its licence required it to; now it makes the bare minimum.

Events at Granada demonstrate how it has interpreted the Ofcom review. Granada's managing director sent a memo to staff on 1 October saying:

"You will all have seen the announcement from OFCOM today which allows ITV companies to reduce their regional non-news commitment from 3 hours to 1.5 hours a week from January 2005."

Mr. Mitchell: "PS—you're fired."

John McDonnell: "P45s in the post," was probably the next sentence. The consultation report is not even due until February, yet a managing director has immediately reduced services. What does that mean? It does not matter to the bosses themselves. Twenty job losses have been announced this week. In addition, Granada has already made it clear to non-news regional programme makers that their run will not be extended through next year, and they must halve their output.

Wales has already been mentioned, but some of the developments there are staggering. We are talking about substantial job losses and a 12.5 per cent. cut in the number of hours of national programming produced by ITV for Wales, to just 10 hours a week. In addition, prime-time slots have been lost. There is now only one regular weekday peak-time slot for English-language broadcasting from and for Wales—7.30 pm on Thursdays. The list goes on and on and on. If the same approach is taken in Wales as elsewhere, there will be further job losses. It is estimated that the proposal would mean 200 job losses in Wales alone, the loss of a £10 million programme spend in Wales, plus the loss of skills, and damage to the overall economy.

This is a good one: Yorkshire Television's staff were called together in October and told of Ofcom's decision to allow a reduction from three to one and a half hours. Again, despite the fact that the consultation was continuing, the company jumped on the bandwagon, and this week 38 job losses have been announced. There have been cuts in the news department, and seven editorial jobs are going. As in all other areas, regional programmes have been moved out of core peak-time slots. A tariff system for programme-making budgets is being introduced, meaning that regional programmes have been pushed to the margins of peak times and will face lower budgets. In Central, 400 jobs have been axed, and studios have been closed. In Anglia, it has been announced that 25 jobs will go.

Broadcast magazine estimates that a further 200 jobs will be lost as a result of Ofcom's proposals. It states:

"the plans are likely to mean most non-news regional ITV departments will be wound up... some regional non-news departments claimed they have already stopped production".

The Act that created Ofcom made a specific requirement for it to "maintain and strengthen" public service broadcasting, but Ofcom has presided over not just the undermining but almost the eradication of public service broadcasting in the regions.

I support Ofcom as a regulator; I believe that we need a regulatory body whose role it is to be independent of the broadcasters—and, yes, independent of Government too. It should tell us honestly what is happening in the industry and fulfil its role in protecting public service broadcasting, but it should have teeth, sharpen them and bite. To repeat what has been said, if we cannot get Ofcom to shift, we will soon lose something essential to our culture and our economy, both in our regions and nationally. We are at the edge of losing something that we have all taken for granted for so long, throughout the decades of its existence. If we cannot get Ofcom to shift as a result of this debate, I urge the Government to intervene to make sure that it plays its role.

2.52 pm

Nick Harvey (North Devon) (LD): At the start of debates in Westminster Hall there is something of a ritual of congratulating the Member who secured the debate, but on this occasion I really do warmly congratulate the hon. Member for Selby (Mr. Grogan) on bringing forward this important debate in such formidable style. He gave us a tour de force; he went comprehensively through the history of public service broadcasting in the regions and gave a strong analysis of where we are now.

We are here because of the Ofcom review. Ofcom seems to have started from the basis that there is an unsustainable balance between the benefits that ITV gets from being a public service broadcaster and the requirements and standards that it must follow. Ofcom

[Nick Harvey]

believes that that cannot be maintained after digital switchover. However, as hon. Members have said, if we go down that line, the BBC will emerge as the monopoly supplier in the regional TV market. That would be in stark contrast to the situation in the national TV market, where it has plentiful competition from both terrestrial broadcasters and multi-channel operators. For the historical reasons that we heard, it would be a most unhealthy development if the BBC were allowed to enjoy such a monopoly.

I have a strong feeling that there is bad faith here. When ITV petitioned for permission to form one large company, I was among those who, albeit with considerable reservations, thought that if its market position was that dire, it should be allowed to do so, but only if its commitment to regional programming remained as strong as ever.

Later, during the passage of the Communications Act, the question of allowing ITV to be owned by non-European owners came up. ITV petitioned hard for that to be allowed. Many of us raised concerns about whether a new foreign owner would understand what ITV was, what regional franchises were and what its public sector broadcasting commitments were, but we were reassured, not least by Ministers, that the doom-laden scenarios some of us foresaw could not happen, because the licences would still be regional licences and the obligations would still be in place.

Apparently, any new owner would have to understand from the outset that they were buying not a national licence but a series of regional ones. The guardian of all of that would be Ofcom, which would ensure that none of the scenarios that we feared would happen. As far as I know, that is still the current position. Yet to my horror, before we get to digital switchover, and before any foreign owner has come in, Ofcom seems to be giving that all away—before we even start.

The hon. Member for Hayes and Harlington (John McDonnell) bemoaned light-touch regulation. This is not so much a question of light or heavy touch, but of throwing away, from the word go, all the ground rules through which Ofcom was to be able to regulate. That is a reckless thing to do.

Regional programming is vital for three reasons. The first is forging regional identity. The second is strengthening local economies. In oral questions about that a few weeks ago, the hon. Member for South Dorset (Jim Knight) spoke strongly about the importance of creative industries within regional economies, not least in my region, the south-west. He pointed to the close work with higher educational establishments in places such as Plymouth, Bristol and Bournemouth, and the relationship that they have with regional programme making. The third reason why regional programme making is important is for encouraging mutual understanding between the regions. I look with horror at the proposition that the regional programme-making obligations should be in any way weakened.

We have received reassurances from the Secretary of State, in answer to my hon. Friend the Member for Bath (Mr. Foster), and on another occasion by the Minister who is present this afternoon, when I asked a question in the House. Both made the point that regional news was safe, and that there was no suggestion of any change in that position. Strictly speaking that is true, and nobody has actively, as yet, suggested a reduction in regional news programming. However, paragraph 2.36 of Ofcom's report shows that it wants to sustain

> "high production value . . . programming, news, current affairs and, if financially sustainable, a core regional news service."

Ofcom is giving the game away before the start. It is already beginning the softening-up exercise that some years down the line could be used as the reason for beginning to undermine regional news programming as well.

From the way in which Ofcom carries on, anyone would think that we were discussing a weak part of the broadcasting mix. However, the hon. Member for Selby told us about one particular evening in November—18 November, I think he said. He pointed out that even up against the BBC's "EastEnders", the regional ITV non-news programmes got an audience of 5 million, compared with the BBC's 10 million. That figure is high, and it put those programmes way ahead of BBC 2, Channel 4 or Channel 5 on that occasion. The suggestion that we are talking about some sort of weak fag-end service should be challenged, and I commend hon. Members who have done that during the debate.

Ofcom seems to have ascribed a very low value to regional programming, but for all the reasons that hon. Members have mentioned, I do not believe that that is right at all. We should continue the obligations and ITV should have, in perpetuity, an obligation to make such programmes. Ofcom is simply mistaken, and it has completely failed to appreciate the value of that programme-making.

When we talk about regional programming and regional programme making, we need to be fairly clear about the definitions. Three different definitions can sometimes be confused. First, programmes may happen to be made in a region, but do not necessarily reflect anything to do with that region; it could be a matter of administrative convenience for the network that they happen to be made there. Secondly, programmes are made in a region to reflect that region back to the nation. Programmes such as "Coronation Street" or "Emmerdale" are examples. They are produced from the outset with a network audience in mind. The third and most important type of programmes are those made in a region for the audience within the region. Some of the debate both during the passage of the Communications Bill and since it became an Act has tended to blur the different forms of programme making.

In particular, a requirement to make programmes outside London can be slightly meaningless if they are all made in one big house that happens to be outside London. I am not as optimistic as the hon. Member for Selby about the impact of the BBC making its network sports programmes in Manchester. I have no objection to that; I can see no downside to such an approach—but the idea that that in itself will necessarily bring about a benign impact is not one that I share.

ITV's history has been that of a regional programme maker, and it should remain—and have to remain—one in the future. The underlying concern of ITV, and one that Ofcom has recognised, is about the value of its

licence in the digital world, in the sense that it no longer brings with it access to limited spectrum, because in the digital age there will not be any scarcity—or not so much. We too must recognise that concern. We must bear in mind that the licence in itself is no longer the great advantage that it once was. If we put a value on regional programming, we will have to find a mixture of sticks and carrots instead, with which the Government and Ofcom can ensure that it continues into the future. What that might be does not require a great leap of the imagination.

Even in the multi-channel digital age, a system of licence granting could be so manipulated that certain advantages came with it. At the more drastic end, public money, or money raised through the licence, could be available for public service broadcasting to operations other than the BBC. In any case, if a budget of £300 million a year is to be made available to the new public service publisher, it is entirely right that we should have a debate about whether that is necessarily the best and most effective way in which to spend the money. It is bizarre to be throwing out, or allowing to fade away, a model that has proved itself so strongly over decades, and to favour instead a complete step into the unknown. I am not knocking new ideas. I am simply saying that it is a strange set of priorities to allow something that we know works well to go, and instead to put money that is always in short supply into something else.

I congratulate the hon. Member for Selby on introducing the debate. People throughout the country have a real appreciation of regional non-news programmes. In my region of the south-west, popular programmes are made to show various traditions—legends, almost—of the region, and usually receive a decent audience. Elsewhere in the United Kingdom there are other issues, too. The hon. Member for Moray (Angus Robertson), who spoke from a Scottish perspective, made some extremely good points. A great deal more needs to be done to reflect the changed realities in Scotland in its broadcasting mix. Each of the many other regions in England has a strong local identity that needs to be reflected in broadcasting. I do not believe that the BBC will do that, or that straight commercial television will do much of it.

I know from conversations with some people at ITV that they take the view that if they are not released from some of those burdens, they will simply shake them all off and become a straightforward commercial broadcaster. If that is what they want to do, we should let them do it, and make the advantages that I have referred to available to someone else, through a system of sticks and carrots. I do not believe that ITV's best interests would be served by going down that route, but if it wants to play tough we should be willing to call its bluff.

I welcome the debate. Parliament is right to have taken a shot across Ofcom's bows. It has teeth that it is not using: as the hon. Member for Selby said, the content board could flex its muscles a great deal more. If it is going to listen to every bit of special pleading from ITV or any other broadcaster, and start rolling over before the event and throwing away all the sticks with which it could beat and regulate them, the future for regional broadcasting is very gloomy.

The future looks gloomy enough as it is. As the hon. Member for Hayes and Harlington said, ITV seems to be proceeding on the basis that all this will happen anyway, and is making cuts willy-nilly. The future will be bleak if the situation is not grasped now, and I urge the Government, in discussion with Ofcom, to intervene and sort this out before a considerable asset is gone and there is nothing that any of us can do about it.

3.7 pm

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): I join other hon. Members in congratulating the hon. Member for Selby (Mr. Grogan) on securing the debate. He and I do not always agree on broadcasting matters, and I do not think that we will agree entirely this afternoon, but he has raised an important issue, and Ofcom should hear the views of the House. I have to say that I am slightly surprised to find myself, in my first contribution on broadcasting matters since the passage of the Communications Act 2003, about to defend Ofcom—but Ofcom has raised some important points.

As a believer in free markets, I am always reluctant to impose obligations on commercial companies. The justification in this case was that ITV has a privilege in having access to spectrum, which until now has been very scarce, and in those circumstances the market cannot operate properly, so the Government are entitled to place requirements and levy a charge on the company that is given that opportunity. The hon. Gentleman gave us a brief history of ITV. That is relevant. Since 1955, it has been subject to a number of public service obligations and has been required to pay a licence fee. Last year that fee amounted to about £240 million, and Ofcom calculated that the cost of the public service broadcasting obligation was about £210 million.

Originally, when television was in its infancy and people could receive only two channels, that access to spectrum was immensely valuable. However, we went from two to three to four to five channels, and we are now in a multi-channel age with well over 55 per cent. of the population having access to a large number of channels. In those circumstances the market can begin to operate better, so the justification for imposing requirements and a charge diminishes. However, more importantly, as Ofcom points out, that also means that the value of that spectrum to ITV is diminished. At present, the value of that scarce spectrum on the analogue frequency outweighs the cost to ITV of the licence charge and the public service broadcasting obligation, but it is undeniable that as more and more households become multi-channel there will become a point where the costs to ITV exceed the benefit.

The biggest cost to ITV is regional programming; no one in the debate has sought to challenge that fact yet. Two thirds of the £210 million cost of the public service broadcasting obligation comes from regional programming. That is unsurprising. If a programme goes out only to a small part of the country, the advertising revenue from it is much less, so it will inevitably be far more expensive for the company to make. It has been estimated that it costs ITV something like three times as much to make regional programmes as it does to make network programming. That issue has to be addressed.

[Mr. John Whittingdale]

Ofcom has rightly distinguished between news and current affairs programming, and non-news and current affairs programming. I have always believed that news and current affairs—local news in particular—is of enormous importance, and at the heart of public service broadcasting. However, this debate is primarily about non-news and current affairs programming.

The Ofcom analysis said that only 7 per cent. of the population rated non-news and current affairs in their top five priorities. I share the view of the hon. Member for Selby that that does not tell the whole story. The figure is probably too low, and if we look more deeply, we can see that regional output has often outperformed network output on ITV. The fact that non-news and current affairs programming goes out either very late at night or against "EastEnders" means that it is not surprising that it does not fare as well.

Some of the non-news and current affairs programming does not have an obviously regional dimension. In my area, the programming identified included, from 11 to 11.30 pm, something called "Pilau Talk", which was described by Anglia as

"a new late-night part debate, part quiz show"

that

"will be hosted in a custom built faux 'curry house' to which the region's most enigmatic and engaging commentators will repair to continue the heated topical discussion begun a little earlier in the pub."

I am not saying that it is a bad programme—actually, it is quite entertaining—but it is not obviously specific to the Anglia region. Indeed, some of the regional programming that has evolved throughout the country does not necessarily display the best qualities of its region.

Whether we believe that such programming is popular or not, or is a priority or not, the economics are inescapable. Ofcom has identified a problem, and it is not one that will go away, however much we say that we care about regional programming. For that reason, I accept that there has to be some change. I support the increase in regional production to 50 per cent. within ITV. It is striking that ITV already exceeds 50 per cent. of hours produced outside London—it produces 51 per cent.—when it has to meet a quota of only 33 per cent. It is also remarkable that the BBC exceeds its much lower quota by a significantly smaller margin than ITV does.

The proposed reduction of the non-news and current affairs content from three hours to one and a half hours by 2005 may be too quick. As the hon. Member for Selby pointed out, ITV is not doing too badly now. However, the problem will grow, and there will come a time when it is a serious imposition on ITV. I was therefore pleased to receive a submission on behalf of the ITV regional production teams—the people who actually make the programmes—who recognise the problem and accept that there will have to be some change to deal with it. They propose that there should be a longer phase-in period, and that ITV's regional non-news programme obligation should be reduced to one and a half hours in 2006–07, and one hour in 2008. That seems a much more sensible and constructive approach, because it takes account of the reality, rather than saying just that we cannot go down that road at all. I agree that the problem must be addressed, but I ask Ofcom to listen to the concerns and perhaps implement the changes over a longer period.

The second component is the BBC. It is extraordinary that the public service broadcaster wholly financed by the taxpayer, with £2.8 billion a year from the licence fee, produces fewer regional programmes than ITV. In 2003, the figures were about 1,200 hours on BBC compared with 2,100 hours on ITV. I recognise, obviously, that there are important considerations outside England, but if we look further at the figures that Ofcom has identified for non-news and current affairs regional programming in England, we see that the BBC spent £0.5 million on 29 hours. That compares with ITV's spending of £47 million on 1,382 hours, so the BBC is hardly producing any regional programming at all. If regional programming is an essential component of public service broadcasting—and I think that it is—it is up to the BBC to do a lot more of it if ITV is not going to be able to do as much. I hope that that will be considered as we approach charter renewal.

If we want ITV to continue to produce public service programming in the form of regional non-news and current affairs, even though it is not economic to do so, then perhaps we should consider the alternative. Rather than imposing the cost upon ITV, perhaps we should considering financing it to do what we want. The hon. Member for Selby will remember that when the Communications Bill was going through the House, I proposed a fund financed out of the licence fee that would be available to other broadcasters for public service broadcasting. Regional programming could be a good example of that, so we should consider saying to ITV that we believe it important that there should continue to be more than one provider of public service broadcasting in the form of regional non-news and current affairs, so it will be eligible to apply to such a fund to continue to perform that role.

Finally, my other criticism is that many people feel that the regions bear very little relation to the place where they live. I am in the Anglia region, which is the most extraordinary region. It covers an expanse of the country that has no common identity whatever. The hon. Member for Selby referred to the north-east referendum, and that demonstrated clearly what people think of the idea of regional government. I do not think that there is a great loyalty to regional television areas, either. They came about as a result of the way in which the transmitters were positioned.

However, people do value local television, local news, local current affairs and local programming. Not as much attention has been paid to that aspect in the debate as should have been. It is important that we move ahead swiftly with the development of local television, which is only now beginning to become possible, both as a result of digital take-up and the growth of online services. Real local television could develop, which will be valued far more highly than the existing regional non-news and current affairs programming produced by ITV.

Mr. Deputy Speaker: Before I call the Minister, may I remind hon. Members that a vote is due in the House at 3.30? I hope that it does not happen before then, because if it comes at the right time we can, usefully and tidily, conclude this debate first.

3.18 pm

The Minister for the Arts (Estelle Morris): Thank you, Mr. Deputy Speaker. I cannot control the time of the vote, but I shall try to speak quickly and control my comments so that they do not go beyond the time when we wish to finish.

I join everyone else in saying what an excellent debate this has been. Without wishing to sound patronising, I must say that it has been one of the most interesting Adjournment debates to which I have ever listened. Part of the way through, I wished that I would not be responding to it, because first I should like to reflect on some of what has been said. There is a reason for that: this is an important issue, which is as much about democracy as anything else. That is why people get so heated about it in the House of Commons, and why it is one of those subjects on which we tend to have good debates that transcend party political boundaries.

I have often thought that MPs, more than any other group, are in a particularly good position to comment on regional television, especially regional news production. We live in the regions or the nations, wherever our constituencies are, and we work in London, and we can see regional broadcasting as a bridge between the two. There might be different views here as to how effective a bridge it is, but it is a bridge between the two, and I feel strongly about it in terms of the health of the nation's democracy. It is absolutely imperative that regional broadcasting must be strong to enable us as MPs, and as Ministers, to do our jobs.

There are other arguments about regional culture, and I accept everything that has been said. In particular, I accept the particular strength of regional culture in the nations. I remember one occasion when I thought that London seemed a very long way away, and that was when I was watching the national news in the Shetland Islands. It was the same news programme that I watch every day in either Birmingham or London, but just because I was in the Shetland Islands, that programme seemed a long, long way away from the environment where I was. I accept the arguments of the hon. Member for Moray (Angus Robertson) about the particular importance of this subject for the regions.

I agree that Ofcom should be a body with teeth. That is why debates such as this are essential. The Government find themselves in a strange position. As my hon. Friend the Member for Hayes and Harlington (John McDonnell) said, it is right to have a regulator that is independent from Government. That makes responding to this debate as a Minister different from responding to debates on other areas of Government policy. I join everybody in saying that Ofcom should have teeth, and should not roll over when the BBC, ITN or other organisations put pressure on it.

The Communications Act 2003 obliges Ofcom to protect the nature of regional broadcasting. I support that. If the debate does nothing other than reaffirm that that is why Parliament set up Ofcom and that is what Parliament expects it to do, it has served us well. Although I have not seen it myself, I have no reason to disbelieve my hon. Friend the Member for Hayes and Harlington: if people are acting as though the consultation has already taken place and the decision has already been reached, I abhor that. It should not happen. It is ridiculous, when Members are discussing regional television, for people to assume that the decision has already been taken. If people have been acting precipitately I will join my hon. Friend in sending a clear message to them that that is not on, and it is not what we expect.

I agree with the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale) that these are peculiar times. In some ways my hon. Friend the Member for Selby (Mr. Grogan) put his finger on it when he described the ITV of the 1950s. I grew up with that. I remember the potter's wheel, and the rest of it. Some people here are old enough to have heard about that from their parents, if not to have seen it themselves. But this is a different era. The pace of change is even greater. One of the challenges that faces us now—this is why I said that I agreed with the Opposition spokesperson—is that the speed of digital change will be so rapid between now and 2012 that if we do not do something to take it on board, it will roll us over, and we will find ourselves out of control.

Any notion of preserving regional broadcasting, or thinking of an alternative way for it to have its important say, will go. That is why I agree that Ofcom should undertake its review now. The next five-year review would take us within one year of the expected switchover to digital, and that would be too late. As my hon. Friend the Member for Hayes and Harlington pointed out, fears begin to grow. He talked about moving licences to 2007. There has been talk around the Chamber today about news production being threatened too.

I took the point about the phrase that the hon. Member for North Devon (Nick Harvey) read out. Phase 2 of the Ofcom review of regional broadcasting is about the change to non-news regional programming outside peak time. Some of the programmes that have been mentioned as having good viewing figures and being popular in the regions are part of peak-time regional programming, which is not under threat at present.

Whether we like it or not, there has to be an incentive to keep ITV in public service broadcasting and on the spectrum. One could call its bluff and say, "Go away and let somebody else do it", but I am not sure that I want to do that. I believe in competition. I do not want the BBC to be the only provider of regional television. It would be short-sighted not to face up to that and ensure that ITV has an incentive to stay. Whatever people's views on the statistical methods or the questions that were asked about the consultation, I can live with a reduction in the amount of regional non-news production outside peak time. That does not mean the end of regional production. It is not the end of life as we know it, and it does not threaten democracy, regional culture or creative industries.

If, as many hon. Members have said, this were the beginning of a demise and decimation of regional programming, I would be more concerned. The Government would not have supported the Communications Act and built in an obligation to protect regional television if they were not concerned about the protection of regional news, network

[Estelle Morris]

programming being made in the region for economic growth, and some sort of regional non-news programming that describes the local culture.

John McDonnell: Our concern is that we are seeing the denigration and erosion of regional television on a daily basis. I shall give one more example—I feel like someone bringing news from the front. ITV Wales has just announced 14 redundancies. One of the things that it will axe is the community service announcements, which are the free adverts for local community organisations and charities. It is that sort of erosion and ebbing away of local services that concerns us.

Estelle Morris: I can see that. That is why this debate, which I hope Ofcom will take heed of, is important. In terms of phase 2 of the review, I am not going to say that there is no reason why that erosion should happen, but I think that the results of the consultation may be about the more important aspects of news and peak-time regional viewing. However, that shot across the bows is well made.

My hon. Friend also raised a point about the difficult issue of technology. I do not have time to go into detail now, but some job losses are inevitable, as has been the case in every industry—none more so than this one—because of the effect of the march of technology on how people do their jobs.

I thank and applaud Ofcom for being generous in meeting regional groups of MPs and approaching MPs to take part in the consultation. I hope that every region's group of MPs—from whatever party, because this is a good subject for cross-party co-operation—responds to that, and ensures that their views form part of the consultation.

The hon. Member for Moray was right to say that Ofcom has noted similarities between the nations and regions in off-peak regional programming. However, he will know that that issue will come under phase 3, because Ofcom has also noted the differences. I hope that it will reflect those differences, and the strength of regional broadcasting in the nations, in its response.

We must face up to this debate. If Ofcom's proposals are not the solution, something else must be, because we cannot stand still. I would much rather consider these matters before 2012 and the possible digital switchover than have them thrust upon us at that time. Whatever happens, it must take place against the background that we have not, will not and should not become a nation that does not want to preserve regional broadcasting, news and non-news, and national production within regions. We can do that in the digital age, but we must make some key decisions. This debate is an important part of contributing to the consultation that will lead us in that direction.

Mr. Deputy Speaker: The Chamber thanks the Minister for that reply. We cannot start the next debate, because although the hon. Member who initiated it is here, the Minister is not, and I anticipate a Division in the House in a few seconds.

Mr. Michael Wills (North Swindon) (Lab) *rose—*

Mr. Deputy Speaker: The hon. Member for North Swindon (Mr. Wills) will not lose his debate, if that is what he is worried about, but we are expecting a Division in the House.

Mr. Wills: I know that the Minister is outside the door on his mobile phone, Mr. Deputy Speaker, and I would be happy to get him in if he wished to commence the debate. I say that because there is quite a kerfuffle going on in the Chamber at the moment, and I am not sure what implication that may have for the timing, so we may wish to commence this debate.

3.30pm

Sitting suspended for a Division in the House.

Small Businesses (Swindon)

3.47 pm

Mr. Michael Wills (North Swindon) (Lab): This Government have been the first—

Mr. Deputy Speaker: Order. I must interrupt. It looks as though there is to be another Division after all. I apologise to the Chamber.

3.48 pm

Sitting suspended for a Division in the House.

3.59 pm

On resuming—

Mr. Deputy Speaker: Order. To help hon. Members, I should say that one minute has so far been expended on this debate. I regret having started it; I felt that there was not going to be a second Division. In this instance both the Clerk and I were wrong. There was a Division, and I hope that there will not be a third.

Mr. Wills: Thank you, Mr. Deputy Speaker.

This Government have been the first to recognise in a sustained way the importance of small businesses to the British economy and to support them. For example, the pre-Budget report last month further lightened the burden of regulation, and followed on from previous measures such as the reform of audit regulations, which allowed small businesses to spend their own money as they wished, rather than having the state dictate to them. The creation of the Small Business Service has helped to improve the quality of the business advice and support available to small businesses and the Minister has been an indomitable and—if I may use the word—indefatigable champion of small business.

One of the most important measures taken by the Government on this issue was the Late Payment of Commercial Debts (Interest) Act 1998. Cash flow is the lifeblood of all businesses, and that is particularly true of small businesses. The Federation of Small Businesses estimates that one in three business failures are the direct result of interruptions to cash flow. The Act was intended to be the building block for a change in business culture. As such, it has been widely welcomed by small businesses all over the country.

It has always been recognised that the ability to charge interest on late payment would not work on its own, and that that was to be the start of a change in culture. Welcome as the legislation has been, we need now to look at it with a cold eye to ascertain what more can be done to effect that change in culture. Earlier this year, I consulted small businesses in my constituency about their problems. The chairman of the local Federation of Small Businesses, Mr. Poole of the Minuteman Press, told me that his company has relatively good statistics on payment: some 10 per cent. of large companies pay within 30 days, 45 per cent. pay within 30 to 60 days and another 40 per cent. take 60 to 90 days to pay. Those statistics are relatively good, but only so good, Mr. Poole told me, because he spends 40 per cent. of his working time chasing payment—40 per cent. of the time that he could spend growing his business. That is not good enough.

Of course, some payers are exemplary. Mr. Poole said that Honda Logistics and the Swindon primary care trust stood out because of their awareness of the need to be timely with their payments to small businesses. I hope that the Minister will join me in congratulating them on setting such high standards of corporate responsibility. Unfortunately, not all large firms appear to be following their example. Thames Water, for example, has been described locally as having an appalling record of late payment, and I have constituents who have suffered greatly from late payment by Taylor Woodrow. I hope that the Minister will join me in urging all large businesses to match up to the standards set by Honda and the PCT in Swindon.

There is clearly more to do. Work by the credit management research centre at Leeds university suggests that the percentage of invoices paid late in the UK rose from 52 per cent. in 1996 to 56 per cent. in 2002, and that large firms and overseas customers were most likely to pay late. Late payment by central Government worsened by 10 per cent. between 1998 and 2002, although I understand that much of that is down not to Whitehall Departments—they have, by and large, raised their game—but to central Government agencies.

Late payment to small firms is wrong. It represents an abuse of power, exploiting the vulnerability of small firms. It is also inefficient. Large firms are late payers for two reasons: either because their finance departments are in chaos or because they deliberately exploit their suppliers. Sometimes, regrettably, both reasons apply. Good firms, which will thrive and prosper in the long term, make their money by producing as efficiently as possible goods and services that people want to buy at prices that they want to pay, not by exploiting their most vulnerable suppliers.

Late payment gives small firms a difficult choice between accepting possibly terminal damage to their cash flow and spending the sort of time spent by my constituent on chasing payment. This does not help small firms to realise their potential or to make the sort of contribution that they could make to improving still further the economic performance of this country.

Nearly everyone agrees on the importance of the 1998 Act in setting new standards. However, six years on, the time has come to revisit it. I hope that the Minister will respond positively to the following four suggestions on how the situation for small businesses might be improved. Justice Louis Brandeis once said:

"Sunlight is the best disinfectant",

and transparency is the key to this issue. The Minister will be aware that the Companies Act 1985 requires a statement by large companies in their directors' report on the company's policy and practice on payment of its suppliers. That requirement could be effective in exposing late payers if all companies complied with it, and as such it would help to transform the culture of payment. The problem is that although many large companies do comply, others do not or comply only with the requirement to state their policy and do not state their practice.

I understand that Companies House cannot find the resources to monitor compliance comprehensively. Recognising the inevitable constraints, will the Minister

[Mr. Wills]

discuss with Companies House the possibility of regularly and systematically monitoring a sample of plc reports and publishing the findings, together with the names of late payers? That would be a significantly lesser burden on Companies House than comprehensive monitoring, but the threat of getting caught in such a sample and of subsequent exposure as an exploiter of small firms might act as an incentive to some plcs to comply with the spirit and the letter of the law. That is my first suggestion.

Secondly, will the Minister consider introducing at an appropriate time in the legislative cycle a requirement on holding companies to produce a statement about the policy and practice on payment of suppliers of all the companies within the holding group, so that a device that is currently available to holding companies and that is used by some large companies to avoid such statements is no longer available to them?

Thirdly, will the Minister consider ways to force auditors to take greater responsibility for ensuring compliance with the provision? If the accountancy profession will not agree to work with him to that end, will he consider legislation to bring in penalties for the failure to secure such compliance?

Finally, will the Minister consider writing to all Government agencies and Whitehall Departments to ask them to ensure that they are prompt payers, highlighting those who are not compliant, and will he consider continuing that correspondence on an annual basis? Action in all those respects would continue the excellent work already put in place and could help to bring relief to hard-pressed small businesses in Swindon. I hope that the Minister will consider them.

4.7 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): I am grateful to my hon. Friend the Member for North Swindon (Mr. Wills) for securing the debate. It allows me to outline the steps that the Government have taken to cut the length of time that it takes UK businesses to pay suppliers, and to urge further improvements on companies that have failed to adopt best payment practices. I wonder whether *Hansard* could sort out the sound system; I am hearing an echo.

Mr. Deputy Speaker: I am sure that the Minister's comments have been noted by those who control the system.

Nigel Griffiths: I am still hearing an echo.

Mr. Deputy Speaker: It is all right.

Nigel Griffiths: In 1997, the average time taken by businesses to settle their accounts was 49 days. That was simply and wholly unacceptable. I pay tribute to my hon. Friend the Member for Hornsey and Wood Green (Mrs. Roche), who championed that cause and who, as the Minister responsible for small businesses, crafted the legislation to tackle the late payment of commercial debts. I also applaud the significant contribution made by my hon. Friend the Member for North Swindon to ensuring that small businesses have prospered, and his championing of that legislation.

I know from first-hand experience the tremendous work done by small businesses in Swindon. The vice-president of a large business in Swindon—Honda—told me that his factory depended on more than 100 small businesses as suppliers. I am delighted to acknowledge the support that my hon. Friend gives local small businesses. Business Link Swindon, which the Government fund through the Small Business Service, has been working closely with start-up and growing businesses. The number of small businesses in Swindon soared by 23 per cent. in less than a decade—double the national average. Manufacturing employment, which you and I feel passionately about, Mr. Deputy Speaker, continues to be above the national average, and the service sector is strong too. Swindon has the highest employment rate in the south-west, with almost 84 per cent. of the eligible population in work, and small businesses are one reason why the economy around Swindon has been among the fastest growing economies in the UK.

As my hon. Friend rightly points out, this Government were the first to recognise the damage that late payment causes to firms. They were the first to listen to the pleas of small businesses and the first to act. Prior to 1998, there was no specific protection for companies that suffered at the hands of other organisations that delayed settling their accounts.

First, we enacted the Late Payment of Commercial Debts (Interest) Act 1998, which gives suppliers the statutory right to claim interest for late payment.

Secondly, the Act sets a credit period of 30 days, if no other period has been agreed.

Thirdly, we established the better payment practice group to help us highlight the good and the bad payers, and to offer advice on the action it wanted us to take. I am grateful to all the members of the better payment practice group for their efforts, especially the Federation of Small Businesses, the CBI's SME council, the Forum of Private Business, the Institute of Directors and our own Small Business Service. Among other things, the better payment practice group produces league tables to identify the good and the bad players. It is a measure of its success in securing effective legislation that one fifth of the 856 businesses that it surveyed have successfully claimed interest and compensation for late payment.

Fourthly, in 2002, in consultation with the representative organisations of small business, we strengthened the legislation to give every business the right to claim a fixed sum of compensation for pursuing bad payers.

Fifthly, in recognition of some suppliers' fears of retaliation from larger companies, as the Minister I am always willing to write to the chief executive of such companies on their behalf.

There have been a number of completely independent studies of the average time it takes to settle accounts. According to the Grant Thornton European business survey for 1997, the average payment time is 49 days. Its latest international comparisons show the true impact of our groundbreaking legislation: the time taken to settle has fallen by 12.8 per cent. and it is now a full week less than the average time in Europe. The REL Consultancy

Group surveyed businesses on the average days payable outstanding—or DPO—measure. It lists the payment performance in other countries as follows: 67.9 days for Italy, 63.7 days for France, 42.4 days for Europe as a whole and 33.6 days for the United Kingdom—a full 20 per cent. less in terms of average days payable outstanding.

My hon. Friend gave some figures from Mr. Poole. Since his poll, I have received the latest figures of the Federation of Small Businesses measuring how plcs are performing; they show that it is no longer 10 per cent. but 34 per cent. that are paying bills within 30 days—and that has now increased to 37 per cent. In a survey carried out for the Small Business Service, 65 per cent. of businesses stated that they now have no problems with late payment. In a survey carried out by Stevens and Bolton Solicitors, 84 per cent. of businesses that received a claim for interest continued the business relationship. In 1992, 56 per cent. of companies surveyed by Lloyds TSB reported cash-flow problems; a majority of companies in that survey had cash-flow problems, many of them chronic. The current figure is 17 per cent.—the lowest in the history of its survey. The recently established pay-on-time website has advised 44,000 visitors on this matter.

My hon. Friend mentioned Companies House. I take very seriously complaints that Companies House is failing to ensure that all public companies disclose their practice on average payment times. Indeed, I took that up with the chief executive, and she subsequently investigated 56 companies. That has cleared 20 of them, and it is investigating the remaining 36. She also undertook three specific actions: a publicity campaign to remind companies of their legal obligations to disclose their policy and practice; a targeted mailshot to all public companies reminding the directors of their obligations; and individual letters to the Institute of Directors, the accountancy institutes—as my hon. Friend asked for—and other Government bodies, the CBI and the financial reporting review panel. I will certainly ensure that the chief executive gives serious consideration to the other measures suggested by my hon. Friend.

My hon. Friend raised the issue of the payment practices of Departments. He will know that at the end of the Conservative Government's third Administration only 82 per cent. of Government bills, and those of their agencies, were paid on time. That figure is now 96.68 per cent. Again, there is strong evidence of action being taken.

Finally, my hon. Friend asked me to communicate with other Departments to ensure that those figures remain positive. On 13 June I wrote, as he requested, to my colleague in the Treasury who circulated my letter to all the other Departments and I have their replies. I would not want the Chamber to think that I am complacent about that issue or about the concerns that my hon. Friend has raised on behalf of Mr. Poole and other constituents. I hope that I have shown that we are continuing, as my hon. Friend started to, to take this issue seriously and we continue to consider taking action—if not year on year, when the need arises. We shall continue to review the matter and take whatever action is necessary to ensure a fair deal for our small businesses.

Mr. Deputy Speaker: The Chamber thanks the Minister for his reply. We are catching up.

Rural Diversification

4.16 pm

Mr. Ian Liddell-Grainger (Bridgwater) (Con): When the Minister and I have spoken there will be an exchange of letters, given the pressures on the House at the moment.

I secured this debate to try to point out some of the problems that diversification has caused and could cause in future. We have found it difficult in west Somerset and Bridgwater and the problem is that we have diversified for 10 years. We have done everything that successive Governments have wanted us to do to try to diversify out of the core business, which is straightforward farming. We have gone almost as far as we can go. We have created bed and breakfasts, little companies doing all sorts of things and opportunities across the region. That applies not just in Somerset, but throughout the south-west. Our problem is that we are hitting the stage where we can go no further.

For example, in the levels, which is the largest non-flooded area in the south-west and perhaps in Britain, we are dependent on the ability to diversify. People cannot make a living any more out of what is there; they cannot get the value for the beef or lamb, or whatever. However, they cannot plough the levels, either, because it is not that sort of soil. The people in that area have pushed out as far as they can. If only hon. Members could see what they have achieved in such areas; it is quite remarkable and the Minister knows that. However, those people are subject to the whim of nature every year. At the moment we have very little rain, but that may not be so in future.

Another example, which the House knows well, is Yeo Valley organic yoghurt. We eat those yoghurts, which are sold in the Palace. That company started because a farmer had too much milk and it is now the biggest producer of organic yoghurt in the United Kingdom. It has done brilliantly well and continues to expand.

Those are two extremes, but the truth is somewhere in between. Now, with the headage and area payments system, we could have a situation where farmers themselves cannot farm or diversify because they are not seen as farmers, but people who play-farm. That is the crudest way that I can describe it, but in other words they are not seen as people who are farming for a living. The Minister is aware that we are having a clawback over a period until those two systems become one.

Europe is definite about what people can and cannot do. I like to think that the Minister would, for the future of the Government, look favourably on how we can diversify and continue to do so. However, we need Government help. If we do not get the help, it will be harder to push forward. For example, on the junctions at Bridgwater—we have two—Mr. Derek Mead wants to build a cattle market. There is nothing wrong with that; it would be an agricultural centre. Mr. Mead is and has been a successful farmer.

At the moment we cannot build that market because the regional development agency is tinkering with other sites, which is fair enough, because it has to get the best value. However, farmers are depending on that, because they have lost the markets in Taunton and Bridgwater and although the markets in Burnham-on-Sea and Highbridge are still going, people there want to retire. We could end up without a market. Surely that is the sort of thing that we should do, and I hope that the Minister agrees.

To give some idea of the diversification of the market, it hopes to do a deal with Bridgwater college to bring further education into a market. Bridgwater college has just taken over the agricultural college outside Bridgwater. That is diversification at almost its highest level, where everyone is working together.

The issue affects not just the Somerset area but places further afield. The *Western Morning News* published a letter by a Jim Hosking, who runs—I will have to try to pronounce it—Fentongollan farm, near Truro. The Minister, as a Welshman, has a better chance of pronouncing that correctly than I, a Scotsman. On decoupling and cross-compliance, Jim Hosking says that one matter that has really come to haunt us is the potential ability of the Secretary of State to order farmers and farm people whether to go on and harvest or not. That brings up all sorts of problems for diversification. On the levels and hills—and, obviously, outside Truro—people require the flexibility to farm. The Minister is fully aware of that.

I have never met Mr. Jim Hosking; I merely thought that his published letter was very good. When we get such people asking why one cannot go within 20 m of the gate and so on, we know that we are potentially preventing people from doing their job. What I have mentioned may not be diversification exactly, but it is part of what we are trying to do, which is to diversify and push the envelope.

There are various recommendations that I will write to the Minister about, if I may, because of time constraints; this is a short debate. In conclusion, the Minister knows the arguments. The last one that I shall put to him is the argument on the dreaded H-word. The Minister knows that we need help on Exmoor and so on. He has been very kind, and has held an enormous number of discussions with my hon. Friend the Member for Taunton (Mr. Flook), the hon. Member for North Devon (Nick Harvey) and me on how we can look forward. That is an area in which we know that there has been diversification, and there will be changes over the next year.

Mr. Deputy Speaker: Order. May I help the hon. Gentleman? He said that this was a short debate; it is a half-hour debate, and we do not need to conclude it until quarter to 5, so if he wishes to raise other matters that he was thinking of cutting out, I am sure that the Minister will not mind.

Mr. Liddell-Grainger: I thank you for that guidance, Mr. Deputy Speaker; as usual, you have cut me to the quick. I think that the Minister and I are trying to move on to certain subjects. That is the way that I would like to play it, if I may.

The Minister is fully aware of the situation on Exmoor. I am not sure that he can give a full answer at the moment, but would he consider that he knows the fundamental changes that will be made? We need to look forward. Diversification is an evolution, not a

requirement, but we have to evolve; we have no choice in the matter. If we do not, there will be no farmland and countryside where we currently see it—in the levels, Exmoor, Dartmoor, Bodmin, Truro, or wherever—because the farmers will not be farming. There will be more and more people coming from London, selling houses and play-farming. I hope that that will not be the case. Could the Minister give reassurance to places such as the south-west that diversification has the backing and help of Government? That will give an enormous feeling of goodness.

4.23 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I thank the hon. Member for Bridgwater (Mr. Liddell-Grainger), who instigated the debate, for introducing it with clarity and brevity. In doing so he signalled a number of serious issues that I know he wishes to pursue. I should say, Mr. Deputy Speaker, that I think that the hon. Gentleman is being very kind in constraining himself, knowing the pressures on other ministerial engagements today. I thank him for that and give the assurance that I will perhaps respond to him at greater length, and will, if necessary, meet him to discuss one or two of the issues that arose from his speech.

I respect the hon. Gentleman's advocacy of his constituency and the way that diversification is being pursued there. I am happy to tell him that I started the day with the consumption of a Yeo Valley product, but in fairness I have to say that there are other impressive products in the same field, such as those from the Rachel's Organic dairies in west Wales.

I also think that the hon. Gentleman was right on some of the points that he made about diversification. Promoting the links between further education, higher education and the local economy, particularly the engagement of what were described in the past as the agricultural colleges, is extremely important. Linked to that is the work of Lantra, an organisation that promotes learning and skills in the land-based industries. The hon. Gentleman is right to say that a great deal has been done. Help is needed to allow diversification to continue further and for a sustainable economy to be promoted in areas such as his.

The Department for Environment, Food and Rural Affairs is putting an extra £2 million into Business Link next year, specifically to help to improve assistance to business, especially in lagging rural areas. We will also increase our engagement though the regional development agencies. I am pleased with the way that the RDAs have responded to our discussions in recent months. DEFRA's contribution to their single pot will increase from £45 million to £72 million next year. Rural development agencies will take a greater lead on socio-economic schemes within the England rural development programme. The total budget for the various schemes is £212 million over seven years. Since 2000 approximately £47 million has been committed from the rural enterprise scheme budget for farm diversification projects. That programme will continue.

I accept the hon. Gentleman's point about the impact of the reform of the common agricultural policy. That will vary in different areas. I understand his point about decoupling for the lowland beef sector in particular. Concerns have been expressed by farmers about shifting to other forms of production. I can assure him that we will monitor the impact of the new decoupled single payment scheme. If particular problems arise we will look at the options available to resolve them.

In seeking reform of the CAP, we intend to increase the flexibility available to farmers and the possibility of their engaging more with the market; the hon. Gentleman quoted the good example of adding value and therefore adding to the return to the primary producer. We also want to ensure that protection of the environment and promotion of biodiversity is achieved and that farmers are compensated for the contribution that they make to improving the rural environment and the quality of the countryside. That is in everyone's interest and involves a wide range of issues, from combating global warming to the contribution that the countryside makes both economically and in social and leisure terms.

Under the ERDP we want to look at the opportunities for increasing the return to farmers by the marketing of quality products. In terms of food in the south-west, there are some really good exemplars for the rest of the country. DEFRA and the stakeholders have been actively involved in examining the use of the agri-environment schemes to help cattle grazing. That is one of the important issues for the levels, especially because of its contribution to biodiversity and other environmental objectives. Decisions made by farmers following decoupling will be in response to market demands, not in response to the bureaucracy of individual CAP schemes. In general that means that farmers, consumers and the environment will all benefit. But, as the hon. Gentleman suggests, there are particular impacts.

The Somerset levels are a unique and internationally important area. DEFRA and English Nature have therefore been investing significant effort and resources in the environmentally sensitive area scheme and English Nature's wildlife enhancement scheme. There are 34 sites of special scientific interest in the Somerset Levels and Moors environmentally sensitive area. More than 20,000 birds may over-winter within the ESA and the ESA agreements are worth over £3.3 million a year to farmers.

There are issues in relation to the periods that land is under water in some parts of the area. I am confident that the problems that are perceived there can generally be overcome but there may be specific differences. I would be happy to expand further on such issues to the hon. Gentleman.

I would urge farmers, if they have particular concerns, to talk them through with the Rural Payments Agency, for which I have ministerial responsibility. Some of the problems might be perceived rather than real. For instance, there are perceptions that the requirement for the land to be at the farmer's disposal for at least 10 months of the year means that that requires it to be actively farmed for the whole of that period; I am advised that that is not necessarily the case.

That is the sort of area about which the hon. Gentleman will want further explanation. It is timely that he has raised these issues and I hope that I may be able to say a little more following meetings that are

[Alun Michael]

taking place this week; officials from DEFRA are meeting the National Trust and English Nature to discuss some of the issues, including marshland management and the relationship with the single payment scheme. I have asked for the issue that we are discussing to be drawn to their attention, so that it can be covered in those meetings. After they have taken place, I will write to him and I will be happy to meet and to discuss any specific issues that remain outstanding.

Finally, the hon. Gentleman mentioned the H-word, in passing, towards the end of his contribution and I understand fully that there is a particular economic and cultural impact in his part of the west country. That is why I may have spent more time listening to, and discussing with, those affected there than those in any other part of the country. That does not necessarily result in a meeting of minds and, clearly, legislation is now on the statute book, which I hope very much will be observed by those who are frequently described as generally law-abiding people. That will give us an opportunity for the sort of intelligent conversation that the hon. Gentleman was requesting to examine the impact on individuals. The impact in terms of the general economy may be small, but of course I appreciate that there will be an impact on individuals. I will be happy to listen to particular representations that he might want to make in respect of his area. He knows that we have supported economic assessment precisely in order to examine the very localised impacts that there might be. I will be happy to discuss those issues further with him.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes to Five o'clock.

Westminster Hall

Wednesday 15 December 2004

[MR. EDWARD O'HARA *in the Chair*]

Anti-Semitic Incitement

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ainger.]*

9.30 am

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I am pleased to be opening this extremely important debate, and I thank Mr. Speaker for giving me the opportunity to do so.

Last week, in Sofia, the Organisation for Security and Co-operation in Europe ratified its Berlin declaration on combating anti-Semitism. The declaration recognised for the first time the link between events in the middle east and attacks on Jews in European countries. Two weeks ago, the United Nations General Assembly passed its first resolution opposing anti-Semitism.

Those events are significant and highlight the fact that today's debate is taking place in a context of reawakening global hostility towards Jews. My focus will be on the impact of that hostility in the United Kingdom and on identifying what should be done to halt the growth of what the Chief Rabbi, Dr. Jonathan Sacks, calls

"the virus of anti-Semitism".

That virus mutates, but as the Chief Rabbi says, it can be cured.

I do not generalise about any faith or any community, and it is important to remember that during our discussion. My comments refer to the disproportionate impact of the words and actions of a minority—often, a very small minority—of individuals who claim to act on behalf of their faith. Muslims and Jews have much in common: they work together against racism and face major issues of common concern, including the threats to halal and shechita—their methods of animal slaughter. It is important that Islamic extremists are not allowed to drive a wedge between the two communities.

The hostility towards Jews from parties of the far right, such as the National Front and the British National party, is familiar, but all too often, those who challenge the hatred emanating from the right flirt with extremist Islamic groups that espouse the very same bigotry. Often, that is linked with antagonism to Zionists—those who believe in the Jewish people's right to self-determination in the state of Israel. The word "Jew" is replaced by the word "Zionist", and it then appears legitimate to view Jews as all-powerful, devious international conspirators whose influence is disproportionate to their minuscule numbers. In saying that, I should make it clear that criticism of the policy of the Government of Israel is, of course, not necessarily anti-Semitic.

Using their extensive state apparatus, the Arab media incite vicious hatred of Jews to this very day. In this internet and satellite age, such poisonous messages do not remain in their countries of origin, but are widely disseminated to the homes of people in this country. That is why they are such a grave threat for us. They include Holocaust denial—the rejection of the fact that the Holocaust ever happened. For example, the Egyptian state-controlled newspaper, al-Akhbar, called the Holocaust

"a huge Israeli plot aimed at extorting the German government."

The Arab media promote the "Protocols of the Elders of Zion", a tsarist forgery proclaiming that Jews are engaged in an international conspiracy to rule the world. The Nazi version of the protocols can be viewed here in the United Kingdom on the Hamas website, courtesy of a commercial provider based in Frith street. In the introduction to the protocols, the terms Jews and Zionists are used as though interchangeable. Viewers of the website can also read at their leisure the Hamas charter, of which article 7 states:

"The day of Judgement will not come until the Muslims kill the Jews",

and article 22, referring to Jews, reads:

"With their (Jewish) money they stirred revolution in various parts of the world, they were behind the French revolution, the Communist revolution—with their money they formed secret societies such as Freemasons and Rotary".

Surely, by any standards, that is incitement. The Nazis' favourite book, "The Protocols of the Learned Elders of Zion", is required reading for Hamas activists, and I am told that copies of that book, and "Mein Kampf", are readily available on the streets of most major cities in this country.

Arab media, to this day, embrace mediaeval blood libels. The lie that Jews use the blood of non-Jewish children to bake their Passover matzahs first appeared in Norwich in 1144, but it is very much alive today in the Arab world. Earlier this year, the Hezbollah station al-Manar, operating from south Lebanon, beamed its series Al Shatat to its worldwide audience of 10 million. That series depicts Jews as avaricious global conspirators. I have viewed some of it; indeed, a satellite dish can be purchased for £200 enabling one to watch it in any home in this country. I saw two episodes, one of which—episode 20—will stay in my mind for ever. It contained a scene showing Jews—we knew that they were meant to be Jews because they were men with big black beards, big black hats and long cloaks—kidnapping a gentile child and taking him into their home, where the child cried out for his mother. These so-called Jews held the child by the wall, slit his throat—there are graphic details in the programme; the blood is seen to drip into a bowl—and then used the blood to bake the Passover matzahs. The same "Jews" were then seen eating the matzahs, proclaiming how tasty they were.

That is, of course, absurd. However, the story is not just projected in Lebanon but beamed across the world, and easily accessible in this country. The horror of it is that it is believed. The director of the series stated clearly that it was "nothing but the truth". Again, surely that is incitement and surely it should horrify all of us.

The impact of such vicious anti-Semitism, of which I have given very few examples, is to inject unpleasantness and fear here in the United Kingdom. It is undoubtedly harming community relations. It is an outrage that incitement to hatred and violence is going unchallenged. Last year, people dressed as suicide bombers paraded in a float on the streets

[Mrs. Louise Ellman]

of London. They were participating in an anti-Iraq war demonstration, part organised by the Muslim Association of Britain. That organisation presents itself as a mainstream community organisation. On 6 November, Hezbollah flags were seen flying at a central London demonstration organised by the pro-Iranian Islamic Human Rights Commission. All of those things lead to an atmosphere of concern for Jews and non-Jews.

We should all remember the atrocities at Mombassa, Istanbul and Buenos Aires, which killed both Jews and non-Jews but are part of the result of the incitement to hatred.

The feting of Sheikh Qaradawi in London has helped to legitimise anti-Semitism. Qaradawi opposes discourse with Jews and has called for them to be killed, describing them as having "incomparable iniquity". His sermons in June of this year made a plea:

"O God, deal with the treacherous usurper and unjust Jews. O God, revealer of the Book, O mover of the clouds and O vanquisher of the infidels, defeat them and grant us victory over them."

That was broadcast live on television. It did not stay in the Arab state in question but was beamed around the world through the technology that is now available and was viewed by people in this and other European countries. The sheikh's other causes include supporting gays being put to death—he has said that the question is only about what method of execution should be used—and approving a husband's right to beat his disobedient wife in certain circumstances.

In extremist Islamic texts, Jews are repeatedly referred to as apes and pigs. The Palestinian Authority broadcast of the Friday sermon by Sheikh Ibrahim Mudeiris on 5 November 2004, referring to the late President Arafat's illness, said:

"We are absolutely certain that the party responsible for the assassination attempt against the president is the Zionist government . . . Those accursed, those apes and pigs—when they heard the president had died they began to sing and dance."

That is outrageous. Unfortunately, it is not an isolated incident, and further examples of the reference to Jews/Zionists as apes and pigs appears to be a common message in extremist Islamic circles.

I do not want to give the impression that all is disaster. Indeed, there are some opportunities for positive thinking. For example, on 3 December, the Palestinian preacher Muhammad Jammal Abu Hunud preached a sermon, broadcast on Palestinian Authority television, in which he called for the development of a modern Islamic discourse to recognise the other, to treat him with tolerance and to avoid extremism and violence. The sermon was broadcast from the Presidency mosque in Gaza in the presence of Palestine Liberation Organisation chairman Abu Mazen. Again, no doubt, that sermon was available here in the United Kingdom. There are some positives, and considering the impact of that on community relations in the UK, we remember the positive as well as the negative.

However, extremist preaching in the minority of mosques can have a disproportionate impact. The two British men—Asif Hamif and Omar Sharif—who travelled to Mike's bar on Tel Aviv beach to blow up civilians were influenced by the groups al-Muhajiroun and Hizbar Tahrir. According to *The Times*, two British men fighting in Najaf in Iraq boasted that they had considered killing Jews in London.

The most recent figures from the Community Security Trust—the defence agency of the Jewish community, which monitors anti-Semitic incidents—shows an increase in attacks on Jews. I know that the Home Office regards the report as authentic; indeed, it is one of the official organs that they take note of in assessing what is happening to community relations. The trust's last report showed an increase in attacks on Jews. Its next report will be ready in the new year, and there is no reason to believe that the upward trend in incidents will be reversed.

It is certainly clear, whatever the specific statistics show, that hate messages and incitement have an impact on Jewish-Muslim relations in the United Kingdom. Jews feel threatened in a growing atmosphere of intolerance, in which anti-Semitism is increasingly legitimised under the cloak of anti-Zionism. Even the *New Statesman* felt able to produce a front cover worthy of *Der Stürmer*, depicting the star of David piercing a Union jack under the headline "A Kosher conspiracy?" The journal apologised and stated that it was not aware that the front page reflected Nazi imagery.

What should be done to deal with these matters and their impact on community relations in the United Kingdom? I recognise the Government's good work in addressing anti-Semitism. They take the issue seriously and have supported calls for action at the United Nations and elsewhere. When I have raised this problem before, my points have been taken very seriously indeed, and I thank the Government for that. However, further action is required from a wider group than the Government acting alone.

Incitement to hate should stop. It is propagated by a small minority of Muslims who are speaking in a perversion of their faith. I am conscious that many Muslim leaders speak out against incitement, and I hope that they will continue to do so, because it is extremely important that moderates do not feel that they are standing alone. The actions of the 2,500 Muslim intellectuals from 23 countries who complained to the United Nations Security Council about extremists have set a good precedent, which I hope will be followed worldwide, including in this country.

Anti-Semitism must be challenged, whatever its source. Messages of hate should not be tolerated, whether their source is the British National party or Islamicist groups, and the left must end its dangerous flirtation with Islamic extremism. I congratulate the police on arresting the British National party leader, Nick Griffin, as reported yesterday. It is encouraging to know how seriously they are taking this problem.

At a recent Foreign Office Eid celebration, the chairman of the Muslim Council of Britain made a statement suggesting that the Iraq war was started to serve the interests of Zionists. There are many perfectly legitimate views on the war with Iraq, including strong opposition to it, but that sort of statement is unacceptable. The implication is that British and American foreign policy is dictated by the Jews—a tiny proportion of the world's population. Do the Government intend to challenge the statement if they have not already done so?

The recommendations of the European monitoring centre on racism and xenophobia must be followed, and incitement from the media must be monitored and controlled. Its report entitled "Manifestations of Anti-Semitism in the European Union" demonstrated that a correlation exists between anti-Jewish violence and rhetoric in the United Kingdom and events in the middle east.

An investigation into al-Manar, conducted by the French broadcasting authority on 19 November, resulted in an agreement allowing it to stay on the airwaves provided that it did not broadcast any hate messages that depicted violence towards civilian populations in a favourable light. After al-Manar continued to broadcast anti-Semitic programmes, the French Prime Minister called for a total ban. Only yesterday, France's highest administrative court ordered the French-based satellite company, Eutelsat, to stop broadcasting al-Manar within 48 hours. That followed a broadcast in which Israel was accused of deliberately disseminating AIDS in Arab nations. Predictably, al-Manar issued a statement claiming that the ban was the result of Israeli pressure following a political campaign by the Zionist lobby.

I applaud the example that was set in France. Our Government are considering monitoring incitement, and I ask them to look closely at what happened in France and to follow its very important example by banning anti-Semitic incitement and stations that incite violence.

Our existing laws on incitement should be enforced, and purveyors of hate, such as Sheikh Qaradawi, should not be admitted to this country. I ask the Home Office to examine more closely some of the applications that are submitted to it and to stop people coming to this country who are likely to incite.

I secured an Adjournment debate on this issue on 31 January 2003 as a wake-up call to urge people to recognise the pernicious phenomenon of Arab anti-Semitism, which goes largely unchallenged. Too many people still refuse to recognise this cancer, despite the mounting evidence. It draws on anti-Semitic imagery from the crusades to Nazi Germany. The deadly fusion of 1930s-style anti-Semitism, with its demonisation of the Jewish community, is now moving beyond the realm of polemics and is manifesting itself on the streets.

I called this debate to bring all this to the attention of hon. Members. It is time to drain this poison from our body politic.

9.51 am

Mr. James Clappison (Hertsmere) (Con): It is a great pleasure to follow the hon. Member for Liverpool, Riverside (Mrs. Ellman). I warmly congratulate her on securing a very important debate. It is tradition on these occasions for Opposition Members to say that we agree with much of what has been said. In this case, I agree with every word that the hon. Lady said, and I strongly support her calls to the Government, particularly in respect of satellite broadcasting, al-Manar and individuals such as Sheikh Qaradawi who are admitted to this country.

The hon. Lady tackled the subject in an appropriately sensitive way. It is a sensitive subject, but one that calls on us to face facts. For the record, I share her approach. Although the Jewish community is facing particular pressure at the moment—there is, as she said, a rise in anti-Semitic attacks—other communities also face those problems. I share her sentiments about the Muslim community. I recognise the pressures faced by Muslims in this country, and I deplore some of the things that I have read recently about the Muslim faith, which are careless or, even worse, misrepresent that faith and are highly offensive. I share the feelings of many Muslims when they read and hear some of the comments that are made.

In that spirit, I was concerned, immediately after September 11th, that the dreadful events of that day might spill over into the lives of ordinary Muslims and that, by extension, it might be taken out on them in some way. Thankfully, that did not happen, but I certainly shared their concern.

As a member of the Select Committee on Home Affairs, which is taking evidence on community relations, I was interested recently to listen to the evidence of Gerry Gable, the well known proprietor of *Searchlight* and a well known figure in these matters. He made the entirely reasonable point that there was a risk of the Muslim community's being victimised after September 11th:

> "If you look at the immediate period after 9/11, certainly in the Metropolitan Police area, there were far fewer incidents involving the Muslim community than any of us expected, but there was a rise in attacks on the Jewish community. I think we have a problem here."

He then set out what he believed the problem to be. I agreed with much of what he said.

We must recognise that the Jewish community is vulnerable, particularly to the sort of international tensions that the hon. Lady described. We can all have our views on the middle east and the different Governments and authorities there but, whatever our views, wherever they are on the spectrum, we should not extend them so far as to victimise individuals and to import the conflict into everyday life with incitement, attacks and victimisation of individuals as a proxy for the dispute itself.

We should not allow that to happen on any side, but there is clear evidence that it is happening at least in some countries in Europe. We have to face facts. The OSCE report to which the hon. Lady referred was right to recognise that and to see the facts as they are. Others have carried out investigations that have come to the same conclusions. We all know about the problem of the extreme right wing. We cannot be complacent there. We must recognise that there is the other problem of the importation of the middle eastern conflict and consequent anti-Semitic attacks on communities and individuals.

I saw some of what is happening elsewhere in Europe when, in the company of Lord Janner, I visited Paris earlier this year. I saw with my own eyes almost unbelievable evidence of the harassment and persecution that ordinary people in the Jewish community, particularly young people, face every day. We visited a school that had been burnt down and met school children who suffer a daily torrent of abuse and bullying on their way to school. They hear the words "sale juif". We heard that they were frightened to wear their religious signs—to wear a kippah—and that they

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take steps to disguise their appearance. When Lord Janner asked how many of them saw their future in France, the vast majority replied that, although they were French in culture and language, they wanted to leave France and to make their future elsewhere because of what they experience every day.

That is not just the case in France. I am afraid to say that there are other countries in Europe where similar experiences are being suffered by young people in schools and universities. Children are victimised. There are some instances of grave attacks on individuals. It is a problem. Having mentioned France, I should give credit to the French Government for the way that they have faced up to that. They have not tried to sweep the problem under the carpet. They have set a lead and mobilised the resources of the state. As the hon. Lady said, they have been particularly strong on banning inflammatory broadcasts from abroad. I hope that we are prepared to follow the French Government down that route.

The problem is not of the French Government's making. The explanation for it may lie in the origins of the communities in France, but it is repeated elsewhere in Europe. Although it is not repeated to anything like the same extent in this country, there are no grounds for complacency. It is worrying that anti-Semitic attacks in this country have increased. We need to watch that very carefully. When individuals and communities are being victimised in order to extend the middle eastern conflict, it is particularly worrying that, in this country today, in perhaps some of the most sensitive places of all—our universities—some academics are coming dangerously close to encouraging something similar.

Of course, academics can have vigorous views about Israel. They can hold conferences about it. They can hold a wide variety of views and they should have the freedom to express those views as far as they wish to express them, but it goes a worrying stage further when academics, including those at some of our most prestigious universities, call for a boycott of individuals because they happen to come from the state of Israel. I suspect that it is not far from that to encouraging individual victimisation.

Academics who have been going along that path should exercise their consciences, to say the least, and think about where it may lead. I say that it is worrying; it is also counter-productive. In one case, an academic dismissed two contributors to her journal purely because they were Israeli. However, they were also critics of the Government of Israel's policy and very much on the left wing in Israeli terms.

That is worrying and I do not want it to happen in our universities. It is not fair and it damages our academic reputation internationally. It is also worrying from the point of view of individual Jewish students in universities, who from time to time have had problems of their own, particularly when dealing with organisations such as al-Muhajiroun.

I do not know whether the Minister can comment on what I have said, but I hope that she will respond in some way. Although we must preserve freedom of speech in our universities, we do not want academics to give the wrong lead and to go down a road that could be very worrying indeed.

I join the hon. Member for Liverpool, Riverside in all the sentiments that she expressed and I support her calls for action, particularly on satellite broadcasting. We must consider that carefully. She was right to say that some of the material is horrific. It is fair to say, as she did, that there are those in the Muslim community who have taken a stand and acted in accordance with the true tenets of the Muslim faith. However, it is very worrying when a stream of filthy propaganda, possibly affecting impressionable minds, is coming through a medium that people take seriously and give credit to. I hope that the Minister will respond in a way that meets the seriousness of the problem.

10.2 am

Linda Perham (Ilford, North) (Lab): I congratulate my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman) on securing the debate. She is a staunch defender of Jewish people and often speaks up for Israel in the media. I should declare that I am on the parliamentary executive of Labour Friends of Israel and I am the secretary of the all-party group on Israel. I represent a constituency in the London borough of Redbridge that is home to 15,000 Jews and has a growing south Asian population of Indians, Pakistanis, Bangladeshis and Sri Lankans, who are of the Muslim, Hindu, Sikh, Buddhist and Christian faiths.

We had an excellent debate here on 20 April, led by my hon. Friend the Member for Stalybridge and Hyde (James Purnell), in which thoughtful contributions were made. On that occasion, I and other hon. Members said that the debate was timely because of the rise of anti-Semitism. There were 375 anti-Semitic attacks last year—a 7 per cent. increase on 2002. Somewhat depressingly, discussion of anti-Semitism always seems to be timely, because it continues to exist, as it has done for hundreds of years in this country and beyond.

When I take people on tours of the Palace of Westminster and we come to Westminster Hall, I tell them about its history. It often comes up that coronation banquets used to be held there. The first was held in 1189 for the coronation of Richard I. On that occasion, Jews bearing handsome gifts were denied entry to the Hall and pelted by mobs. The story was circulated that the king wanted them exterminated, so a series of massacres ensued. The following year, 150 were massacred in York. Throughout the 13th century, various cities and towns mounted attacks on Jews or expelled them. In 1218, the wearing of a Jewish badge was introduced. In 1290, an edict by Edward I expelled England's 16,500 Jews, who did not return as a community until the time of Cromwell in 1656. There is a long history of anti-Semitism in this country.

We all know and condemn the worst example of anti-Semitism: the holocaust. My hon. Friend the Member for Liverpool, Riverside spoke about holocaust denial, and the comparison of Jews to Nazis is also common. The star of David is often linked with the swastika in cartoons and the suggestion is made that the Jews engineered the holocaust to secure a Jewish state. As recently as 28 August this year, the Egyptian television station al-Mihwar broadcast a group of politicians and journalists discussing the connection between Zionists and Nazis and drawing parallels between the Nazi genocide and Israel's treatment of the Palestinians.

I shall never forget my visit five years ago to Auschwitz-Birkenau with 200 school students, including some from two of my local schools. More people should visit that place, especially young people, to be reminded of the obscenity and evil of that most extreme manifestation of anti-Semitism, and to learn about the unacceptability of tolerating it.

I cannot emphasise enough the role of education in combating and challenging anti-Semitism. That is why I praise the work of the Holocaust Educational Trust and the efforts of such organisations as Fairness and Accuracy in Reporting—FAIR—and Palestine Media Watch, which monitor the publication and propagation of anti-Semitic literature in the UK and elsewhere.

As has been mentioned, the media's influence has grown over the years and, recently, satellite communication has been used more to propagate anti-Semitism. Those who control the media have a huge responsibility to achieve balance and fairness in reporting. My Jewish constituents often complain to me about anti-Semitic bias, particularly in television reports about the middle east conflict.

Television and films, with their powerful imagery, can achieve widespread impact. I therefore welcome the recent release of Michael Radford's version of Shakespeare's "The Merchant of Venice", with the distinguished actor Al Pacino, who gives a sensitive portrayal of Shylock, and the debate that the film has provoked about anti-Semitism today, as well as in the Shakespearean era.

As I mentioned, I represent racially and religiously diverse communities in London that, through the hard work and good will of community groups, the safer communities partnership and individuals, manage to coexist peacefully and to thrive. We have a local three faith group of Jews, Muslims and Christians, a council of Christians and Jews that has been in existence for 62 years, and an annual Hanukkah-Eid-Christmas event celebrated at the Ilford community centre and organised by members of the League of British Muslims. I shall be attending that event tonight and telling the people there about this debate. I shall be there with community and religious leaders from other communities.

Despite the real and continuing challenges in the UK posed by the resurgence of anti-Semitism and the dangers that it raises, as well as post-9/11 Islamophobia, I am hopeful that the example of my community is not an isolated one and that people of good will of all races, religions and cultures will see their futures and that of the country as based on a foundation of tolerance and understanding of other people, regardless of creed or colour. However, I should like the Minister's reassurance that the Government will be vigilant about anti-Semitism, monitor it and take robust action to combat and to challenge it wherever it rears its ugly head. As I have demonstrated, anti-Semitism has a long history. We all need to make the effort to fight such evil, otherwise it will continue to poison race and community relations in this country and elsewhere and be a lasting obstacle to peace in the middle east.

10.9 am

Huw Irranca-Davies (Ogmore) (Lab): I congratulate my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman) on securing this important debate on anti-Semitism. I also congratulate her and others on emphasising the need for balance by stressing that hatred of any race, any religion or any group is abhorrent. I declare an interest, as a member of Labour Friends of Israel and as a regular participant in activities with Palestinian groups.

At the outset, it is important to declare as a universal principle the opposition of any right-minded people to discrimination, bigotry and irrational hatred of any group of people, whether on the grounds of religion, ethnicity, colour of skin or the colour of money—economic means. The confluence of agreement of all Members of Parliament must be to abhor actions or words that lead to derision, damage or the death of individuals or groups.

Today, we are challenging anti-Semitism, yet all the words that I have spoken could equally apply to Islamophobia. Since 11 September 2001, Islamophobia has become a major concern and it must be condemned in the strongest terms. Equally, however, anti-Semitism is an insidious poison that pollutes rational discourse in the media and in the street, and hampers understanding between people as individuals and between groups. It can lead to violence in words and action against Jews.

It is of grave concern that anti-Semitism, a phenomenon that many people thought had been confined to history—rendered impossible by the horrors of the holocaust—seems to have a nasty habit of coming back. It is like some perennial weed; it does not necessarily come back in the same place or in the same form, but it has the power to reproduce itself seemingly endlessly.

This morning, it has been shocking to hear some of the examples that have been given, and to hear that many anti-Semitic myths, which trace their lineage from mediaeval Europe to tsarist Russia, persist—that Jews are conspiratorial, or that they have disproportionate control over world events. Even the bloodthirsty fantasies regarding Passover bread, which I find too abhorrent to mention again this morning, are repeated often abroad and, regrettably, closer to home as well.

That is not to suggest that any criticism of the Israeli state or the Israeli Government is out of bounds. Such criticism should be made, but it should never be wrapped up in terms that could be construed as anti-Semitic.

The fact that such poisonous ideas can be circulated and, moreover, that they have transmuted to some within the Arab world—a culture in which, until very recently, such ideas were completely alien—is the example par excellence of the ability of fear and ignorance to overcome reasoned and rational thought. Those deviant ideas are espoused only by a minority, but their power lies not in the numbers that espouse them, but in their sheer toxicity and perniciousness.

In this era of globalisation, as we have heard, that discourse of hate can cross borders at literally the speed of light. The incitement to violence shown on television and on internet sites from Lebanon or Saudi Arabia can quickly find its way on to computers and television screens in the UK. It is even more worrying when local extremist groups, which are by no means representative of the majority, pick up that message and echo it through the media and institutions in the UK.

[Huw Irranca-Davies]

Fortunately, however, we are not powerless to act in that area and it is imperative that we do so. Lasting peace between Israel and the Arab world and between their peoples will be impossible without a recognition of the role of incitement in generating hatred and enmity in the public at large.

The quest for harmonious relations in the UK cannot be separated from the way in which we approach international affairs. In suggesting ways of engaging with the problem, I shall refer, first, to the declaration of the Organisation for Security and Co-operation in Europe and, secondly, to the role of the G8 as we approach the transfer of its presidency to the UK.

The OSCE has become the chief international organisation active in the field of anti-Semitism in Europe. As hon. Members may know, a landmark conference took place in Vienna in spring 2003 and it was followed by another in Berlin in April 2004. The Berlin conference produced the Berlin declaration, which compelled all member states to undertake eight commitments to combat anti-Semitism in their countries.

Those commitments include provisions such as ensuring that legal systems foster an environment safe from anti-Semitism—something from which I am sure the UK does not suffer—and collecting and maintaining reliable information and statistics about anti-Semitism and other hate crimes. That is an area where I believe there could be some improvement. Effective implementation of those commitments would contribute enormously to the struggle to eradicate anti-Semitism, Islamophobia and racism of all kinds. The United Kingdom must stay at the forefront of that battle.

I should be grateful to hear from the Minister what action has been taken by the Home Office to act on the commitments signed by the OSCE. In particular, I should be interested to know to what extent the Home Office has co-operated with the Foreign Office on the issue. As we have heard in this debate, the problem of anti-Semitic incitement in the UK cannot be detached from the international perspective, nor can it be tackled without taking a global perspective. Therefore, what can the Minister tell us about the co-operation between Departments on monitoring the flow of incitement and on taking action to stem it? As we know, the resolution of the middle east peace process is high on this Government's agenda, which is a great tribute to the Government and to the Prime Minister in particular. I should be interested to know what place on the agenda tackling incitement has.

With regard to the G8, clearly, reform in the Arab media and the desire to stem the rhetoric emanating from a minority of Arab states regarding Israel and Jews are not isolated issues. There are many in the Arab world who seek reform of all kinds—political, social or economic. Political reform and a positive approach to the west is naturally coupled with a reconciliation of the existence of a Jewish state in the middle east and acceptance of the peace process.

However, certain parts of the Arab world seem to be faced with a choice between embracing reform and remaining where they are. The status quo is tied up with the view that the values of the west and of the state of Israel are not to be accepted. So long as that view exists, the underlying cause of anti-Semitic incitement will remain. I do not underestimate the challenge that that poses for progressive Arab nations and leaders, let alone those who may be more reluctant to confront radical ideologies that deny the existence of Israel. However, that challenge must be met.

Over the past two years, the G8, the EU and NATO have placed political reform and democratisation on the middle east agenda. Currently, Israel and Turkey are the only democratic states in the region. There has been internal pressure for reform and democracy from nationalists, secular liberals and some Islamists, but they have not yet generally met with major reform.

The G8 Sea Island summit in June 2004 resulted in a G8 plan for reform, which included supporting efforts to develop democracy and to ensure free and transparent elections; assisting the region in judicial reforms; supporting efforts to reinforce freedom of expression and independent media; supporting countries interested in reform of education; supporting efforts to expand women's participation; and strengthening the role of civil society and non-governmental organisations.

The pressure for long-term reform must, we all acknowledge, come from within, from Arab people and Arab leaders. It must be reform that reflects the culture and priorities of the region, but reform there must be. With a view to tackling a major source of anti-Semitic incitement, will the Minister impress on colleagues in all Departments, including the Foreign Office, the importance of reform in the Arab world, which will assist in the campaign to stem the flow of anti-western, anti-Israel and anti-Semitic rhetoric at home? The Palestinian Authority are currently setting a fine example to the rest of the Arab world about the value of democratically electing a leadership with public support and public accountability. It is no coincidence that that has coincided with a dramatic and positive change of tone in referring to the west and Israel in official media. That is to be applauded. It signifies a clear willingness to challenge anti-Semitism and in so doing to work towards greater mutual understanding and a peaceful accord among the people of the region.

In conclusion, I call on the Minister to tell us what monitoring is being done and what action is being taken at home in line with the OSCE Berlin declaration, and to say what co-ordination there will be with the Foreign Office to ensure that, in forums such as the G8, that aspect of the need for reform is not passed over.

10.20 am

Mr. David Heath (Somerton and Frome) (LD): I, too, congratulate the hon. Member for Liverpool, Riverside (Mrs. Ellman) on securing the debate and the hon. Members for Hertsmere (Mr. Clappison), for Ilford, North (Linda Perham), and for Ogmore (Huw Irranca-Davies) on their well informed and extremely pertinent contributions. This debate is a natural continuation of a similar debate on 20 April, and it is all the more valuable for that.

Hon. Members stressed the domestic context of a worrying rise in anti-Semitic behaviour and activity, which, although it is not yet of epidemic proportions, is something we should be very aware of. They also put it

in an international context. That is equally worrying, because the anti-Semitic activity in this country is mirrored by similar events in our near neighbours in western Europe. I am extremely pleased that at last there is international recognition that we have a problem that needs to be addressed.

The hon. Members for Liverpool, Riverside and for Ogmore mentioned the OSCE declaration. I am a representative on the Parliamentary Assembly of the OSCE and I am extremely proud of what it has done on the issue. It takes its remit of security and co-operation in Europe extremely seriously in recognising that this is an internal threat that needs to be addressed if we are to maintain the security of our continent. The United Nations resolution was mentioned; it is a first in that respect and it is very welcome.

There is also the historical context. We like to think that we are a broadly tolerant country, and it is sometimes useful to remind ourselves that it was not always so and that tolerance may have had its limitations. Undoubtedly, there have been some appalling acts against certain communities in this country, and the Jewish community has regularly been the victim of such attacks through the centuries. It is valuable that we remind ourselves of that.

There are probably three elements to the anti-Semitic attitudes that have been displayed in this country over recent years. First, the hon. Member for Liverpool, Riverside stressed the threat from elements—it is important to say "elements"—within the Muslim community. That is a relatively recent but serious development in our community relations.

Secondly, there is what might be described as the "traditional" far right—those who base their politics on prejudice, hate and ignorance. They have been with us for a long time, but they never represent mainstream political thought. Nevertheless, they can be extremely damaging in their activities and in the thoughts that they instil in others.

Thirdly—this is the most reprehensible group—some elements, who would describe themselves as being of the left, are prepared to go along with that degree of anti-Semitism because it suits their present political purposes. Again, it is not entirely new. When I was a student union president in the 1970s, university student unions tried to deny Jewish societies a platform. Those of us who spoke out against it often found ourselves isolated. It is not new, but it has become more prevalent, particularly in the context of the Iraq war and of the situation in the middle east. It has achieved a respectability that it does not deserve, and we must confront it and challenge it at every opportunity.

The link with the middle east is entirely spurious. Of course, people have strong opinions about the world situation and what is happening in middle eastern politics. Some may be critical of the Government of Israel, but not for one moment do they have an excuse—and no cause or pretext—for extending their criticism to expressions of hatred against people who happen to be of a certain ethnic origin.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): Will the hon. Gentleman join me in saying that, to be against anti-Semitism, and therefore in favour of supporting the freedom of religious and cultural expression of Jewish people wherever they may be, is not inimical to supporting the same rights for other religions? Will he condemn those who say that one cannot be a friend of Islam or the Muslim community in Britain if one supports the Jewish right of freedom of expression? We should fight anti-Semitism just as much as we would fight Islamophobia.

Mr. Heath: The hon. Lady is absolutely right. I shall be making that point in categoric terms. Either we are talking about respect for all communities and all faiths, or we are talking about respect for none. That is a key part of the argument.

Several hon. Members have already said that it is possible to be politically critical of the actions of the state of Israel and not be anti-Semitic. We need to make that important distinction. However, it is easy to blur the edges of expressions of political opinion into a wider area of discrimination. We must be careful that it does not happen. Those who talk blithely about a Jewish lobby, whether in America or here, are pandering to that expression of anti-Semitism, rather than genuinely engaging with the political argument.

It is a truism, but it needs to be restated, that all forms of hatred and discrimination must be challenged and confronted wherever they occur. Those of us who, on occasion, express views critical of what is happening in the middle east need to be particularly careful of those with whom we share platforms, discussions or demonstrations who extend that criticism in a way that indicates discrimination against the Jewish community. We must say that they are wrong and must withdraw their remarks, or they will be no friend of ours.

What can we do to combat anti-Semitism? Some suggestions have already been made. Education is a key factor—it always is. The best way to fight discrimination is to educate and to debate. It should not be swept into the corner as an embarrassment that should not be discussed; it should be confronted full-frontedly. We must take a robust attitude. We must come together to address the problem.

The cant saying after 9/11 was that we should stand shoulder to shoulder with the Americans. Yes, we should. I have huge criticisms of the American Government and the way in which they have prosecuted their foreign policy. Nevertheless, we stand shoulder to shoulder with them on terrorism. Similarly, we should stand shoulder to shoulder with any community in this country that feels threatened by discrimination or prejudice. That is what brings our communities together.

Then there is the legal framework. I sometimes worry that existing powers are not sufficiently used. I know that the power to prosecute has been used, and that some prosecutions have been well publicised. However, as hon. Members have said, violently anti-Semitic posters have been displayed at demonstrations, with no evidence that anybody has been prosecuted for depicting such views. When that happens, people will be concerned, and there should be no need for them to be. As the Minister knows, my party urged—before the event—that an aggravated crime be associated with racially and otherwise motivated hatred, and we should make use of such provisions frequently.

The hon. Member for Ogmore asked whether we keep records of such incidents outside the Metropolitan police area. My hon. Friend the Member for Orkney

[Mr. Heath]

and Shetland (Mr. Carmichael) raised the same point in a previous debate. The Metropolitan police have been particularly good at keeping such records, but does the practice extend to other police force areas? Are there similar arrangements in Merseyside, Greater Manchester, the west midlands and other areas with significant Jewish communities? Do they, indeed, extend to areas without significant Jewish communities? That is equally important.

I will not say that my constituency is mono-ethnic, because we are either little Saxons or little Celts, but we do not have large immigrant communities that are identified by virtue of their religion or race. Nevertheless, isolated individuals may still be subjected to discriminatory behaviour. We must all ensure, therefore, that we are vigilant in areas where the potential to lose sight of such issues is that much greater. I should be grateful if the Minister told us what has been done to record hate crimes and racially or religiously motivated crimes.

As regards incitement to hatred, the hon. Member for Ogmore and others talked about the internet and the media. As we know, it is difficult to regulate the internet, because the legal framework is weak. As regards the media, nobody in this country wants proper discourse to be censored, but we are entitled to look at the accreditation of media sources whose broadcasts spew out hate. We can then see whether they are indeed welcome guests on these shores, or whether there is evidence of their having produced material that would constitute criminal behaviour had it been produced in this country. The Home Office needs to consider that.

We shall have a complicated debate on religious hatred in the context of the Serious and Organised Crime Bill, and there are all sorts of pros and cons. The Minister knows that, although I have sympathy with what the Home Office is trying to do, I shall want to ensure that we have the freedom to profess faith and to engage in critical discourse, even about the activities and modus operandi of different faiths. That is proper in a civilised country—just as it is to ridicule faith, on occasion. We must, however, be careful to ensure that those who use religion as a cover for incitement to racial hatred are not allowed to prosper.

There was mention earlier of the difficulties experienced by Jewish people in France, and the French Government have issued one of the strongest messages on the issue. They have really taken it seriously, and I should like to think that we could do the same. If we do, however, all political parties will have to come together, excluding those who will have none of it. We shall have to make common cause with those elements of the media that are prepared to take our message forward. We must clearly state that we are talking about not only anti-Semitism but hatred based on race or religion. An attack on any community on the basis of faith or race is an attack on all our communities, and all our communities need to stand together.

Mr. Clappison: The hon. Gentleman has given me an opportunity to reinforce what I said earlier. Is he aware of the lead that was given by President Chirac in his recent speech at Le Chambon in response to atrocities against Jews and Jewish monuments, and does he agree that, while we want to see the same approach in this country, we cannot criticise the attitude of the present Government?

Mr. Heath: The hon. Gentleman makes an extremely powerful point, with which I entirely concur. I look forward to hearing from the Minister in due course.

10.35 am

Mr. Dominic Grieve (Beaconsfield) (Con): The hon. Member for Liverpool, Riverside (Mrs. Ellman) has done us a service in raising these issues. She was right to do so, because they are difficult issues for all the main political parties. We are rather too hesitant about confronting some aspects of anti-Semitism and other general expressions of hatred in our society.

The point was well made that anti-Semitism has a long history in Britain; it goes back to mediaeval times. There is the evidence of pogroms, as the hon. Member for Ilford, North (Linda Perham) said. However, we should not get carried away with history. From the late 18th century onwards, this country has provided a tremendous haven for Jewish people. My Jewish forebears came here in the early 19th century, and most of them prospered. The Jewish community has prospered to such an extent that, as we know, it is the only community in Britain that has never asked for ethnic monitoring. It has always accepted that its success within British society is so great that it is not necessary.

The evidence is overwhelming. Anti-Semitism, which was present in some forms in the 19th century and right through our history, was on the decline, particularly after the second world war, but it has started to rise again in recent years. We also know that, because of assimilation, the choice made by my Jewish forebears in the middle of the 19th century, the Jewish community in Britain is shrinking as an identifiable group. That is a matter of concern to the Chief Rabbi. We must hope that it does not disappear, because we would lose an important cultural asset in our society. The idea, therefore, that the Jewish presence in Britain constitutes some conspiracy or subversion towards others is laughable.

Of course, there are some who are anti-Semitic—one comes across people with all sorts of contorted psychological perspectives in all communities—and I fear that we will never get rid of them, but the blunt truth is that the rise of the current anti-Semitism, about which the hon. Member for Liverpool, Riverside rightly expresses concern, appears to have an Islamic perspective to it. We cannot get away from that. It seems to have been fuelled by a growing hatred and anger towards Jews, Judaism and the state of Israel, which has grown over a 20-year period with tremendous corrosive force and is principally manifested within the Islamic community.

That is a bit of a challenge for all of us. The mainstream political parties represented in this Room are all making efforts to integrate members of the Islamic community in Britain into mainstream political life. As my party's diversity spokesman, I spend a great deal of my time visiting mosques and seeing the Muslim Council of Britain. I meet large numbers of people who treat me with infinite courtesy and kindness. However,

I have to face up to the fact that some of the underlying problems identified by the hon. Lady are not confined to mad extremists who manifest themselves in the street outside Finsbury Park mosque. They extend rather further—to an atmosphere of such frustration and, if not necessarily hatred, concern about events, particularly in the middle east, that it colours the viewpoint of a larger section of the Islamic community, which provides a moral cushion and justification in which the extremists can live. That is a problem for us.

The problem was highlighted when Sheikh Qaradawi came to this country. His visit, as the hon. Lady may remember, was authorised by the Government, who could have taken steps to exclude him. After the leader of my party expressed concern that he had been let in, I was struck by the number of phone calls I received from Muslims whom I had dealt with over the previous two years expressing concern about what the leader of my party said. They said that Sheikh Qaradawi was a force for good and was not calling for the extinction of the state of Israel. However, one has only to look at what he has said to see that he is part of the corrosive process by which hatred is put into the hearts of large numbers of people and warps all their judgments and sensibilities.

Exactly the same thing happened in Nazi Germany in the 1920s, 1930s and even before the Nazis came to power, when grievances real and imagined entered the hearts of individuals and were fomented by propaganda into raw hatred of other classes of people. That phenomenon is not confined to the middle east; it can be achieved in any human society if the conditions are right.

Are we confronting the problem? Of course, we do not want to offend people, but I sometimes think that we are failing to engage in a sufficiently robust dialogue. The Mayor of London, a member of the hon. Lady's party, had no difficulty sharing a platform with Sheikh Qaradawi. I do not suggest in any way that he wants to foment hatred, but he seemed to have a distorted sense of priorities and understanding about what Sheikh Qaradawi had been saying.

Mrs. Ellman: Does the hon. Gentleman recall that I strongly opposed both the Government's decision to permit Sheikh Qaradawi to enter this country and the Mayor of London's decision to invite him, which was deplorable and extremely damaging to community relations?

Mr. Grieve: Of course, I am well aware of the stand that the hon. Lady took, which was absolutely right. I am not trying to condemn the Mayor of London outright, because I suspect that he was well intentioned. However, I am worried that, in our efforts to be well intentioned and to appeal to communities, saying, "We understand you, so please get involved with us"—after all, the three parties represented here are in competition—we are in danger of missing the point. Unless we are prepared to engage in robust discourse about what constitutes the foundations of democratic society, we are encouraging the notion that people can participate in democratic society while holding views that are positively incompatible with it.

That is one of the big challenges that all three parties must face up to. It is difficult because none of us wishes to be discourteous or to isolate people, but that is the raw reality behind the points made so tellingly by my hon. Friend the Member for Hertsmere (Mr. Clappison) about what goes on in the Jewish community and how even academics jump on the bandwagon and join the corrosive process of encouraging hatred. Responsibility lies with us.

I do not want to get involved too much in the question of the law. I may be shadow Attorney-General as well as diversity spokesman, but this is a debate on incitement to religious hatred. However, the laws to protect the Jewish community, which the Government want to extend to other faith groups, already exist, yet have not prevented the problems that the hon. Member for Liverpool, Riverside identified. Indeed, some messages that arrive by broadcast media from abroad are completely outside the control of prosecution, unless the person responsible happens to arrive in this country.

The attempt to get around such problems through legislation will not work; in fact, although it may be well intentioned, I believe that it will make things worse. Many of the things that the hon. Lady identified, even leaving aside incitement to racial hatred, are already serious criminal offences, but enforcement of the law is difficult. Although enforcement of the law should undoubtedly be emphasised, it is not the entire solution to the problem.

The solution must lie with us, as a political class. Are we prepared to confront such issues properly? Mindful of the competition between us, are we willing to engage, to say what we consider acceptable and unacceptable and to make it clear what participation in a democratic society involves? If we are prepared to do that, we may turn the tide; if we are not, we will face serious and growing problems. As individuals, we cannot solve the problems of the middle east. The problems are largely outside our control, although we may try to contribute to a solution.

That is the challenge for us. It will require us to ask difficult questions of ourselves and of those towards whom we would in other circumstances wish to be conciliatory. The point was well made that the French Government have been extremely proactive, at an official level, in challenging such matters. I am not yet sure that we have done the same. More can be done.

Finding a solution is a matter not of legislation but of us all coming together to make it clear that the achievement of the common good in this country requires a foundation of tolerance and that we will not pander to those who wish to express intolerance simply because we might think that that intolerance may have some rational foundation. The foundation may be rational but, if we go down the road of intolerance, we will be responsible for creating the people who put graffiti on buildings, try to burn down schools or attack synagogues. Of course, exactly the same applies to Islamophobia. I therefore hope that the Minister will provide as much help and guidance on those issues as on legislation.

10.48 am

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): I congratulate my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman) on securing this debate. I also welcome the presence of my hon. Friends the Members for Ilford,

[Caroline Flint]

North (Linda Perham), for Ogmore (Huw Irranca-Davies), for Rochdale (Mrs. Fitzsimons) and for Eastwood (Mr. Murphy), the hon. Member for Hertsmere (Mr. Clappison) and the two Front-Bench spokesmen, the hon. Members for Beaconsfield (Mr. Grieve) and for Somerton and Frome (Mr. Heath), in this interesting and constructive debate on an important issue.

To pick up a point that the hon. Member for Beaconsfield made, I would not say that the law is the only answer in tackling anti-Semitism in our community, but just one measure. We must first acknowledge what is happening out there in our communities. That has been clearly illustrated today. Sometimes, we have to specify particular offences that are to do with particular outrages and instances of discrimination against certain groups. Only in that way can we have a discussion about exactly what anti-Semitism means, how it manifests itself and what its impact on communities is. Sometimes, general offences of incitement do not necessarily allow for the exposure of that debate or for clarity about what we are talking about.

The Government have a strong record. I hope that people agree that we use a combination that includes a strong legal framework, which we keep under review. The solution is tackling extremism and educating young people. I remind hon. Members that there is now a statutory requirement, as part of the school curriculum, to teach about the holocaust. We cannot be complacent. As each new generation is born, we must ensure that we reinvest in their knowledge and understanding of what has happened, what is happening and the dangers that might happen unless we deal with these serious matters.

The Home Office is encouraging inter-communal and inter-faith dialogue and supports the annual holocaust memorial day. I am pleased that my hon. Friend the Member for Liverpool, Riverside has recently been selected as a trustee of the trust. I congratulate her on that and I know that she will play a constructive and important role.

My hon. Friend the Member for Ogmore raised the international situation. We are active at international level. He mentioned the Organisation for Security and Co-operation in Europe conferences on anti-Semitism; the relationship between racist, xenophobic and anti-Semitic propaganda on the internet and hate crimes; and racism, intolerance and xenophobia. We support the conferences' recommendation that three personal representatives should advise on intolerance issues, and we plan to donate to the joint fund to make that a reality. The Home Office is an official part of the Foreign and Commonwealth Office-led delegation that participated in those conferences.

My hon. Friend talked about democracy as well, and that was picked up by other hon. Members. Democracy is, of course, important and I was pleased that he acknowledged that we were making progress in relation to, for example, the Palestinian elections. I understand that there was a positive atmosphere at the Ad Hoc Liaison Committee meeting in Oslo on 8 December, attended by Palestinian and Israeli representatives, who all spoke of encouraging political signs and an emerging opportunity. We also hope to have democratic elections in Iraq before too long, which will allow that country, after years of dictatorship, to have a democracy. That is very important.

At home, we are developing within the Home Office, in discussion with other Departments and non-governmental organisations, our emerging race equality and community cohesion strategy, which will set the direction for further Government action to develop a cohesive British society that is characterised by integration, celebrates diversity, looks at what shared values we have across race and religious backgrounds, believes in equal opportunities and rejects extremism, racism and anti-Semitism.

We must have tough legislation, too. The Crime and Disorder Act 1998 introduced nine racially aggravated offences. Offences such as assault and criminal damage attract a higher maximum penalty if they are racially motivated. Since 2001, increased penalties have also applied to religiously aggravated offences. Hon. Members will be aware that incitement to racial hatred is an offence under Part III of the Public Order Act 1986. That makes it unlawful to use threatening, abusive or insulting words or behaviour with the intention or likelihood of stirring up racial hatred. The offence applies to incitement of hatred against Jews and Sikhs, because case law has established that they constitute racial groups under the law.

In 2001, we increased the maximum penalty for incitement from two to seven years and extended the incitement offence to include hatred of racial groups abroad, which would include inciting hatred of Israelis. There have been convictions, such as that of Mr. El-Faisal, who was sentenced to two years for racial incitement, plus seven years for incitement to murder. We are now proposing to extend protection against incited hatred of other religious groups, and we think that that will build on the measures currently available under the racial hatred offences that I have just mentioned.

I know that we shall debate that in the Committee that considers the Serious Organised Crime and Police Bill, but the Association of Chief Police Officers made it clear that it felt that, despite the legislation currently available, the police were unable to act against the sort of hate where religion was a factor, such as the disturbances in northern towns in 2001 directed against Muslims. That formed part of their evidence to the House of Lords Select Committee on Religious Offences.

There are other ways in which the Government are actively addressing extremism. Ministers of religion have a crucial role in helping minority communities to engage with British society, combating distortion of religion and strengthening community cohesion. To fulfil that role, ministers of religion need to be able to communicate with their congregation, especially the younger generation, and to understand British society and our values of tolerance. That is why in the summer we introduced a requirement for people who wish to come to the UK from abroad to work as a minister of religion to speak basic English. We are also consulting about whether, post-entry, they should have a minimum level of civic knowledge and community engagement.

In addition, we are committed to supporting leadership training for faith leaders already settled here. That will build on the expertise developed in the faith

leaders management training programme for imams and community leaders piloted in 2004 by the Learning and Skills Council. However, it is important to understand that the Government make a clear distinction between extremist individuals and the faith that they might claim to be associated with or to represent.

My hon. Friend the Member for Liverpool, Riverside and the hon. Member for Hertsmere spoke about issues and views relating to the state of Israel. Expressions of hatred of Jewish people, let alone attacks on persons and property, are simply unacceptable. Criticisms of a foreign Government's policies cannot be used to justify such behaviour. Many communities in this country have strong affiliations with states overseas, which is quite proper, and there is a place for legitimate democratic debate about domestic and international affairs, including those relating to Israel and the middle east. However, it is completely unacceptable if such criticism manifests itself in a discriminatory, threatening, harassing or violent form that is directed at people because they are Jews. I agree that boycotts on grounds of nationality in academia are objectionable and contrary to academic freedom.

In respect of exclusion, we consider all cases on their individual merits. Exclusion is a prerogative power exercised personally by the Home Secretary on behalf of the Crown. There is no right of appeal, although any decision to exclude is subject to judicial review. Exclusion is used sparingly, only after considerable thought and largely on the grounds of national security, relations with a third country and public order, although there is nothing to prevent us from excluding a person for another "non-conducive" reason.

Much has been said on broadcasting and I welcome the French decision that was taken yesterday. With regard to joined-up government, we have made specific representations to the relevant authorities in a number of cases, including that of the al-Manar television station. On a state visit to Syria in December 2003, Baroness Symons, Minister of State at the Foreign and Commonwealth Office, called on President Bashar to deal effectively with the worrying presence of anti-Semitism in official media and schools in Syria.

As we have heard today, it seems that the television station in question was not prepared to keep to an agreement with the French authorities that was announced in November. As a result, the French courts ordered Eutelsat to stop transmitting al-Manar altogether within 48 hours as of yesterday afternoon. We are content that the French authorities have taken proportionate action against that television station. Eutelsat is the only satellite receivable in Europe that carries it, so if Eutelsat stops transmitting the channel, it will not be receivable in the United Kingdom.

The international obligations that would apply if Ofcom recommended proscription of al-Manar are principally those of the EU television without frontiers directive. If Ofcom advised that there were grounds to take action against al-Manar and that the French authorities had failed to respond adequately, the Secretary of State could consider proscription.

As regards the internet, what is illegal offline is illegal online. In other words, material placed on net servers based in the UK that is illegal can be taken down. We will work with the police and the Internet Watch Foundation to that effect. There are, of course, problems with internet service providers that operate outside our jurisdiction. That involves not only anti-Semitism but other forms of hate that are spewed out on the internet. I have dealt with that in relation to animal rights extremism too, so it is a big issue.

My hon. Friend the Member for Ilford, North made important points not only about what we can do nationally in Parliament and what the police can do, but about what we should do in communities to ensure that we have a partnership, work together and celebrate the good interfaith and interracial work that is being done in many communities up and down the UK. Anti-Semitism is a problem not only for the Jewish community but for all society, and we should strive for solutions collectively. We shall continue to liaise with the Community Security Trust to monitor anti-Semitism and to inform policy. Where the police also collect data, they fit with the CST figures. It is important to have engagement between the figures from the voluntary sector and what we collect on a statutory basis.

My right hon. Friend the Home Secretary will continue to meet regularly the president of the Board of Deputies of British Jews, as he does the general secretary of the Muslim Council of Britain. This is not a situation in which we can say that we have done our job. We must constantly be vigilant, and I assure everyone that that will continue to be the case.

British Transport Police

11 am

Mr. Tom Harris (Glasgow, Cathcart) (Lab): I am grateful for the opportunity to raise this issue here, although this is a debate that I would have preferred not to hold. I have asked for the opportunity to discuss these issues because I have run into a brick wall when I have tried to obtain answers from British Transport police. First, I pay tribute to the Minister's predecessor, my hon. Friend the Member for Pontypridd (Dr. Howells). He was as helpful and sympathetic as he could be and I am sure that I will receive just as positive a response from his successor.

This is a very complicated case and I do not have time to go into every single detail, so I will try to highlight the main points. It began on 25 August 2000 when my constituent, Ms Fiona MacKay, an off-duty officer of British Transport police, was travelling on the 23.10 Glasgow to Newton train. She intervened to break up a fight that had broken out between two passengers and was consequently assaulted by Raymond McDevitt, a schoolteacher, who was subsequently found guilty of police assault and fined £500.

Ms MacKay sustained a scaphoid fracture and severe ulnar nerve trauma, and eventually had to retire on grounds of ill health. While the train was stationary at Crosshill station and the fight was going on, the train crew made a 999 call to BTP requesting urgent police assistance for an off-duty officer. As there was no response a further 999 call was made. Again there was no response. Ms MacKay has reason to believe that both calls were received at BTP's headquarters in Glasgow. Four years and four months later, she is still waiting for BTP to respond, which must surely qualify for the world's worst response rate from an emergency service.

No BTP assistance was dispatched even though the BTP duty officer was advised of both calls. When Ms MacKay's colleagues asked him directly whether they should attend they were told to stand down. Ms MacKay wrote a number of letters to the BTP chief constable, Ian Johnston, requesting an explanation as to why officers did not attend. That was four years ago. She is still waiting for a reply.

In May 2003 she contacted me and I wrote to BTP in Glasgow on 14 May. I received no reply. I wrote again on 15 July. I received no reply. At this point a pattern was beginning to emerge. On 24 July I wrote to the chief constable about my concerns. That time I did receive a reply. On 1 August Mr. Johnston wrote:

"Having had the opportunity to look into the important issues you have raised, you should be aware that we have recently received correspondence from solicitors acting on behalf of Miss MacKay".

No such instruction had been given by my constituent. The advice to which Mr. Johnston referred had been given the previous November, since when Ms MacKay had dismissed her solicitors. I then received another letter from Mr. Johnston apologising for the fact that he had been given wrong information and had passed it on to me, but I still got no explanation about why BTP officers did not attend to help a colleague in difficulty on 25 August.

This is the crux of the matter. Time and time again, the BTP have tried to hide behind a veil of pretended observance of the law. They have pretended that in some way this is an ongoing legal case. If that were so, I should not have applied to hold this debate. It is not an active legal case, but time and again the BTP have tried to obfuscate and to delay responses on the basis that at some point in the future a legal case may begin. That may well be the case, but when a constituent is in such circumstances the possibility of a legal case being activated at some point in the future is no excuse for not being completely fair and upfront.

A number of other points have to be addressed. The most important is the BTP accident book. The incident was not recorded, in the accident book and the BTP refused all Ms MacKay's requests for the accident to be recorded. In the letter sent to me on 11 August 2003, Chief Constable Ian Johnston wrote:

"The incident should have been recorded in the Force Accident Book, but was not because officers believed the event was 'off duty' and did not have to be recorded. They were wrong."

Ms MacKay has also objected to remarks included in her personnel file, made by Police Inspector Graham, who described her as

"immature, unpopular, craved attention, and lacked credibility, that she suffered from some kind of disorder."

Ms MacKay made several attempts to have those remarks removed from her file. The chief constable eventually described them as remarks which "challenge her medical history" and refused to take any action over them. However, Dave Stacey, the employee relations manager at the BTP, has since advised that the remarks are "no longer relevant" and that they will be destroyed. There has been no explanation of that sudden change of opinion.

It has been suggested to me that one of the reasons why Ms MacKay has not received the level of support to which she was entitled as an employee of BTP is that she had a poor sickness and absence record prior to that incident. I do not dispute that she had a poor record in that respect. However, I do not believe that any officer of the BTP or any employee of any public organisation should expect a lower level of support from his or her employer simply because of a poor absence record. If the BTP felt that that was a way of dealing with a poor absence record, that is a very poor employee relations policy.

There is also an important issue with regard to benefits. The files supplied by the BTP show that it advised the Benefits Agency that Ms MacKay was acting outwith her duties of employment and was not authorised to take action with regard to the fight. That is factually incorrect. All off-duty police officers, whether they work for the BTP or for any other force, are expected to intervene in incidents that affect public disorder, and Ms MacKay was no exception to that. As a result of that claim made by the BTP, Ms MacKay's application for benefits was refused at a time when her wages had been stopped, which caused her severe financial difficulties.

In that context, there is another issue that is very relevant. If BTP was correct—if Ms MacKay was acting outwith her duties—the arrest of the thug McDevitt would have been illegal. If Ms MacKay was acting outwith her duties, why was McDevitt charged with

police assault? If McDevitt's offence was not police assault, if Ms MacKay was simply a member of the public and a have-a-go hero, and not covered by the authority of the BTP, his conviction for police assault would have been a miscarriage of justice, which it certainly is not.

One further point must be made regarding the accountability of the BTP in Scotland. BTP as a whole—throughout the United Kingdom—is, as far as I am aware, ultimately accountable to the Department for Transport and to my hon. Friend the Minister. Unfortunately, although in England and Wales the BTP are accountable to the Independent Police Complaints Commission, I have found out over the past 18 months that that is not the case in Scotland. I have yet to perceive any intervening authority between the BTP in Scotland and the Department for Transport; perhaps that is the case because rail safety is still a reserved issue in Scotland and therefore still the responsibility of Westminster rather than the Holyrood Parliament. There seems to be an issue of public accountability. To whom is the BTP in Scotland accountable other than the Department for Transport? Is there an organisation—a public body—that can authorise investigations into complaints made by members of the public against the BTP in Scotland? I should be grateful if my hon. Friend elucidated that point.

I have a small amount of time left to me, and would like to go into some of the more technical aspects relevant to the debate, although I do not expect my hon. Friend to be able to comment in detail on them.

Since February 2004 there have been a number of investigations into this incident by the BTP. In February and March 2004, Richard Hemmings, the clerk to the British Transport police authority committee, stated that there would be a full investigation into Ms MacKay's allegations, carried out by Joe McGonagall-Napier and Steve Thomas. A meeting took place on 3 March at the Holiday Inn, Glasgow. Joe McGonagall-Napier advised that the points for discussion would be based on issues contained in the document sent to Ian Johnston, the chief constable, dated 15 August 2003. However, Mr. Johnston refused to answer the points made in that document when he originally received it in August 2003, claiming that all the information was legally privileged. It was not, because there was, and is, no legal case.

On 28 April 2004, Steve Thomas was advised that the British Transport police complaints and discipline sub-committee had reviewed his investigation and, as a result, Assistant Chief Constable David McCall in Scotland had been appointed to conduct another review. At a meeting at my constituency office with me, Steve Thomas and David Stacey, the employee relations manager, Mr. Stacey agreed to respond to questions about defamatory comments that he had refused to remove from Fiona's personnel file—comments to which I have already referred.

On 16 June, Hemmings advised me by letter of Mr. McCall's decision to conduct another internal investigation, and in June or early July this year, a new internal investigation by Superintendent Gareth Byron was launched. Assistant Chief Constable McCall tasked him with meeting Ms MacKay to obtain a full statement of her complaint. Subsequently, Ms MacKay was assured that she would receive a full copy of his investigating officer's report.

On 12 July 2004, Steve Thomas contacted me to offer me the opportunity to inspect all files held by British Transport police on Fiona. He told me that all files, such as copies of all internal inquiries to date, will be available for inspection. That offer was subsequently withdrawn, and I was not given the opportunity to read those files.

In an e-mail sent to me on 1 September, Mr. Thomas told me that he could not find any internal inquiry reports relating to Fiona's complaints, thereby implying that they are not there. After four years of inquiries, letters and complaints, they cannot find any information about her complaints.

I worked fairly closely with British Transport police in Scotland in my previous employment with the Strathclyde passenger transport executive. I was always impressed by its professionalism and commitment to the task of keeping our railways safe, and that remains my view. It does a fantastic job, and the railways have never been safer in Scotland. Frankly, however, the behaviour of a few men at senior levels of British Transport police in Scotland and in the rest of the United Kingdom has cast a shadow over the organisation. I have had to navigate through a jungle of misdirection, obfuscation, dissembling, half truths and incompetence. We have before us a classic case of people in positions of responsibility accepting the position but not the responsibility that comes with it.

My constituent's treatment by British Transport police has been an utter disgrace. I hope that the time has finally arrived for British Transport police to stop hiding behind procedures and loopholes and to do what is right. I am not entirely convinced that they are even capable of doing so in this case. I hope that they will not make the mistake of believing that this debate is the end of my involvement in this case. So long as Ms MacKay is my constituent and British Transport police continue to run from their responsibilities—a characteristic that one would not normally want in those charged with upholding the law—I will continue to press her case to this House.

11.14 am

The Minister of State, Department for Transport (Mr. Tony McNulty): I congratulate my hon. Friend the Member for Glasgow, Cathcart (Mr. Harris) on securing the debate, and thank him for his kind words about British Transport police, which I echo, and about my predecessor, our hon. Friend the Member for Pontypridd (Dr. Howells).

I extend my full sympathy to Ms MacKay for the injury that she received while intervening in the altercation involving three men on a train. I am sorry to learn that she did not return to duty as a result of the injury that she sustained, and that she subsequently retired on the ground of ill health. Before I address the points made by my hon. Friend, it would help the Chamber if I explained the role of Ministers in the BTP.

At the time of the incident involving Ms MacKay, the employer of British Transport police was the Strategic Rail Authority, a body directly accountable to the Secretary of State for Transport. The BTP committee, appointed by the SRA, had a statutory duty to secure the maintenance of an adequate and efficient police service for the railways. As my hon. Friend will know,

[Mr. Tony McNulty]

responsibility for the BTP has now passed formally to the new British Transport police authority, and there is now a direct link to the Department for Transport rather than through the SRA. The authority and its new chairman, Sir Alistair Graham, are directly accountable to the Secretary of State, who appoints the chair and other members.

Although the Secretary of State for Transport is ultimately accountable for the BTP, the BTP authority has a statutory duty to maintain an effective and efficient police force for the railways. It also makes regulations for the governance and operation of the BTP based on equivalent regulations made by the Home Secretary in respect of Home Office police forces. The chief constable of the BTP has responsibility for the direction and control of all the BTP police officers and civilian employees employed for the provision of policing services.

It would not therefore be appropriate for Ministers to become involved in the details of disputes between the BTP and individual officers. However, I want to be assured that cases such as that of Fiona MacKay are conducted in a manner appropriate to a public body such as British Transport police. For that assurance, I look to the BTP authority as the employer of the BTP, and I have asked it for its comments about the BTP's handling of the case.

My hon. Friend has already set out the main points of Ms MacKay's complaints about the BTP. It may help if I run through the key points and summarise the response that I understand that the force and the authority have made so far and the action taken to address Ms MacKay's complaints.

The authority informs me that Fiona MacKay's complaints have been considered very seriously by the force, which has made strenuous efforts to investigate what happened on the night of the incident and the subsequent actions by the force. Where appropriate, it has also admitted its mistakes. I understand that Ms MacKay's initial complaint related to the apparent lack of response by the BTP at the time of the incident. Ms MacKay said that, despite two phone calls made to the BTP to the effect that a BTP officer had been assaulted on the train, no BTP officers attended the scene. Understandably, Ms MacKay therefore felt considerably let down by her colleagues.

I do not want to dwell on the detail, but let me say that a subsequent inquiry by a BTP detective superintendent with no previous knowledge of the case revealed that Ms MacKay was mistaken in what she perceived happened that night. No evidence was found of two calls having been received at the BTP control room. The records show that only one call was received and that the BTP was informed that an off-duty Strathclyde police officer had been assaulted on the train and that Strathclyde officers were already at the scene and had arrested the assailant. On that basis—wrongly, as it turned out—the BTP duty inspector decided that there was no need to send BTP officers to the scene as the situation had been resolved by Strathclyde colleagues.

Mr. Harris: Without going into any detail, would my hon. Friend agree that in future it would be appropriate if the recordings of calls made to British Transport police on the emergency line were not discarded before a reasonable period of time had passed? We have found that the calls made on the night of 25 August were mysteriously and unhelpfully deleted.

Mr. McNulty: I would not disagree with my hon. Friend. In fact, once we have reached the stage of the final report to the relevant committee of the BTP authority, I want to ensure that all the lessons of the case, including that one, are learned and, where necessary, that processes are changed to reflect that. That will mean that the mistakes to which the BTP have admitted will not happen again, and a colleague in such a position will not be left with some dispute about the support that they receive.

The duty inspector and a constable made their way to the Strathclyde police station where Ms MacKay had initially been taken, and on learning that she had been conveyed to hospital, they made their way there and joined her. After she had been treated, the inspector made sure she was conveyed home.

The initial misunderstanding was unfortunately compounded by the BTP officers mistakenly deeming Ms MacKay to be off duty at the time of the incident on the train. I think everyone accepts that when she boarded the train she was off duty, but as my hon. Friend implied, when she intervened in the incident, like any off-duty police officer, she automatically became on duty. That should have been made very clear; as any officer would be expected to do, she put herself on duty. Clearly, she acted in a professional and responsible way. However, the mistake by the force meant that the incident was not recorded in the force accident book, which was a cause of further complaint by Ms MacKay, since it resulted in her not being able to claim overtime and had an impact upon her being placed on half pay.

BTP subsequently confirmed that it was wrong not to record the incident. Once the status of an off-duty police officer being involved in such an incident had been clarified, the accident book was duly completed and the force apologised to Ms MacKay and repaid any moneys incorrectly held. My hon. Friend mentioned the data protection point about Ms MacKay's personal records not being provided within the due deadline, but with the best will in the world I will pass over that. However, I understand that the BTP have admitted and accepted that a number of Ms MacKay's complaints were fully justified, and the force has taken appropriate remedial action. Where appropriate, the BTP have apologised to Ms MacKay.

In addition, the complaints and discipline committee of the former BTP committee commissioned a procedural review of how the BTP dealt with the various complaints made by Ms MacKay. The remit of the review was to ensure that all Ms MacKay's concerns had been answered and her complaint thoroughly investigated, and that policies and procedures had been correctly followed. The outcome of that review was reported to the professional standards committee of the BTP authority on 7 December. I understand that the committee has asked for further clarification of a specific issue and work on that is currently under way. Once the committee is satisfied that all has been done to address the various complaints and allegations of Ms MacKay, a full and comprehensive response will be sent to her to record the remedial actions taken.

At that stage, I shall also ask for a full précis of such a report, and once it is in the public domain I will be more than happy to meet my hon. Friend, with or without his constituent, to see whether crucial lessons can be and have been learnt in full.

Mr. Harris: I am very grateful for the Minister's offer and I am sure that my constituent, Ms MacKay would be more than happy to accompany me to a meeting with him. I appreciate the Minister's effort in making that offer.

Mr. McNulty: I thank my hon. Friend for his kind words.

I am confident that the allegations and complaints have been properly addressed by the force. The BTP have admitted to making certain mistakes for which they have apologised to Ms MacKay and, where appropriate, have reviewed their procedures. I am also confident that the BTP authority is exercising properly its role of scrutinising the effectiveness and efficiency of the force and, through its professional standards committee, is ensuring that a comprehensive and thorough review of Fiona's case is being carried out. As I said before, it is imperative that we learn from Fiona's case and that the lessons learned are embedded throughout the BTP so that these mistakes do not happen again, and that the lessons learned are reflected in the BTP's procedures.

While I have a moment, Mr. Deputy Speaker, may I speak briefly about the new BTP authority? I have been amazed at the speed and effectiveness with which the authority has come into existence. Sir Alistair Graham and his colleagues have taken the bull by the horns and I am very encouraged by how the new authority has operated in its first six months. Rail safety is a very important issue to the Government, as it is to the travelling public. In general, I share my hon. Friend's comments about BTP; it is an industry-specific authority and in the main it does a very professional and committed job in difficult circumstances at stations and throughout the rail network, for which we should all be grateful.

As I said, once we have a full and comprehensive report I shall be more than happy to sit down with my hon. Friend and his constituent and go through it. I shall relay any remaining concerns to the BTP, probably through the chief constable, Ian Johnson. I firmly believe that the BTP are a super police force, and I do not want any incident or set of mistakes, or any lack of procedure, to mar what is otherwise a strong, professional and dedicated police force.

11.25 am

Sitting suspended until Two o'clock.

Health and Safety (Railways)

2 pm

Richard Younger-Ross (Teignbridge) (LD): I am grateful for the opportunity to hold this Adjournment debate. I was asked to initiate it by a constituent whose daughter, Emily Webster was, very sadly, killed in the Ufton Nervet rail accident in Berkshire a few weeks ago. Mr. Webster has been very active on rail safety since the accident and, in particular, he has called for seat belts to be fitted on high-speed trains. I shall come to that issue, among others, later.

In a rail crash, there are five principal sources of injury. The first is the crush, or the reduction of passengers' survival space. The second is the penetration of the compartment by vehicles or other outside objects. The third is passengers being ejected from the carriage. The fourth is passengers impacting with objects in the carriage, or vice versa. The fifth is fire and toxic gases. I shall talk primarily about the third and fourth of those.

The survivability of a rail crash is the result of a complex interaction between different forces, or the kinematic behaviour of the incident—basically, the higher the train's speed, the greater the likelihood of serious injury. It is a function of the mass and velocity of the train or trains at the start and the end of the incident.

How do we protect passengers? One of the principal issues that arose in the Ladbroke Grove accident was the crashworthiness of trains, and I refer the Minister to the 2001 Cullen report. Part 1 contained 89 recommendations, much of which required firm action by manufacturers, operators, the Rail Safety and Standards Board and others. Clause 56 said:

"The current standard for crashworthiness should be reviewed, in the light of the crash at Ladbroke Grove, in order to ensure that there are adequate measures for safeguarding survival space".

The RSSB was to respond to that recommendation, and the "2" in the margin next to it indicated that Lord Cullen thought that the board should do so within 12 months. I should be grateful if the Minister could tell us how that recommendation has been implemented and what measures the Government have introduced.

The Selby rail crash cost £15 million. It costs £1.2 million to upgrade a railway crossing. Sadly, 10 people died in the Selby incident. Seven people died in the incident in Berkshire, the final cost of which will be close to £50 million.

The immediate response from Network Rail is that there are nearly 8,000 level crossings and that full barriers cannot be fitted to all of them—there are only half barriers at Ufton Nervet. That would seem to be a reasonable statement for 8,000 crossings. However, it is slightly misleading, because on high-speed lines there are 31 crossings with half barriers and 800 other crossings, which all either have full barriers, CCTV or are manned—all safer options than half barriers.

Network Rail was already aware of the potential of suicides on tracks. Tragically, at Dunhampstead in April 2003, Susan Smith, a nurse suffering from work-related stress, drove her VW Polo on to the track. The train struck the car, pushing it along the track for half a mile. Luckily, no one on the train was seriously injured. So the potential of people driving on to crossings through half barriers just before the train arrived had already been identified.

[Richard Younger-Ross]

I am told that, in terms of road improvements, the Department for Transport values a life at £1.3 million. In claiming that everything is safe on the railways, figures are given to demonstrate that improvements are carried out to the cost of £10 million, including the train protection warning system. However, that leads to a debate on comparisons between road and rail. Rail travel is safer than road transport.

Mr. David Drew (Stroud) (Lab/Co-op): I am sorry that I cannot stay for the whole debate because I am serving on a Select Committee. Will the hon. Gentleman accept that another way of looking at unmanned level crossings is to ask whether the road passage across the railway is necessary? Research that I have undertaken demonstrates that Network Rail—to be fair to it for once—has had no success when it has applied to have roads blocked. It is important to consider the road as well as the railway.

Richard Younger-Ross: Network Rail has undertaken a great deal of work to reduce the number of crossings—we have fewer than France, where there are 17,000 crossings and far more car accidents on crossings. There will always be crossings, and I am not sure how many of the 31 could be removed, although some could be upgraded. However, if the crossing is to be upgraded, it is up to the road authority as well as the rail authority because both services are involved. Perhaps joint funding should be used to improve crossings—that may be the cost of a bridge or an improvement to the crossing itself to improve safety. I accept the hon. Gentleman's point.

On the roads there are three deaths per billion kilometres travelled compared with only 0.4 on railways. The figure for air travel is 0.01. Would those who argue that we should put extra money into safety on the roads rather than the railways because the accident rate is low also say that we should not invest in safety in air travel because the figure is only 0.01? No, we would not and should not reduce air safety. It is up to the Department for Transport to work out what can be done to deal with the fact that the rate of deaths on roads is higher. We are making unfair comparisons.

I shall quote just two elements of the argument. Rob Gifford, executive director of the Parliamentary Advisory Council for Transport Safety, said:

"Money spent on rail safety would save many more lives on roads. We seem to want absolute safety on the railways but we are prepared to tolerate a level of risk on the roads."

Dr. Alan Sefton, the head of the railway inspectorate, responded to that by saying:

"It is apples and pears, because railways are a closed system on which everything is managed, while the roads are a free for all."

I hope that the Minister's response will not be to say that we need to spend the money elsewhere. That argument has been made to me by one or two hon. Members, and I reject it totally.

There are ways in which level crossings can be upgraded, as we heard in an intervention. We could put in detection systems or CCTV. Part of the difficulty on high-speed train lines is the stopping distance of trains and warning times. The gates are closed at crossings in time for the vehicles to clear, and remain closed for a period, after which the train could stop. If a vehicle is stopped on the track a minute before the gates close, a train has very little chance of avoiding impact with it. That leads one to ask whether longer times are required. However, if we were to lengthen the time during which the gates were down, local residents and those trying to cross would complain. That being the case, we must balance road safety and usage in order to find a solution. We come back to the need to seek help from the road authorities, such as the construction of alternative routes or bridges, or to find other ways of dealing with the issue.

One option that was highlighted by the Liberal Democrats in the debate on the Railways Bill was dedicated high-speed rail lines. That solution would improve passenger comfort as well as resolving many other issues. However, it is unlikely to happen immediately.

I have concerns about the Government's response so far. The Under-Secretary of State for Transport, the hon. Member for Plymouth, Devonport (Mr. Jamieson), was quoted in a local newspaper as having said:

"Bullet trains do not have seat belts."

Bullet trains run on dedicated lines in Japan, and I think that the hon. Gentleman rather missed the point about them. The Japanese authorities spent vast sums on computerising the system, and ensured that there were no level crossings. There are bridges everywhere. The system is very safe for other reasons, which have been built in to it.

Several years ago, a company called Elite, which had pioneered seat belts on coaches, thought that, having done so, it would be a good idea to take them on to trains. It made inquiries but nobody was interested. It bought a carriage and fitted it out to show how it could be done, and invited the rail operating companies to visit and have a look. I understand that nobody bothered to turn up. It also tried to engage with the Prime Minister and the Deputy Prime Minister, both of whom declined; they said that they did not have time to look into the matter any further.

One of the arguments used against seat belts on trains is, "What is to be done with the passengers who are left standing?" There was a question on the issue in another place on 28 October 2004, when Lord Smith of Leigh asked Her Majesty's Government:

"Who is responsible for the health and safety implications of the overcrowding on passenger trains allowed by some train operators."

Lord Davies of Oldham, who was replying on behalf of the Government, replied:

"The responsibility for the day-to-day safety, welfare and convenience of passengers using the railway rests with the train operating companies. The Health and Safety Executive is responsible for enforcing health and safety law on the railway network, but it does not limit the number of passengers that can travel on trains.

HSE participates in a working group led by the Rail Safety and Standards Board (responsible for improving health and safety performance), that is currently carrying out research into the health and safety effects on rail passengers of crowding on trains. They are expected to report on their findings later this year."—[*Official Report, House of Lords*, 28 October 2004; Vol. 665, c. WA148.]

There are only about two weeks before the end of this year, so it will be interesting to see whether the HSE actually publishes that report.

On 15 July 2004, the Government published a White Paper on the future of the railway industry, which proposed transferring the responsibility for safety from the HSE to the Office of Rail Regulation, and intend to legislate for that in due course. The implication is that safety would be the responsibility of the rail operating companies. I had a meeting with the Association of Train Operating Companies, which I shall come to in a moment, but the rail operating companies made it clear in my discussions with them that it would not be within their remit to implement a policy on, say, standing on high-speed trains. That would be deemed a major safety issue, rather like train warning systems. They would require Government intervention to legislate on it and would not be expected to implement such a policy themselves. The same is almost certainly true of seat-belt legislation, should we reach the conclusion that seat belts should be fitted.

Much research has been undertaken on seat belts and lap belts on trains. By and large, it has shown that they should be fitted. In their very technical report on the safety of high-speed, ground-guided transportation systems—that has to be American—the United States Department of Transportation and the Federal Railroad Administration set out various difficulties and highlighted the particular safety issue of the impact on carriages. They state:

"Some vehicles . . . contain selected seat configurations which face each other. This arrangement constitutes a particularly dangerous situation in a train-to-train collision because of the high possibility of occupant-to-occupant collision."

They highlight several other safety issues on trains:

"It is of interest to note that current North American and European rail vehicle regulations, standards and industry practices fail to address most of the issues involved in protecting occupants in passenger cars from the effect of secondary collisions within the compartment."

They conclude:

"As a minimum, option 1 would require that seated occupants be restrained by lap belts similar to those employed in transport category commercial airplanes or motor vehicles."

Later, they say:

"3-point belt restraint systems . . . provide greater upper body protection",

but they go on to say why there is a difficulty with such belts on aisle seats. They also say:

"The use of a lap belt may engender strong resistance from passengers who wish to remain free of any motion-constraining devices around their body. It should be noted, however, that as more states enact (and enforce) mandatory automotive safety belt laws in the near future, such opposition would probably decrease to a minimal level."

They also talk about other protection, about how one reduces impact by using soft materials in the carriage, and how one deals with standing passengers.

Mr. Drew: I am interested in the idea of seat belts—I have always supported them in most moving vehicles—but I do not want to lose the point about people who stand on trains. I am pleased to say that trains seem to be getting busier, with many more people on them. However, I travel on too many trains to the west country that are hideously overcrowded, and we are talking not about going 20 or 30 miles, but about people sometimes standing all the way to Swindon and beyond. Under the previous Government's privatisation, there was no measure of an overcrowded train. I hope that the hon. Gentleman agrees that this Government should consider that measure, because it is deplorable that people are being asked to put their lives at risk by having to stand on a train.

Richard Younger-Ross: I agree entirely with the hon. Gentleman's points. I have been trying to find research into the Clapham rail disaster. I had a friend who was on the train, and I remember clearly that the number of standing passengers was a factor. The passengers were certainly a factor in the Paddington rail crash because they had been moving to the front of the train at the time of the incident. I have not been able to find that research, but it has struck me since Clapham that we allow too many people to stand on trains.

I have shared trains to the west country and know how hideously overcrowded they get. That is unacceptable, and it is questionable that in the 21st century we are still allowing railway transportation laws on tickets that say that they bear the passenger from A to B but do not guarantee a seat. Many other countries provide seats—people do not stand on bullet trains in Japan, although they may on others—and we should be moving to seats-only provision for high-speed trains.

Others have also examined improved safety. The science service of the Technische Universität Berlin stated in a document dated 1 September 2000:

"The results of this research work have already generated interest among manufacturers, as one example in Berlin illustrates: The new series of underground and urban railway carriages . . . in Berlin will include the elastomer filled couplings. And politicians specialising in transport have . . . recently called for seat-belts to be made compulsory in all trains following a tragic rail accident in . . . Germany, in which eight pasengers were killed and 148 were injured."

Likewise, research from Finland entitled "Seat belts on trains. Acceptance and usage rates at initial phase"—I shall not try to read the document's name in Finnish—concluded:

"These findings suggest that the possibility to use seat belts on trains should be considered as customer service, and the number of trains equipped with seat belts should be increased. Although the possibilities to increase the use of the seat belts only by informing the travellers are limited, some improvement can be gained by intensified advertising in trains and in ticketing offices. Finally, this issue can be brought to the public discussion by further experiment of seat belts in trains."

As I mentioned earlier, Peter Webster and I had a meeting yesterday with George Muir of the Association of Train Operating Companies and Ray Ford from the Rail Safety and Standards Board. I must put on record our thanks to them—they gave Mr. Webster and me two hours of their time, and we went into great detail on a number of issues. The RSSB highlighted how it considers safety, and it talked about seats that absorb the impact of the passenger. That is how it has examined the subject. It continued to say that if someone is restrained at the hip, there was a danger of their moving forward and hitting their heads. It quoted a case of a rail accident in Leicestershire where someone did not go into the brace position, hit their head on the seat in front and suffered neck injuries as a result.

[Richard Younger-Ross]

The RSSB went on to say that for the past 18 months it has been researching seat belts on trains. That is exceedingly good news. It is unhappy with the test dummies currently available and has been developing its own, and I understand that it will undertake tests with seat belts and dummies to ascertain what the impact is in different circumstances. I hope that that research is carried out as a matter of urgency, and I am sure that the Minister will gently persuade the board to do that. As I said earlier, I suspect that some things have not been done as a matter of urgency although they have been referred to in reports.

In coaches, we currently have lap belts, and seat configuration in coaches is similar to that in trains: they are generally forward facing with a seat in front. Distances between seats may be slightly different, as might their construction, but we have legislated for seat belts in coaches. Not everyone wears them, but they are there.

I want to put on record the research that Mr. Webster has undertaken. One argument that is advanced is that if we put seat belts in, no one will use them. That may be the case, but I would not make them compulsory, and that would overcome some of the objections. However, he asked 315 passengers to complete a questionnaire—probably on the same train that the hon. Member for Stroud (Mr. Drew) and I use. He asked them how long their journey took. The average was one hour and 48 minutes, and times varied from half an hour to five hours. Some 59 per cent. of the passengers never left their seat during their journey, and the average time that anyone was away from their seat was two minutes and 22 seconds.

When the passengers were asked whether they would use a lap belt if one were available, 75.5 per cent. said yes and 19.5 per cent. said no. To the question, "Would you use one for your children?", 96 per cent. said yes and 4 per cent. said no. To the question, "Do you believe seat belts would have any effect in reducing death or injury in event of a train crash?", 76.4 per cent. said yes, 21 per cent. said that they were not sure, and 2 per cent. said no. To the question, "Do you believe seat belts should be available on high-speed trains?", 89.3 per cent. said yes, 3.8 per cent. said no, and 6.9 per cent. did not care.

I hope that, concurrently with the research undertaken on seat belts, the Government will ask for research into passenger response, looking particularly at the examples from America and Finland. The quick answer that I get is that passengers would use them initially but not later. Use might decline over time, but that does not mean that they should not be provided. ATOC does not believe that it would be a major problem or cost to fit lap belts and, if instructed, it has indicated that it would do so. That is the impression that I got from my meeting with George Muir yesterday.

I want finally to touch on some other issues that have been highlighted. It is clear that emergency lighting on trains is inadequate. That is highlighted in the investigation into Ladbroke Grove and other incidents. The signage of how to use doors was also inadequate, and if we go back through the research and reports, we see time and again that people could not get through the doors because they were jammed. In the Ufton Nervet accident, people tried to use the hammers to break the windows, but the hammers broke, not the windows. People could not see the signage about how to use the hammers, which windows they should hit and where they should hit them. The means of escape are inadequate. That situation has been criticised time and again and must be addressed. I know that the RSSB is considering that, but there must be a little more urgency and investment.

When we had a debriefing session yesterday after the meeting with ATOC and the RSSB, my constituent told me, "That was quite a good meeting, but I don't want to be here in 12 months' time after another rail accident saying the same things, looking at the same reports and asking why." The question for the Minister is not why should there be seat belts on trains or why should emergency lights be standardised and independent of the train's main battery—the question is why not.

2.31 pm

John McDonnell (Hayes and Harlington) (Lab): I congratulate the hon. Member for Teignbridge (Richard Younger-Ross) not only on securing the debate, but on his continuing campaign for seat belts. I say to him clearly: sign me up. I wholeheartedly support the campaign. He has proved his case in debate after debate with detailed research and the thoroughness of the consultations that he has undertaken as a result of recent rail accidents.

We all come to the debate with our own experiences and concerns. One of my constituents, Brian Cooper, a well respected member of the local community and family man, was killed in the Paddington accident. He was a driver and a member of ASLEF, a professional who through no fault of his own was killed that day. The Southall crash occurred within less than a mile of my constituency, and many constituents and others were injured. In addition, I was in Camden town hall on the night of the King's Cross fire. That was a number of years ago, before I came to this place. I was involved as an officer in arranging emergency morgues for those who unfortunately lost their lives. We have all been sensitised to the issue of rail safety over the years, but most of us acknowledge that rail is one of the safest forms of transport. All our work is about supporting the continuing safety of the rail system.

In addition to supporting the campaign for seat belts, I want to raise three issues briefly. The first relates to the Railways Bill, which is before the House. When the Bill reaches Report and at other stages, there will be limited time to emphasise some detailed points. I want to raise one matter now that I do not think will be picked up as a result of the Bill; I do not think that it will appear in it. I am referring to the transfer of responsibility from the Health and Safety Executive to the Office of Rail Regulation and the resulting transfer of the staff. Staff from the Strategic Rail Authority will be transferred to the Department for Transport.

As hon. Members will know, the Bill makes it clear that the Government's policy is to transfer health and safety work to the ORR, despite the recommendation by Lord Cullen after the Ladbroke Grove crash that such work should be separate from any organisation that is responsible for the economic overview and regulation of the industry. A number of organisations have opposed

the measure, including the Health and Safety Commission, the HSE, the TUC, the National Union of Rail, Maritime and Transport Workers and all the other trade unions that represent workers in the industry. The matter needs careful consideration, because the one thing that we do not want is for economic considerations to impact in any way on the safety of the industry.

The concern that I particularly want to raise, which I do not think will be picked up in the debate on the Bill, is about what will happen to staff who transfer from the HSE to the ORR and from the SRA to the Department for Transport. We must ensure that the number of staff is maintained and that we do not lose their expertise, as we have in some instances as a result of privatisation. The staff in the SRA are not just bureaucrats dealing with economic competition and other matters. They have within their remit the best running of the service, which includes health and safety. I am concerned about the potential loss of their expertise, too.

My understanding is that, as yet, hon. Members and others in the industry have not been consulted or informed of the staffing structures that will be established under the Office of Rail Regulation or within the Department for Transport. It means that we cannot be sure whether the number of staff being transferred is adequate and necessary for the future maintenance of health and safety in the industry and, in addition, whether the right expertise has been maintained, developed and properly organised.

I am especially concerned about some of the information from discussions that are going on within the Departments that there may be a loss of anything up to 200 jobs in the Department for Transport. I am not sure what the staffing numbers in the Office of Rail Regulation will be in respect of the staff transfer from the Health and Safety Executive. I hope that we can be assured today—if not now, perhaps in writing from the Minister—that there will be no loss of jobs or expertise as a result of that transfer and that reduction in staff transferring from the SRA to the Department for Transport will have no effect on overall transport safety in the industry.

So far, we understand that there has been no offer of TUPE in respect of the transfer, so there could be a loss of staff and of professional expertise. In addition, it looks as though some of the staff on transfer from both organisations will be competing for jobs with existing staff in the Department for Transport. That has the potential to introduce turbulence in the organisation, which could—I say only "could"—result in staff taking their eye off the ball with regard to the health and safety legislation that they must ensure is implemented.

I appreciate the dedication of the staff, but any reorganisation of this sort causes anxieties and insecurities, particularly if people feel that their job will not be the same, that it will not be in place for them when they transfer, or that they will be competing against others for new posts that have been established. I would welcome the Minister considering that issue. If he cannot comment on that issue today, I would appreciate his considering it and giving us the information at a later date.

The second issue that I want to raise is the draft Regulatory Reform (Fire Safety) Order 2004 on safety on London Underground. Earlier this year, the Government proposed reform of the Fire Precautions (Sub-surface Railway Stations) Regulations 1989, which were made after the King's Cross fire. They set a basic minimum standard for fire precautions below ground on London Underground as a result of the Fennell inquiry into that fire. The draft order was brought forward, which would change the burden of proof. At present, the burden of proof is such that the fire authority must be satisfied that a specific requirement at a particular location is inappropriate, unnecessary or not reasonably practicable if the fire safety order is not to be maintained at the current standards.

However, under the Government's proposed procedure, it will be for the fire authority to demonstrate that the rail industry has failed to carry out a suitable, sufficient risk assessment. That reversal of the burden of proof is causing anxiety in the industry, particularly as the orders were developed as a result of the direct experience of the Fennell inquiry into what happened at King's Cross.

As a result of intervention by the Select Committee on Regulatory Reform, the Government have agreed to review the order and to return after consultation about guidance. I place it on record that we are anxious that that consultation should start soon and should be as exhaustive as possible to engage all parties.

The King's Cross fire was a shattering experience not just for the travelling public of London, but for all those engaged in fire safety below ground: the workers running the system as well as the firefighters. The Government need to be careful when they lift in any way the regulatory supervision of fire safety precautions below ground. In that respect, care must be taken about future consultation.

I want to raise the issue of risk assessments. I do so with some care because, at the moment, it is difficult to pin down hard evidence; much of the evidence that is coming forward is anecdotal. I want to use this occasion to draw attention to the discussions that are taking place in the rail industry about the way in which fire risk and safety risk assessments are generally undertaken.

A view is emerging—at this stage, it is only anecdotal—that when risk assessments are undertaken they are carried out on behalf of companies by a limited number of professional agencies, and that there almost seems to be a monopoly situation emerging among the professional advisers on risk assessments in the rail industry. There is also a view that companies are increasingly putting pressure on the professionals that undertake those risk assessments. Obviously, such matters would give us all cause for concern.

I would like to put two things on record today. First, I invite anyone in the industry who has any evidence of companies putting pressure on professionals undertaking risk assessments to come forward and to provide us with hard evidence. We can then discuss and debate that evidence with the Government.

Secondly, the Government need to consult and to consider whether new guidance should be drawn up in conjunction with the new body that will be established—the Office of Rail Regulation—on how those risk assessments should be undertaken. We must ensure that the risk assessments are completely independent, that assessors are not at risk from pressure from

[John McDonnell]

the individual companies concerned, and that the assessments are undertaken properly by professionally trained individuals and organisations. We must also avoid the situation in which a limited number of agencies or companies provide those risk assessments, leading to the emergence of a monopoly.

Finally, I pay tribute again to all who work in the industry for maintaining its current safety levels. It is as a result of professional dedication that we have such a safe rail industry and rail system. However, the maintenance of that safety record is also a result of the eternal vigilance of hon. Members.

2.43 pm

Mr. David Rendel (Newbury) (LD): I, too, begin by congratulating my hon. Friend the Member for Teignbridge (Richard Younger-Ross) on raising this important subject for debate. I congratulate him also on his campaign to achieve the provision of safety belts in all coaches. I will not, however, speak on that subject today, although I wish to raise a number of other potential safety improvements later in my remarks.

The crash at Ufton Nervet took place just to the south of my constituency—about 100 yd to the south of the border between my constituency and the constituency of Wokingham. The train that was involved in the crash was due to stop—it would have been its next stop—at Newbury, in the heart of my constituency. As soon as I heard about the crash, I realised that it was almost inevitable that a number of people who were on that train and potentially among the injured or dead would be among my constituents and, indeed, that I would probably know quite a number of them personally. That has turned out to be the case. Sadly, one of those who died was indeed known to me, as was her daughter, and I also knew quite a number of the injured. Many of my constituents have been greatly saddened by the accident and are keen to see that any lessons that can be learned from it are duly learned.

I pay tribute to those in the emergency services, who did a wonderful job. I was with some of them on that night seeing the work that they were doing—I was, of course, not at the site itself, where I thought that it would be entirely inappropriate for me to be, because I could do nothing there. The emergency services did a fantastic job in getting people out as quickly as they could and in saving those who were injured from any further injury.

I should like also to pay tribute to many of the local residents who, when they heard what had happened, voluntarily went down to the site and did a good job in helping those who were involved in the crash. I pay tribute also to the landlord and the employees of the "Winning Hand" pub, to which many of the walking wounded were able to go and be given help, succour, warmth and some sort of hope for the future, having been involved in such a traumatic accident. Many of the passengers showed a deal of heroism at the site. Having got out fairly quickly and without much injury, many went back in to help those who were left behind. That shows a terrific heroic spirit, to which it is well worth paying tribute. I send my condolences to the victims and the relatives of those who were so tragically killed on that night.

There are a number of lessons to be learned from the incident, some of which have been mentioned by my hon. Friend, who also brought up the subject of hammers. About two days after the crash, I received a call from someone who was not one of my constituents—I suppose because he had heard me on the radio or seen me on the television—who told me about his experience. He had been in one of the carriages that toppled over in the accident, after which he found that the doors at the end of the carriage seemed to be blocked, as one might expect in such a horrific accident. It was fortuitous that he later ascertained that he could unblock them and get out through them because, having found them apparently blocked, and having read the emergency instructions, which all too few of us do, he remembered where the emergency hammers were, and took out a hammer at one end of the carriage and hit the window correctly in the corner at its weakest spot, only to find that the hammer snapped at the end of the shaft, and the window did not break. Assuming that that was just bad luck and that the hammer was faulty, he used the emergency hammer at the other end of the carriage, but precisely the same thing happened there. It was only then that he made greater efforts to open the doors and found that he could get himself and his fellow passengers out through them.

Richard Younger-Ross: Is my hon. Friend aware that the problem with hammers was highlighted by Lord Cullen in his report on the Ladbroke Grove accident?

Mr. Rendel: I was not aware of that. I am delighted that my hon. Friend has raised that point, because it shows that the incident may not have been a one-off and that there are serious faults in the manufacture of the hammers, which make them pretty useless. The hammers are there to give people hope that they may be able to get out in an emergency. For people then to find that they cannot get out because the equipment is not up to its job is worse than anything. The knowledge that this issue has been raised before makes it even more important that hammers are tested again and again to ensure that they can be used for their proper purpose.

My hon. Friend also raised the issue of emergency lighting. As I said, it is fortunate that the passenger of whom I spoke had read the emergency instructions beforehand. All too many of us do not read emergency instructions or update ourselves on them. If, in the event of a crash, we have not bothered to do so and there is no proper emergency lighting, we cannot possibly see what we are supposed to do, especially if one is lying on one's side. So, the importance of good emergency lighting is the second lesson to be learned from that accident. If there is none, we really are in trouble if we do not know all the things that we are supposed to do in such situations.

Richard Younger-Ross: Is my hon. Friend surprised to hear that the Cullen report on Ladbroke Grove also raised the issue of emergency lighting failure?

Mr. Rendel: That surprises me rather less. I have been aware for a long time that emergency lighting on trains is not very good, so it does not surprise me that the issue has been brought up before. I had not realised that hammers had broken before, but many of us have been aware of the lack of emergency lighting for some time.

However, the train did have some light-sticks, which some people managed to use to give some light, but light-sticks would probably not give sufficient light for a person to read. They may give a vague glow to enable one to see a little of the carriage and where other people and objects are, but they certainly would not be sufficient to give one a chance to read the emergency instructions.

The third lesson that needs to be learned comes from the interesting point that in train crashes of the sort that happened at Ufton Nervet, in which a train runs into a vehicle on a level crossing, there are often no significant injuries or deaths among train passengers. I understand that it was the first time in 18 years that a train passenger has been killed in an accident of that sort.

The reason why much greater damage was done to the passengers in the Ufton Nervet case was that the train continued for a long time along the top of the sleepers in an upright position after being derailed on the level crossing. Indeed, I understand that in a crash last year a train that was derailed after hitting something travelled upright for two miles. In the case in question, however, the train hit a set of points at a freight siding only about 200 yd beyond the point at which it was derailed, before it was toppled.

Damage was done to the passengers inside the train because the carriages fell on their sides and because some buckled. When the carriages fell over some of the windows on the underside broke and, sadly, some people were either thrown out or injured by being dragged along as the train ran along the ground.

That shows that the rail services and Network Rail should look into all level crossings that are close to a set of points, where exactly those circumstances might arise again. That is particularly so where there is a half-barrier crossing and therefore a greater likelihood—although not much greater—of an accident with a car derailing the train in the first instance.

Half-barriers on high-speed lines should certainly be looked at again. There is not much chance of stopping a train travelling at even 100 mph—about the maximum speed across a half-barrier crossing—if a vehicle is on the crossing. It is relatively easy to get a vehicle on to the crossing, particularly if somebody is trying to commit suicide, as seemed to be the case.

My fourth point, which has not been raised yet, but which the passenger who spoke to me mentioned, is that there seems to be no procedure for the emergency services to collect the names of those involved in such incidents after the event. In the case in question, the train company concerned received great credit for giving those who were uninjured every opportunity to reach their destinations, by coaches or other means, as quickly as possible after getting off the train. That is all very well for the passengers concerned, who want to go home and be with their loved ones after such a traumatic incident. However, if they are all taken away by the rail company quickly, before their details are taken, it is difficult to get back in touch with them, to inform them of any available counselling services to enable them to get over the trauma, for instance, except through general announcements on the radio or in the press.

Another important reason why it might be important to get back in touch with passengers is because facts might come to light after the event that indicate that something was wrong with the train. It might be important then to get back in touch with the people who were sitting in a particular carriage, to ask whether they noticed anything—whether the brakes were squealing, whether the windows were cracked before the train left the station, and so on. It might be necessary to ask the passengers about many things to establish what was really wrong with the train and how the damage and injury to passengers could have been avoided. There ought to be a system that is known to all the emergency services for collecting the names and details of the passengers involved in such incidents before they leave the site and can no longer be properly traced.

I want to reiterate that, in general terms, travel by rail is much safer than travel by road. I would hate anyone to think that the accident in question should prevent or deter people from travelling by rail. It is important that we should continue our rail services and encourage people to travel by rail. However, people will be encouraged more if they can be sure that the rail system is as safe as it can be. I therefore hope that some of the points raised in this debate will be properly considered by the Minister and by the rail services, to ensure that every rail passenger can be sure that they will arrive at their destination safe and sound.

2.54 pm

Dr. John Pugh (Southport) (LD): I congratulate my hon. Friend the Member for Teignbridge (Richard Younger-Ross), as well as other hon. Members who have contributed to the debate, on speaking so knowledgeably and, at times, movingly on such a serious subject. I apologise for not being the usual Liberal Democrat transport spokesman; we are currently experiencing the same problem with transport spokesmen as Liverpool is with strikers. We wait with anticipation the January transfer window, and I am sure that the problem will be resolved. I was a member of the Transport Committee, but I apologise if some of what I say reveals that my knowledge is like some of the track—a little rusty.

Safety on rail is absolutely paramount, in the personal sense, for passengers, and in a commercial sense, for the companies. They wish to provide a safe service, and that is obviously crucial to the long-term financial viability of rail. Despite Hatfield, Potters Bar, Southall, Selby, Berkshire and Ladbroke Grove, basically people still feel safe on trains. Statistically, it would appear that, compared with family cars, trains are safe. However, being safe is not the same as being invulnerable. The law of physics still applies, and when a train stops abruptly, passengers, unless restrained, will continue to move at the same velocity as the train previously was. Accidents will happen, and passengers will be brought to an abrupt stop, along with parts of the train body. I am acutely aware of that phenomenon because I have been in an accident myself, where I did not have a safety belt—not a train accident but a car accident. My one recollection is not of actually hitting something—I never realised that I had done so—but simply of blood pouring out of my head. The accident had happened before I was even aware of it, and it was a relatively low-speed car accident. I can anticipate what a high-speed train accident must be like, and how horrifying it must be for the individuals involved.

[Dr. John Pugh]

As with cars, the thrust is about design. Clearly, much thought goes in to the security of fittings on trains to ensure that they do not become displaced when accidents occur. Much thought also goes in to what sort of windows and glass should be installed, but clearly not enough thought has gone in to what sort of hammers are used to break the windows when people need to escape through them. Thought has also been given to the security of luggage—people have been seriously maimed by their own or misplaced luggage—and to how doors function in an accident. The overwhelming imperative, as with car safety, is to ensure that if an accident occurs, there is nothing obvious that will do immediate and dramatic damage to individuals. It was some time before car drivers realised that what was most likely to happen to them in the event of a front collision was that they were going to be pinioned by their own steering wheel.

Much thought has been given to the positioning of fuel tanks, and to consider what might happen if one caught fire. Honeycombing layouts have been suggested that will mean that if one aspect of the fuel system starts to combust, the whole thing will not catch fire. Thought needs to be given to how people exit if the worst-case scenario happens, and what happens when they cannot exit, how the carriage will function and if there is enough survival space for the people involved to remain alive until they are rescued.

Much of all this has been learned the hard way. People have not always anticipated, or been able to anticipate, what might happen in every scenario. I should therefore pay tribute to someone such as Mr. Webster, who has experienced an appalling tragedy but who wishes to draw from such a tragedy lessons that ultimately will benefit other people. I am full of admiration for such people; we all know individuals in other contexts who, having had awful events overtake them, ensure that none of the same happens to other people. Mr. Webster is clearly a man of that ilk, and given the gravity of what happened to him, it is commendable that he took steps to bring information to my hon. Friend the Member for Teignbridge, who in turn has brought it to the awareness of the House of Commons.

After any tragedy, people try to learn practical, sensible lessons, and seat belts are an obvious idea because they will save lives. There may be a dispute as to whether they should be mandatory or optional; there may be discussion about how they can be fixed and whether they can be fixed satisfactorily to existing carriages. There may also be operational considerations about how will people will use them. If people keep getting out of their seats, will there be discomfort for other passengers? It is worth talking about these issues, but if there is a prima facie case for saying that lives may be saved—my hon. Friend the Member for Teignbridge has presented more than a prima facie case—there is, at the very least, a case for serious research and for train companies actively to consider piloting the use of seat belts.

As the hon. Member for Hayes and Harlington (John McDonnell) said, there is a balance to be struck between economic and safety considerations; that is almost inescapable. Of course, one could build a family car that could survive any sort of accident that might befall it, but the problem is that it would be prohibitive to produce and use. The same applies to all safety recommendations, right through even to the Cullen report. None the less, in the debate about economic and safety considerations, priority must lie with safety, which must not be sacrificed for short-term commercial gain.

One other lesson that we can learn—it applies to the seat belt issue, too—is that problems invariably become more complicated the fewer the people on the train who are seated. We should not, therefore, countenance a system that presupposes that people will not be seated for most of the time. Given the way in which the railways work and passengers appear, there will inevitably be an element of overcrowding and some passengers will be unable to find seats, but we should not have scheduled or planned overcrowding. On the Virgin inter-city service that I often use, the four first-class carriages are usually unavailable to most passengers, and, at peak times, the four standard-class carriages are invariably full of standing passengers. Such situations are a known economic fact of life, which occur repeatedly on high-speed inter-city services and often lead to particular carriages being declassified. Such commercial practices are unacceptable because they compound safety problems.

There is often a long lead-in time for safety improvements on public transport. It was known for some time—long before the Herald of Free Enterprise toppled over—that roll-on/roll-off ferries had a problem. The problems of carriage slam doors and inflammable seats were also known for some time. If rail is to become safer, we must think ahead quickly because the lead-in time for improvements means that it takes a while to design, commission and build new trains.

Richard Younger-Ross: My hon. Friend may be interested to know that some rolling stock companies are pressing for changes to be made quickly, because they are building stock now. Their economic concern is that they should not be asked to retrofit carriages to new standards at a later date.

Dr. Pugh: That is right. We might set a higher safety standard, but it might not be possible to meet it other than by cashiering workable trains, which would be economically prohibitive for train operators. That is why we need to think ahead. The long lead-in time for safety improvements in public transport also means that the same issues apply to demands to make signalling more sophisticated and to improve track.

None the less, the fundamental recipe for safety is simple. We need clear responsibility for safety, a vigilant inspection system to establish that safety conditions are met and the desire and imagination to drive up standards. Mr. Webster and my hon. Friend the Member for Teignbridge have shown that there is that imagination and desire to drive up standards, and I am sure that the Minister will want to share it.

3.5 pm

Mr. Greg Knight (East Yorkshire) (Con): I congratulate the hon. Member for Teignbridge (Richard Younger-Ross) on securing the debate. As it follows the Ufton Nervet accident, the thoughts of all of

us are with the families who have been affected by that tragedy, including that of the train driver, Stan Martin, who was just doing his job, and with Peter Webster and others whose loved ones were killed. I also join the hon. Member for Newbury (Mr. Rendel) in paying tribute to the emergency services, which responded quickly and superbly in the difficult conditions that prevailed at the scene. Despite that tragic accident, we should not forget that rail travel continues to be one of the safest forms of travel in the United Kingdom, as the hon. Members for Hayes and Harlington (John McDonnell), for Newbury and for Southport (Dr. Pugh) have said.

The safety of our railways has always attracted a large amount of scrutiny, particularly in the media. It is right that we discuss openly the safety of the railways. However, it is equally important that we do not forget that rail is a safe form of travel—there was not one major incident on the railway during the whole of the year 2003–04, whereas 3,508 people were killed last year on the roads, a 2 per cent. increase on the previous year. That is nearly 10 people a day. We should recognise the rail industry's efforts to reduce risks even further.

While comparisons show that rail continues to be the safest form of travel, that does not mean that there are not still improvements to be made, nor that we should become complacent about safety issues. The points made by the hon. Member for Teignbridge must be explored and considered. One of his suggestions—I have also heard him propose it on the Floor of the House—was to fit trains with seat belts.

Hon. Members will know that it was a Conservative Government who made the wearing of seat belts in cars compulsory. It has been estimated that 50,000 lives have been saved and 590,000 serious casualties avoided as a consequence of that legislation. Therefore, I can say that my party recognises the benefits of using seat belts where appropriate. However, I have searched for examples of countries in which trains have been fitted with seat belts. The Health and Safety Executive has said that it is not aware of any such schemes in operation anywhere else in the world. I shall be interested to hear whether the Minister can provide us with any examples.

I have found just one limited example of a trial of seat belts on a train—I understand that it is the only one that has ever taken place. In 1999, the Finnish rail administration carried out the experiment of fitting seat belts in some of the carriages of a train. Over the course of a year, it gathered the views of 1,500 passengers, some of whom had had the chance to use the belts. It found that seat belts were used by just 1.1 per cent. of passengers who had the opportunity of using them. That is the difficulty with the idea; one of the main selling points of train travel has always been that, unlike in a car, one can wander around the train—perhaps to use the buffet or restaurant or to go to the lavatory—rather than being confined to one's seat. Therefore, seat belt wearing will not happen without a change in the culture of train travel. If the figures from the Finnish experiment are accurate, it is clear that seat belt wearing would have to be made compulsory to be effective. When we introduced the legislation to require those in cars to use seat belts, the seat belt was already regarded as acceptable, and something that should be used. It had widespread public support.

Anybody who travels at peak times, especially on London-bound commuter trains, knows full well that the number of passengers is invariably greater than the number of seats. That often results in people standing in the gangways and in the door vestibule areas. Clearly, if seat belt legislation were introduced, train capacity would be greatly reduced. While that is not in itself an argument against seat belts, it is something to bear in mind.

Mr. Rendel: Will the right hon. Gentleman go into more detail on the Finnish experiment? Did it involve local, short-distance trains, or high-speed, long-distance trains? Did the experiment take place when seat belt wearing in cars had already been introduced on a mass basis in Finland? If I remember what he said correctly, the experiment took place a few years ago. In Britain, we are used to the idea of wearing seat belts because we use them all the time in cars, so there might be a much higher take-up of seat belts in trains.

Mr. Knight: I am seeking further and better particulars of the Finnish experiment, and until I receive them I do not know how much weight we should give to it. It may have been a flawed experiment. Perhaps the Minister can give us more information; I would welcome any details. So far, I have found out that it was a fairly limited experiment on a long-distance train, but I do not know whether the train stopped frequently.

It is important to take experts' views into account when considering safety matters. Her Majesty's railway inspectorate has commented on the idea of introducing seat belts. It is

"not persuaded that the fitting of seat belts in trains is a reasonably practicable safety precaution."

In reference to the Finnish experiment, it says:

"While some passengers may use seat belts voluntarily, there would be little point in fitting them without reasonable expectation that they would be relatively widely used. Compulsory use would, of course, require legislation, but before moving to that stage, HMRI would need to be very much more convinced about the overall benefits and also practicality on matters such as enforcement and the total prohibition on standing passengers."

I agree with that and am not yet convinced that the fitting of seat belts is the answer.

Another consideration is the cost. If a study showed an overriding case for seat belts, the cost would be a secondary consideration, as the hon. Member for Teignbridge said. However, if the case was ambiguous at best and usage was low, as in the Finnish study, there would have to be careful consideration of the best way to spend the money. For example, could the money be better spent improving luggage racks, so that in the event of a collision or sudden braking, the luggage stays secure and does not fall down and become a danger to passengers? Could the money be better spent improving means of escaping from an overturned carriage by perhaps providing an escape hatch or door to avoid the problems of windows not breaking when hit with the emergency hammer? Or, as the hon. Member for Newbury said, could the money be better spent on level crossings, where there is always a risk of a collision, perhaps to warn the signalman or at specific crossings where there are points near to the interface with the road?

[Mr. Knight]

There has been a debate on introducing seat belts in the United States but, as far as I am aware, there have not yet been any experiments. The US Federal Railroad Administration has said that it does not believe that seat belts are necessary on trains

"as they rarely stop suddenly from speed",

so instances of passengers being thrown forward are far fewer than in a car. It concludes that

"seat belts would scarcely have reduced the numbers of people killed in train accidents."

I do not know why it reached that conclusion, and I should like to see the evidence for that. One fear is that seat belts on trains might make them less attractive to users and drive passengers on to roads, which we do not want to happen.

Does the Minister find it worrying that last week the survivors of the Paddington disaster expressed their concern that some measures proposed in the wake of the disaster are still to be introduced? We welcome progress that has been made on many of the problems outlined in the inquiry, but will the Minister comment on the specific concerns of the Paddington survivors group? What does he have to say about the increase in the number of signals passed at danger, and the failure to install anti-collision systems in all 2,500 signals considered high risk?

Accidents are not the only aspect to consider when debating health and safety. The personal safety of passengers is also important, and everything reasonably possible should be done to ensure it. It is therefore disturbing that Her Majesty's inspectorate of constabulary has revealed an increase in the number of incidents involving personal attacks on the London tube and the national rail network. Its figures show that violent crime has increased by 14 per cent., and that sexual assaults have recently increased by more than 12 per cent. Could the reason for those increases be the underfunding of British Transport police? The Conservative party has supported calls earlier this year from the Select Committee on Transport for the funding of British Transport police to be included in the rail review. Will the Minister do that?

Although funding and the numbers of police are important, we need to consider new ways of deploying them. One option would be for trains travelling late at night on services at risk from yobbish behaviour to have a designated police officer in one carriage. That would surely reassure passengers that they were safe travelling by rail at night.

We look forward to the Minister's comments on these issues. The safety of all rail passengers should be paramount, and the Government need to continue to address this matter. We should always be prepared to make changes and improvements in the public interest where there is evidence that we should do so.

3.16 pm

The Minister of State, Department for Transport (Mr. Tony McNulty): I, too, congratulate the hon. Member for Teignbridge (Richard Younger-Ross) on securing this important debate on rail safety. I am grateful to those colleagues who prefaced their remarks by saying that rail is an extremely safe form of travel. That is no accident. Over successive years, many professional, dedicated and committed staff throughout the rail industry have sought to ensure, and have succeeded in ensuring, that rail is overwhelmingly a safe form of travel.

I take this opportunity to offer my deepest sympathy to the families and friends of all those who were killed in the fatal accident at Ufton Nervet on 6 November. As others have done, I thank the emergency services for their swift and efficient response to the incident. Throughout that weekend, the speed, efficiency, commitment and professionalism of all involved, including Network Rail and First Great Western, were quite staggering. Often in the past, the wrangling between Network Rail, the train company and others about who was responsible for what added to people's discomfort in the wake of such incidents. In this case, however, Network Rail and First Great Western acted in an exemplary fashion.

I also thank all those in the Bishop of Reading's office who organised last week's memorial service, which I attended. It was very moving, and a fitting tribute to those who died or were injured. Although I cannot begin to understand the pain and anguish of families such as the Websters, which they must continue to suffer, I can appreciate the desire of all those affected by the accident to ensure that measures are taken to prevent a similar accident from happening again.

As people know, the Health and Safety Executive report, published on 10 November, confirmed that there were no faults with the level crossing equipment or the train, and that the train driver was in no way to blame. In effect, there was no failure of the railway infrastructure. Indeed, all the lessons learned from the past were fed into the design of the train involved, which showed the robustness of those trains. I am no safety expert, but I believe that that robustness probably and mercifully prevented there being more casualties and injuries. Many of the staff, the police and other emergency services personnel to whom I spoke who were working on the ground when they heard the first reports of what had happened at Ufton Nervet anticipated far worse casualties. They say that the design of the train and its crash worthiness were part of that robustness, which, as I said, meant that there were fewer injuries.

If I have one small criticism of the tenor of today's debate, it is the notion that those lessons have not already been learned and that new features have not been built into the structure and design of trains. They have been. That is not to suggest that there are not lessons still to be learned, and I shall come to those shortly. It is no accident that we have one of the safest rail systems. It is the result of the successive iteration of the design, structure and other features of rolling stock. I do not fully accept that economies are fed into the process by ROSCOs and that safety, especially for new rolling stock, somehow falls down the agenda. That is not the case, and it is irresponsible to suggest that it is.

Richard Younger-Ross: I return to the point about everything having been done. The rolling stock is quite old. First Great Western's policy is to use toughened rather than laminated glass. It may be that the fatalities were caused by people being thrown through the glass to

the outside; but it would have been different in a GNER train, as it would have had laminated glass. The industry is debating whether to use laminated glass, and the Minister's comment may be—

Mr. McNulty: Absolutely not. My comments were about the crushability, crashworthiness and other elements of the sets. I freely said that there were lessons to be learned, as has been suggested, about such things as emergency lighting, hammers and windows. However, without over-speculating, and given the complexity of the accident, things could have been far, far worse with a frailer set of carriages.

I know that there are lessons to be learned, and I shall come to those shortly. Not the least of them—it is one point among a host—is that the Rail Safety and Standards Board is exploring in greater detail the proximity of the points to the level crossing—a complexity that made things worse. That and all other dimensions of the derailment will be examined in a formal rail industry investigation by the RSSB, but it is right and proper that the investigation will consider the wider aspects of level crossing safety as well as the immediate cause of the accident.

The points made about level crossing safety were well made, but they, too, need to be seen in context. The dangers of level crossings are not new, and the interface between rail and road presents particular problems. I shall deal with the specifics in a moment, but all 8,000 level crossings are regularly risk-assessed. However, even with the greatest will in the world, one cannot risk-assess people's behaviour.

There has been an array of various types of level crossing incidents. On the very night of the Ufton Nervet accident, at a half-barrier crossing not far away, a white van zig-zagged between the two barriers while they were down. We have had instances on crossings on farm land—they are unmanned, and crossing is entirely up to the individual—and an incident at a fully staffed full-barrier crossing in Lincolnshire. Crossings are always kept firmly under review. A national level crossing safety group is always considering how to improve things and make crossings safer. That group rightly includes highway authorities, the police, motoring groups, ramblers and others who might use level crossings.

I shall dwell momentarily on the question of seat belts. It is true that the Secretary of State has asked the RSSB to consider the question of seat belts as part of its formal industry investigation into the Ufton Nervet derailment. We cannot say, as the hon. Member for Southport (Dr. Pugh) suggested, that a prima facie case can be made that seat belts save lives. It is not that clear cut. Indeed, concern has been expressed that, in some circumstances, safety belts can cause damage by restraining passengers. However, all these areas need exploration.

There has been a limited Finnish experiment. I am trying to find out more about it, but I believe that a train of three or four carriages had only 131 seat belts, so the outcome was limited and the results not terribly worth while. However, I think that the RSSB needs to consider that matter and we have made a commitment in that regard.

When it comes to changing safety regulations, we take our steer from the Health and Safety Commission, and it is on record as saying that it is not convinced, in relation to the reasonable practicability guide relating to health and safety legislation, that safety belts are appropriate. However, the matter needs exploring on an ongoing basis. Indeed, considering all issues and research on an ongoing basis is the key to our success in relative terms on rail safety. Safety hammers, laminated glass versus other types and emergency lighting—the hon. Member for Newbury (Mr. Rendel) is right that light-sticks were used in a limited way but to great effect at Ufton Nervet—will be explored in the context of Ufton Nervet and more broadly, as is right and proper. The hon. Member for Teignbridge will know that we are setting up a rail accident investigation branch along the lines of the marine and aviation equivalents, as per Lord Cullen's report. The legislation has been passed and the RAIB will be in place by next spring.

Let me make a few points on the issues that hon. Members raised beyond Ufton Nervet and the consequences of that. I can assure my hon. Friend the Member for Hayes and Harlington (John McDonnell) that there is no suggestion other than that all rail safety functions and staff currently at the Health and Safety Executive will move en bloc to the office of rail regulation. There is no question of any redundancies or anything other than everything going over to the ORR. The case of the Strategic Rail Authority and the Department for Transport is slightly different, in that about 100 staff at the Department are involved with rail and there are about 500 at the SRA, and there is duplication in that pool of 600 staff. I am talking about central administration and backroom staff rather than railway experts. According to the high-level design that we have put out thus far for the DFT structure in respect of rail, we think that about 250, 280 or 300 staff will be a more appropriate number when the duplication and other elements have worked their way through the system.

Having said that, we are not about to lose the expertise that the SRA provides in respect of rail. I have said time and again that the SRA's demise is not a function of a critique of how ineffective it has been over the past three or four years. The SRA has been very effective in many areas of expertise. That is what has got us to a position in which we can move on in terms of the model. All staff at the SRA and the DFT come under Cabinet Office provision and TUPE when it comes to transfer. That is a certainty.

I shall take back to the Department my hon. Friend's concerns about consultation on fire safety below ground because I do not have sufficient knowledge of that. I am troubled by the point about economic pressures being brought to bear on professionals who conduct risk assessments. If there is any evidence to support such a claim, I would certainly like to see it. Underpinning all that we do on rail safety in terms of the public and private sectors is proper, professional and dispassionate risk assessment of danger, whether that relates to level crossings or other aspects. I share many of the concerns that hon. Members have, and they will be explored in relation to Ufton Nervet. Rail safety underpins everything that we do; it is paramount.

I return to the starting point for many of the contributions that we have heard: rail safety is overwhelmingly good in this country. Very sadly, on the day of the Ufton Nervet accident, 10 people died on our roads, and 10 people died the next day. I agree with the

[Mr. McNulty]

hon. Member for Teignbridge about comparing apples with oranges; we must consider safety across all modes of transport. The hon. Member for Newbury is right to say that Ufton Nervet was the first time that there had been rail passenger casualties because of a level crossing incident for the best part of 18 years, and the incident before the one 18 years ago happened 20 years before. We must learn the lessons of Ufton Nervet and keep a strong focus on what is happening in relation to level crossings, but all hon. Members can be assured that safety in the rail industry will remain paramount in our focus. I appreciate that our deliberations have been largely non-political and non-partisan, as they should be. The people who travel on our railways would expect no less.

Travellers' Sites

3.30 pm

Mr. David Heath (Somerton and Frome) (LD): I am extremely grateful for the opportunity to raise what is not only an important issue per se but one that is rapidly escalating as a political issue in many of our constituencies. I know that the Minister understands that only too well and that he has spoken to many other right hon. and hon. Members about the difficulties of dealing with the unauthorised development of Travellers' sites on private land. Indeed, it is a pressing problem that has been evidenced by the amount of questioning and debate in the House in recent months. Even today, an opportune question was put to the Prime Minister, and it was interesting to note his response.

The debate has already benefited from extremely valuable contributions by hon. Members introducing private Members' legislation and securing Adjournment debates, and by the careful consideration of the Office of the Deputy Prime Minister Committee. I hope that, in raising the debate, we are all seeking to do two things: first, to make planning law work more effectively for all concerned; and secondly—this is one of my principal motivating forces—to prevent a heightening of tension between the settled and travelling communities.

I see that tension developing in many of the communities that I represent because of the effect of the developments, and I am afraid to say that I have examples throughout my constituency. There is a problem down in the south Somerset area and a long-standing difficulty in the East Lambrook area. In the north of my constituency near Frome, we have ongoing issues at Trudoxhill and Rudge. I see the hon. Member for Taunton (Mr. Flook), who has a well publicised and difficult issue developing in North Curry, which is close to my constituency boundary. He seeks to intervene, and I am happy to let him.

Mr. Adrian Flook (Taunton) (Con): As the hon. Gentleman said, he is aware of the situation in North Curry as it adjoins his constituency, and he also mentioned that the issue was raised during Prime Minister's Question Time today. Several weeks ago we were promised a swift response. On the assumption that the Government have some guidelines that they are trying to work up, how much longer does he think that hon. Members' patience will last while we wait for them?

Mr. Heath: It is not the patience of hon. Members but the patience of communities that we represent that is being tested. There is a degree of urgency. I want to be as constructive as possible because the Government are wrestling with some difficult issues, but nevertheless we have reached the point where we need to see changes in the basic structure of the relevant regulations.

The difficulty arises from what was the utmost folly in the Criminal Justice and Public Order Act 1994 of repealing the relevant sections of the Caravan Sites Act 1968. When I was leader of a county council, I could bore for Britain on the provisions of the 1968 Act. It was at the forefront of our minds, not only because we were dealing with what might be considered the traditional Traveller communities, including the Romany people, but because back in the 1980s we were also dealing,

particularly in Somerset and the west country, with a huge number of what were then described as new age travellers. They were attracted by not only the county of Somerset per se but the Glastonbury festival and other such events.

We were wrestling on a day-to-day basis with the implications of the Caravan Sites Act 1968. However, all of us who were engaged with the issue could see that repealing that legislation would mean a dearth of caravan sites, the result of which would be not the disappearance of the Travellers, but more and more engagement in what would prove to be illegal encampments, which in turn would cause more problems for local authorities and local communities rather than less.

Concomitant with those changes to the law was the removal of the grant to local authorities to provide accommodation for sites. The responsibility was no longer there, so most authorities no longer felt that they had any locus in provision. The guidance that was issued at the time made the assumption that private sites could and would be developed and would be welcomed by local communities, but that proved to be far from the case. That guidance is extant and is still inadequate.

It is therefore important to see the issue from both sides of the fence, as it were. I certainly do not want to lead any crusade against the Traveller communities. They suffer a high level of discrimination and it is no part of Parliament's activities to make that worse. Such communities will readily say that the number of sites available to them is hugely insufficient. That has been quantified and there is a significant shortfall of such sites against the number of people who would wish to use them.

Such people would point to the fact that planning authorities do not accept their need to establish private sites, even in areas where doing so might be considered entirely appropriate, and the fact that they are far more likely to be met with rejection than acceptance. Such people would also argue that even the sites that are provided under local authority control are often deeply inadequate, overcrowded and with insufficient provision. There is therefore a sense of aggrievement on the part of the Traveller community. The response to that, however, of buying land, irrespective of where it might be, and deliberately undertaking unauthorised development, secure in the knowledge that the processes of law are sufficiently dilatory and open to argument to enable such people successfully to develop where others would not be allowed to, is not the answer.

That is where the views of the settled community come in. The settled community is enormously resentful, not about the fact that there might be a Travellers' site in the vicinity, but about the inequity, as it sees it, of the fact that the people who develop such sites do so in defiance of the planning law that governs its activities. The most common response that I have encountered, from people who I know do not have a discriminatory outlook, is that the situation is unfair. They wonder how on earth the law can allow such things.

There is a feeling of inequity and of impatience with the prolonged proceedings, in which first a retrospective planning application must be considered, after which, if refused, comes the inevitable appeal and inquiry. If that process is unsuccessful, there is a renewed delay involving any eviction or enforcement activity. The result is a feeling of impotence that is shared by the members of local authorities who find themselves in the extremely difficult position of having to answer to their communities for the fact that they cannot do what they know they ought to be able to do in law.

Many settled communities also feel imperilled—sometimes rightly. I do not accept for one moment that the existence of a Travellers' site is concomitant with antisocial behaviour or crime of any kind. That is an unacceptable equation. Nevertheless, it is one that is made by many communities, which makes it all the more important to ensure that the law applies equally to all our citizens in both positive and negative circumstances. There can be no no-go areas for our police, or areas in which antisocial behaviour is tolerated simply because it is not taking place among the settled community.

Further concern is caused by other factors. Many constituents who have faced the situation have told me that they cannot for the life of them see how it can be that a development is unlawful—there are requirements for people to move—yet the utilities insist that they have a duty to provide in a way that they sometimes cannot do for people who have lived in their houses for a long time but cannot get a connection at a reasonable price. That causes a great deal of resentment, as does the incredulity often expressed at some of the issues that are pertinent at the point of a planning inquiry.

What do we want the Minister and the Government to do? I do not have a perfect recipe any more than anybody else does. I understand the balance of interest that has to be achieved between making proper provision for the Traveller community and ensuring that the interests of the settled community are taken properly into account. I seek equity. I also understand that if we concentrate solely on cracking down on unauthorised development, we might produce a different problem—illegal encampment—as a result. That is something that the British Property Federation highlighted in its evidence to the Government.

Local authorities need to have the essential tools. For instance, the temporary stop notices that came into being under the Planning and Compulsory Purchase Act 2004 need to be brought into force at the earliest opportunity. I hope that the Minister can say clearly when that will be; they are a critical tool for local authorities. We also need to consider adequate measures to ensure the restitution of sites. At the moment, we do not have appropriate remedy for the consequences of, for instance, concrete block houses that are built in a rural location—perhaps in an area of outstanding natural beauty or a site of special scientific interest—and remain when the people have gone, a lasting monument to an illegal development.

Local authorities should have the capacity to impose wider injunction, or to threaten injunction, without incurring immense costs. That could be the appropriate measure to prevent some of the difficulties that are presently experienced. Clearly, guidance to planning authorities would be extremely helpful.

We need to look at the pattern of instant overnight sites that has developed—the sort of thing that has been the problem in the constituency of the hon. Member for Taunton. They are not opportunistic; they are well

[Mr. Heath]

planned and designed to create a permanence in a short space of time, often when—as was the case in Taunton Deane, I believe—the council offices are closed and nobody can make contact. I am not sure whether that story is apocryphal or whether that was what happened in that case. That sort of thing is, effectively, a conspiracy to subvert the planning process. When it is done on that scale and in that way, I do not think that one can come to any other reasonable conclusion than that it is a deliberate attempt to overturn the normal process of planning law.

Those are the areas of enforcement, but they must be balanced by reconsidering the duty to provide, so that we have sufficient sites. I suspect that the Government do not want to go back to the provisions of the Caravans Act 1968, because—among other reasons—it was so often ignored by many of the local authorities that could not care less about whether they made provision or not, putting more and more pressure on those that took their responsibilities seriously. I remember that that was something that we felt strongly about at the time.

However, it is simply not good enough to allow for the criteria for the development of the sites to be in the hands of district councils that are not prepared to provide sites. As part of the strategic approach to planning, we need to identify areas that are appropriate in terms of the effect on the settled community and local services such as schools. A lot of authorities are not very good at making adequate education provision for Travellers' children. Somerset happens to be rather good at it and takes it seriously, although others do not. We need those clear criteria at a national level; I do not often argue from that direction, but this is probably one area where the effect of not in my back yard is so strongly felt at local level that national guidance is needed.

We need to identify whom we are catering for. I am not sure whether the old phrase "residing in or resorting to" still applies in terms of planning for provision of sites, but if it does, I am not sure that it is necessarily right. We need adequately to assess, perhaps in regional rather local terms, how many sites are necessary, and where they are to be provided.

The Government have identified the housing needs survey as one mechanism for dealing with the problem. The more that we deal with it as a housing issue, rather than something completely outwith housing, the better. Empowering the Housing Corporation to act in this area, as well as registered social landlords to make provision, has the additional benefit of taking funding away from the local council tax payer, who often resents paying for that provision, and towards a more corporate view of the need to provide, and perhaps also to improve existing sites.

If we get that balance right and have the proper planning and site provision regimes, any possible excuse for those who seek to ignore due process will be removed. The need to consider extensively article 8 of the human rights provisions is removed; if someone has undertaken a development in an area that they know by definition they cannot develop, that would remove the need for prolonged inquiries and retrospective planning applications. If Travellers know that the site is not in an area that is available for such development, that will enable an eviction process to take place at an earlier stage. Most important, it will restore the confidence both of the Traveller community and of the settled community that the law—as well as the Government—is acting equitably, in the interests of both. There is a strong feeling, from both sides and for different reasons, that it is not.

3.49 pm

Paul Clark (Gillingham) (Lab): I congratulate the hon. Member for Somerton and Frome (Mr. Heath) on securing the debate, on what is undoubtedly an important issue in terms of how planning applies to Gypsy and Traveller communities. I suspect that not a single Member of the House has not had to deal with such issues. I also thank the hon. Gentleman for the way in which he approached the issue, because there is a need for a balance of interests and for both sides of the fence to be considered if we are to find a way through the problem and bring to an end the continual issues that our local communities face.

All of us present would say that Gypsies and Travellers should enjoy the same right as everyone else in the communities that we represent to establish a decent place to live, as long as they do so within the law. Having said that, I acknowledge the problems that are often caused by unauthorised development and the deep concerns that that raises in the settled community. I particularly noted the hon. Gentleman's reference to wanting to prevent the heightening of tension.

I am well aware of the issues that are currently being faced in North Curry. I understand that this Thursday night the local authority will be considering the retrospective planning application. I say to the hon. Member for Taunton (Mr. Flook) that I understand the frustration and the concern to sort things out as soon as possible. However, it is important that we find solutions that help all in our communities, whether members of the Gypsy and Traveller communities or the settled communities that exist in our towns and country. It is also important that there should be equality of treatment for all the communities that we are considering. and it is correct for the issue of Gypsies and Travellers to be brought into the mainstream of local and national policy. We need to consider how we can address the underlying problem, which is the number of sites, and then how to deal with illegal operations that fall outside the planning laws. We need to find a way of providing more sites, whether publicly or privately owned. We also need to consider how we deal with the barriers that prevent us from providing those sites.

As was said by my right hon. Friend the Prime Minister earlier today, a thorough review of the Gypsy sites planning circular is being undertaken, and a new draft circular will soon be published for consultation. I am sure that hon. Members are well aware that that consultation process is necessary, if we are to have something sound that takes us forward.

Hon. Members will also be aware of the difference between unauthorised development and unauthorised encampments. Unauthorised development applies to anyone within the community, and that is where we have the biggest issues. Whether it is Gypsies or Travellers or members of the settled community who

purchase a piece of land and carry out development for which planning permission is required without receiving that permission, there is a breach of that planning control. That amounts to unauthorised development.

As I am sure hon. Members are aware, the current planning policy is covered under the Department of the Environment circular 1/94. The circular encourages local authorities and the Gypsy and Traveller communities to discuss the requirements for sites and jointly to look at sites. However, we are aware that in many areas the circular is not working effectively, so sufficient appropriate sites are not being identified, and the hon. Member for Somerton and Frome referred to some of the reasons why that is the case.

We believe that there needs to be quantitative assessment of need, taking an approach from a housing perspective. Gypsies and Travellers have housing requirements, as do members of the settled community; broadly, that is how we should approach the matter. We should then tie that assessment in with proper spatial planning and the identification of specific sites and achievable criteria that will offer some certainty that planning permission will be granted.

As the hon. Gentleman said, the problem, and the frustration that arises as a result, is that people are now taking well-planned steps. To use the hon. Gentleman's phraseology, it is an effective conspiracy against the planning laws. That is one reason for the review, and why we have already taken certain steps to meet the requirements. The hon. Gentleman referred specifically to the temporary stop notices; the introduction of the temporary stop notice powers in the Planning and Compulsory Purchase Act 2004 arose from the planning enforcement review.

Draft regulations have been published and the temporary stop notice will provide local authorities with the ability immediately to freeze development on any unauthorised caravan site while they consider what further action to take. That gives them 28 days and there is no right of appeal for further consideration of steps to be taken. The matter has been put out to consultation, subject to which we would expect the provision to come into force by the spring of next year. I hope that that is helpful and worthwhile.

On the subject of moneys for sites, there are existing sites that we want to keep going and we want them to be of an acceptable standard. The Gypsy site refurbishment grant helps in that respect. In the 2005–06 grant round local authorities will be able to bid for about £8 million to provide new permanent residential sites. In addition, we have to ask what is the requirement. The hon. Gentleman rightly referred to the requirements under the Housing Act 2004, which takes in the housing needs assessment; it includes Gypsies and Travellers, and the current provision of sites. The revised Gypsy caravan count that is being put into place will give us a more accurate picture of the issue.

Time is short, and I want to cover the issue of making provision for others to provide sites. Provision can be made by extending the permissible purposes of registered social landlords, for example. I hope that that will help us to provide a greater number of sites, reduce unauthorised development and thus prevent the heightening of tension.

I mentioned the planning enforcement review that is in progress and the temporary stop notices that have arisen from it. The hon. Gentleman referred to clear guidance; in February this year we issued revised guidance to local authorities on dealing with unauthorised encampments, which was widely welcomed by the authorities. The Anti-social Behaviour Act 2003 introduced new police powers to enable police to remove people more quickly from unauthorised encampments.

I have already mentioned the Housing Act 2004 in terms of the housing needs assessment. The most successful, lasting and sustainable way forward will be to take a genuinely different approach to dealing with parts of the community that want a nomadic lifestyle. Proper sites in a proper setting would ease the tension between travelling people and the settled community. That is our intention; we are well on the way to being able to consult on several other matters and I look forward to our resolving many of the problems that hon. Members face in their constituencies.

Coastal Defences (Newbiggin-by-the-Sea)

4 pm

Mr. Denis Murphy (Wansbeck) (Lab): I thank Mr. Speaker for allowing me this debate, the purpose of which is to seek clarification from my hon. Friend the Minister on the current status of the project to build new coastal defences at Newbiggin-by-the-Sea.

The history of the erosion of Newbiggin bay is well documented. In the 18th and 19th centuries, Newbiggin was an important trading centre for shipments of corn, and the bay appears to have been very stable. The first reports of erosion in the bay were made at the turn of the last century.

In the 1920s, major erosion was noticed at Church Point. That erosion was due to a combination of mining subsidence and increased wave movement. From the 1920s to the 1950s, the northern part of the bay suffered mining subsidence of more than 2 m, and the southern part of the bay subsided by more than 1 m. Major storms in the 1950s caused significant erosion of up to 15 m in some places, rapidly lowering sand levels between Bridge street and Church Point.

In the 1960s, the lower clay levels below the sand were exposed in the centre of the bay during very bad storms. During major storms in 1972 and 1973, the promenade foundations were exposed. Again, in 1978, major damage was caused to Newbiggin promenade. Serious flooding occurred at Bridge street in the 1980s, culminating in severe damage in 1988.

Between 1989 and 1992, a major sea wall defence system was completed. It became apparent soon after the sea defences were built that even they were not adequate, and a major study was commissioned by Wansbeck district council. W.S. Atkins, the engineering company chosen to conduct the study, produced its first report in 1996. It identified the fact that the northern part of the bay had subsided by more than 2.4 m, and that the southern part of the bay had subsided by 1.2 m. It also carried out a review of the existing defences at Bridge street and the south-west promenade. It concluded that the sea wall was operating within its designed values, but that beach levels were giving serious cause for concern.

Continued erosion would result in the exposure of up to 2 m of the sea defence foundations, increasing the wave energy and thus accelerating further erosion. W.S. Atkins concluded that the risk of collapse would be very high if no further works were done. At that time—this was 1996—it estimated that, on the basis of predicted erosion rates, the Bridge street works would have a residual life of no more than 10 years.

W.S. Atkins also examined the rock armour at the south-west promenade and concluded that it was successful in reflecting wave energy, but that the rocks used in the armour were too small to provide long-term protection. There is evidence that the rock is being displaced by frequent storms. The combined effects of undersized armour stone and continuing erosion will, without major remedial works, lead to early failure. W.S. Atkins estimated the life of the armour stone to be only five years. In its conclusions and recommendations, it stated that mining subsidence had caused a lowering of the seabed of between 1 m and 2.5 m, which had altered the wave propagation into the bay. The bay is not stable, erosion continues, and the bay is changing shape.

Most of the beach sand has been lost as a direct result of mining subsidence. There has been a permanent loss of beach height due to the erosion of the clay that underlies the sand. Erosion will cause a further reduction in the beach level by an estimated 2 m in the next 10 years.

The Bridge street sea defences have an estimated residual life of less than 10 years, and the south-west promenade has an estimated residual life of approximately five years. As I said, that was in 1996. W.S. Atkins recommended that the technical feasibility and economic viability of the options be examined in detail, including an evaluation of the ground stability for predicted reduced beach levels; that beach levels should be monitored regularly to identify trends and to assess the stability of sea walls; and that the scheme's proposals be considered in the future development plans of Newbiggin and the forthcoming shoreline management plan.

On receiving the report, Wansbeck district council sought counsel's legal opinion as to whether it could seek compensation for subsidence from the Coal Authority. As I recall, the advice received was that because the subsidence was below the high water mark, and therefore technically offshore, it did not fall under the responsibilities of the Coal Authority, and that it would be difficult to obtain evidence confirming the extent and timing of the under-sea subsidence. The local authority was advised that it would be expensive to pursue High Court action, and that the outcome was doubtful. Wansbeck did, however, at great financial risk, pursue the original engineers who were responsible for the sea defence scheme, and received a substantial out-of-court settlement, which was returned in full to the Department for Environment, Food and Rural Affairs.

Since the 1996 study, the local authority has been required to obtain a further six expensive and time-consuming studies in order to get to the position in which we find ourselves today. The second study was a feasibility study into coast protection options, which was completed in 1998, the conclusions of which were similar to those in the 1996 study. Its recommendations covered several options, including beach recharge and offshore breakwaters. The engineers thought that those options would restore the amenity value to the beach, and that beach nourishment would provide a useable sandy beach with crest levels similar to those with the existing sea wall, thus allowing direct access on to the beach from the promenade. It was also felt that restoration of the sand beach would greatly enhance the potential for recreation and tourism and would undoubtedly be a significant aesthetic improvement, and that a lower-crested breakwater would be less visually obtrusive. Of several options put forward, those formed the basis of what was expected to be an excellent coastal protection scheme at Newbiggin-by-the-Sea.

DEFRA then requested a pilot valuation study, which was completed in 2000, after which it asked for a fuller valuation study, which was completed in 2001. An options appraisal report and a report on the Newbiggin bay coast defence strategy were completed in 2003, and an appraisal of the Newbiggin beach recharge scheme

was completed in 2004. Before the debate, I met Mr. Trevor Straker, who is Wansbeck district council's senior engineer, to whom I am indebted for his help and advice on the scheme. I suggested to him that if the scheme does not get final approval from DEFRA, we could cement together some of the reports that have been compiled—they would certainly make a high sea wall.

The scheme has been developed with extensive community consultation and engagement. Detailed planning consent has been obtained, and it was formally submitted for DEFRA grant approval in October, with a view to proceeding to construction in 2006–07. The estimated cost of the scheme is £10.5 million, and it has a priority score of 13.8.

Eight years of hard work was, at last, about to deliver a first-class scheme, which would provide a new, restored beach, and substantial coastal protection, but, on 18 November, a letter from the head of DEFRA flood management arrived, which stated that the priority scoring had changed, and that only schemes with a score of 19 would now be given the go-ahead for 2006–07, whereas those with a score of 15 could start in 2007–08. I understand that engineers are reworking the numbers for the Newbiggin bay scheme with a view to reaching a new score of 15, but there is a significant risk that the project will be left stranded and unable to obtain formal DEFRA approval. I ask my hon. Friend the Minister to reassure me and the 7,000 people who live in Newbiggin-by-the-Sea that that will not be the case.

Newbiggin Life is a public-private partnership set up to deliver a wide range of initiatives, and it is bringing together the whole community to regenerate the village. Newbiggin was subjected to the same economic and social changes faced by all coalfield areas. The dramatic run-down in the mining industry in the 1980s and 1990s affected employment levels, housing, shops and the very fabric of the village. It became difficult to let some local authority houses, and parts of the village began to take on a look of dereliction and decay. That is no longer the case and Newbiggin faces a bright future.

Recently, I had the privilege to open the new Gateway project in Newbiggin, in which for the first time in nearly 50 years private sector housing developers are queuing up to build new homes. The local authority is working with traders, and they have ambitious plans to restore the shopping areas to their former Edwardian glory. New play areas, car parks and village parks are planned. Walkways, cycleways and even a sustainable forest at the end of the village are now at or beyond the planning stage.

A sea defence system that provides access to the beach would complement the environmental schemes already under way. The beach at Church Point unfortunately has a problem with fine coal deposits, making the area unsightly. I recently brought together a number of interested parties with a view to finding a long-term solution to that problem. Although it was not possible for the engineers to model the movement of coal, it is felt that a beach recharge scheme could help significantly in reducing those unsightly fine coal deposits.

The beach and promenade at Newbiggin are used mainly by the residents, but plans to expand an adjacent caravan park and provide bungalow-style accommodation will bring many more day visitors into the village. The Sandy Bay and Church Point caravan parks allow thousands of visitors to enjoy the excellent facilities available each year. Completion of a new sea defence system that will also allow the restoration of the beach will encourage further much-needed investment.

Newbiggin-by-the-Sea sailing club provides an excellent facility for the whole community. Both able-bodied and disabled people are taught the enjoyment of sailing in a safe environment, and it is constructing an extension to its clubhouse, which is situated on the seafront. That is being financed mainly from the coalfield regeneration trust. That facility and many others will be at risk if the sea defences do not go ahead.

I have the utmost respect for the traders in Newbiggin. They have demonstrated their commitment to the village and the people by continuing to trade during sometimes difficult periods. Every business will be put at risk if sea defences are not constructed.

The entire community supports this project, which will protect Newbiggin from the severe storms that batter the north-east coast and restore the beach to its former glory, providing residents and visitors with a first-class facility. I hope that the Minister will be able to clarify the status of the project and reassure the residents of Newbiggin that their village will be protected and enhanced. I ask of him only two things: first, that the scheme be given the go-ahead; and secondly, that it will commence on the previously agreed date of 2006.

4.13 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): I congratulate my hon. Friend the Member for Wansbeck (Mr. Murphy) on securing this debate and apologise for the fact that my colleague the Minister for the Environment and Agri-environment is unable to respond personally—he is abroad on Government business. I shall set my hon. Friend's points in a wider context before dealing with his specific concerns and those of his constituents in Newbiggin.

Improvement projects funded by DEFRA must meet specified economic, technical and environmental criteria and achieve an appropriate priority score to be eligible for funding. DEFRA neither builds defences nor directs the operating authorities on what specific projects to undertake. The works programme to manage risk is driven by the operating authorities.

The Government are strongly committed to reducing flood and coastal erosion risk. We have increased investment significantly, and total Government expenditure will be £478 million this year, rising to £570 million next year and the following two years—an increase of more than £250 million per year against the 1997–98 level.

The criteria that we use in deciding which projects will be funded are published and transparent. The scoring system is objective and based on the benefits to be gained from defences as compared with their cost. The aim is to ensure that the improvement programme will deliver maximum benefit for the nation as a whole for a given total cost. We give the greatest priority to projects that protect people and important environmental assets.

To be eligible for DEFRA grant, all proposed projects must achieve our priority score threshold for the year in which they are due to start. The threshold is

[Mr. Ben Bradshaw]

set each autumn for the following financial year and is based on operating authorities' forward plans, as notified to us in an annual exercise. At the same time as the firm threshold score for next year is confirmed, we announce indicative scores for the following two years. The aim is to indicate to authorities the minimum score that the projects are likely to have to meet in order to be funded.

In order to increase the certainty of the delivery of the improvement programme, we encourage authorities to apply for grant as early as possible and have made it clear that we are willing to consider projects for start in later years against the indicative thresholds applying in those later years. There is a strong incentive for authorities to do that, as once a project has been approved, future changes to the threshold will not affect an approval already given.

Our intention is to set the priority score thresholds for grant as low as possible and also for the indicative threshold for a given year, once announced, not to increase in subsequent years. However, we have to base the indicative thresholds on operating authority forecasts of spend against fixed funding levels. That means that thresholds often change from one year to the next, to reflect changes in the forecasts when authorities refine their plans, increase their forecast spend or identify further works of which they have not previously notified us. It is unfortunate that, for just those reasons, the thresholds for future years in this autumn's review have had to increase significantly. That has caused the problem at Newbiggin bay.

In April 2004 we announced that the indicative priority score for 2005–06 would have to rise from 10 to 15, but that the threshold for 2006–07 would be 10, meaning that the project at Newbiggin would remain eligible for approval to start in 2006–07. Wansbeck district council therefore had the opportunity to submit its application for grant for the scheme, which has been in gestation for many years, as my hon. Friend said. Such approval would have secured funding, as changes to the thresholds do not affect projects that have already been secured. As the council will have been aware, there is always a distinct possibility that the threshold priority score will increase in the autumn, which means that schemes that were previously eligible for consideration may no longer be so.

We have made it clear to authorities that applications will always be considered for grant against the thresholds that apply at the time of consideration. It is clear that that must be so. Considerations of fairness as well as optimum use of our grant allocation mean that we could not exceptionally allow certain projects to gain approval under thresholds that we know we can no longer afford for all. That would be an unacceptable departure from the principles of objectivity and openness, as well as not being the best use of taxpayers' money.

Although we might make an exception in cases where a scheme has already been submitted to us and we are well advanced in our consideration of it when thresholds change, that did not apply in the case of the Newbiggin bay proposal. The application for the scheme was not received until towards the end of October, only three weeks before we announced the revised threshold scores, and too late for us to approve before the announcement. Indeed, Wansbeck district council was advised in August that any application would have to be considered against whatever thresholds were set in the autumn.

Of course it is unfortunate that increased thresholds meant that, under the currently assessed score of 13 points, the Newbiggin bay project was no longer eligible for approval, whereas it probably would have been had the council been able to submit its application some months previously. I know that that was unwelcome to the council and to my hon. Friend.

Mr. Murphy: The problem for the district council was the request for the final copy of the project appraisal report, which was not published and complete until October 2004. It was therefore not possible for the council to apply before it could get that document in with the application.

Mr. Bradshaw: I am grateful for that clarification. As I said, I know that the news was unwelcome to him, to the local council and mainly to the thousands of residents of Newbiggin. Now that my Department has seen the latest data from the council, however, I understand that the council's current estimated score of 13 for Newbiggin may not have taken full account of revised guidance on the benefit appraisal of the scheme. That relates in particular to how the potential impact of coastal erosion and flooding should be measured, including the health and stress effects on people and the particular social and economic circumstances of the community. I also understand that the council is now reappraising its proposal in the light of this to see if that will increase the score. If this results in a proposal that meets the scoring thresholds that now apply, my Department will look forward to considering it for approval to start in 2007–08, subject, of course, to compliance with all technical and other criteria. I hope that my hon. Friend welcomes that prospect, and that it will encourage Wansbeck district council to re-evaluate its scheme and to resubmit it to DEFRA as quickly as possible.

Question put and agreed to.

Adjourned accordingly at twenty minutes past Four o'clock.

Westminster Hall

Thursday 16 December 2004

[MR. JOHN MCWILLIAM *in the Chair*]

House of Commons Commission (Annual Report)

[Relevant document: Twenty-sixth Annual Report from the House of Commons Commission, Session 2003–04 HC 791.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Hain.]*

2.30 pm

Sir Archy Kirkwood (representing the House of Commons Commission): It is a great pleasure to be here this afternoon for a novel, if not unique, parliamentary event, and it is my pleasurable duty as spokesman for the House of Commons to introduce a short debate on what we in the Commission consider to be a very important document, namely the annual report that the Commission laid for the financial year 2003–04. It is the 26th annual report but the first to be debated. That is progress, and I am looking forward to what I hope will be a constructive exchange of views with colleagues who take an interest in such matters, so that we can make better future provision in the Commission for hon. Members, because that is one of our core tasks.

If Members find that this event is of value, I hope that they will be prepared to make it an annual event. If it is to be made an annual event for the value that it provides, it might be easier to do it slightly earlier in the year. The report has been in existence for some time. I acknowledge the persistence—if I can put it that way, positively—of a number of hon. Members, including the hon. Member for Southampton, Test (Dr. Whitehead) and my hon. Friend the Member for North Cornwall (Mr. Tyler), who have been suggesting for some time that this should happen. It is a tribute to their perseverance that we have managed to get to this afternoon. We on the Commission certainly value it: feedback is crucial to our success in delivering service provision in future, and there is, after all, no more direct means of obtaining feedback than conducting an open, grown-up, adult debate, in which we can respond to points that are made.

Before I go any further, I should like to say—because it is too good an opportunity and Mr. Speaker does it in his foreword—on behalf of the Commission how much we owe to our 1,400 to 1,500 staff at all levels throughout all departments of the House for the dedicated service that they provide to hon. Members in the service of the House. They are frequently engaged in levels of service quite beyond the call of duty. The last demonstration of that that I personally saw was on 21 October, when, the House will remember, we disclosed for the first time levels of allowances on the internet. The Department of Finance and Administration, and the team that was put together to oversee that project—which it did with consummate professionalism—worked enormously hard, and we, as Members of the House, rightly want to recognise examples of that kind, which happen day in and day out. I am very happy to start by echoing the tributes that Mr. Speaker gave to the staff for the year 2003–04 in his preface.

The annual report is an important document for us. The entire statistical base of what it contains may be found in annex 1 starting on page 65, which looks at activity and performance measures. Of course, there is a lot more to it than that, but that gives a range of the areas that we cover. The publication of the annual report has been a statutory requirement since the House of Commons (Administration) Act 1978, which set up the Commission. It has evolved in recent years into a more accessible, more readable, much more useful document, which enables hon. Members, year on year, to monitor progress and see the direction of travel of the programme for activity, and enables people to measure our delivery in a much more coherent way. It is also a document of record: it will enable people to look back from the future and will allow the outcomes that we are trying to achieve and the progress that we are trying to make to be tested against the plans that we set out. More than anything, over the past few years the annual reports have demonstrated beyond any doubt, certainly in my experience as a commissioner, that we are now significantly more professional as an institution and that best practice is the order of the day rather than the exception. We are engaged in a much more coherent set of planning objectives than ever before.

I do not want to go back too far, but the provenance of the current set-up can be found in the 1990 Ibbs report. The House commissioned Sir Robin Ibbs to carry out a report on the management of the House and its facilities, and that was the start of the move away from federated independent departments of the House operating entirely on their own—when I was elected in 1983, a vestige of that method of management was still extant. The management suggestions made by the Ibbs report started to change the situation seriously for the first time.

The next step came eight years later in November 1998 when the House of Commons Commission instituted a review of the outcome of the Ibbs report, which was led by an external management consultant, Mr. Michael Braithwaite. He and his team published a report in the summer of 1999, and some hon. Members here today were present when that was debated in the House in January 2000.

Braithwaite focused our attention on a number of key themes to do with getting better strategic planning and trying to anticipate events and therefore control them rather than respond to them on a day-by-day basis. Next year, the House of Commons Commission will consider a new strategic plan to run from 2005 to 2010 following the plan adopted in 2001. The bones of the plan adopted in 2001 are carried in the report on pages 12 and 13, and that is still the plan on which we are operating. Next year, we will look to adopt a five-year plan running from 2005 to 2010, and I hope that this debate will help inform hon. Members on its contents.

The Braithwaite theory was firmly based on a corporate approach, which has spawned a new way of looking at the whole hierarchical structure of the management of the House. The Clerk of the House is now formally recognised as a chief executive, and he has a small office to support him in that role. The Board of Management has a full-time secretariat backed up by a

[Sir Archy Kirkwood]

series of management teams and groups in such areas as human resources and ICT provision. There is an annually updated corporate plan; if hon. Members have not yet seen it, they may take it from me that it repays careful study. Approval of expenditure and oversight of major projects are key focuses for senior management. The best example of that is the high-level Information Systems Programme Board that has been put together to manage the implementation of information technology projects, which are now such an integral part of the work of the House.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the start of the hon. Gentleman's speech. I am drawn to the last sentence of the first paragraph on page 28 of the report, which states:

"For users in areas where broadband is available, the new service is reported to be a marked improvement on the previous remote access service."

As much as I have welcomed the improvement, we are effectively treading water—the service is no better in terms of time. It is very frustrating for hon. Members when we try to do our work from a distance. We need a root-and-branch overhaul. The people who run the service are very nice and try incredibly hard, but the system is not fit for purpose. Will the hon. Gentleman comment on that?

Sir Archy Kirkwood: I absolutely accept that, and I know that the hon. Gentleman speaks in the best interests of the development of the service as far and fast as possible because he has been in the vanguard of that argument. Although it is nothing technically to do with the Commission, the Members' estimate proposal from the Senior Salaries Review Body will provide a little extra support in some of the provision of technology in future, which might help. The hon. Gentleman's basic point is that the broadband internet support is still not right. We have a lot of work to do, and we are putting together House-wide provision of ICT services. I know that there is a commitment from the professional staff at the Parliamentary Communications Directorate to address that.

One problem is that now that BT has introduced bundle loops, getting from Ettrickbridge to the Westminster servers takes someone here, there and everywhere, and sometimes we are not always in control. However, the hon. Gentleman's point is very well made, and he is talking to someone who has the same interest at heart. We have actually spent an enormous amount of money, as can be seen from the graphs on the connections that we have made. However, that progress is not fast enough, particularly if we are thinking about encouraging Members to take their constituency work more off site. We need to do more if we want to be successful in that, so the point is very well made.

I was talking about some of the consequences of the Braithwaite report. The only other significant one is the better information that Braithwaite himself thought was necessary for both Members and staff, as well as managers, in developing the work of the institution of Parliament. I hope that Members feel that the Commission report that we are debating today is one of the fruits of that suggestion. It is an attempt to achieve greater openness about how we conduct our business. On behalf of my colleagues in the Commission, I answer a considerable number of written and oral questions, and the Commission now publishes brief minutes of its decisions. There is also now a Services Information Group, which for the first time is seriously looking at the information that we make available to Members and their staff about the services provided by the House authorities.

The fruits of those changes started to be noticed when the Commission conducted a survey in 2003. There were of course complaints, to which we have tried and continue to try to respond, but generally speaking the satisfaction ratings from the survey of services demonstrated a recognition that the Palace of Westminster and its precincts are becoming a useful place in which to do business.

However, for those who study such things, the last sentence of the Braithwaite review recommended:

"As a matter of good practice, a review similar to our own should take place in about five years' time."

The Commission has not reached a corporate view on that. There is no magic about the figure of five years—indeed, Braithwaite came eight years after Ibbs—but we are aware that there is a degree of turbulence in the House, some of which I referred to earlier. Plans are available for progressing the formation of a new joint IS/IT service across both Houses, and *Hansard* has recently been through a major review. The Library's change project, which is a fundamental review of how it conducts its business, is ongoing, while the Refreshment Department is dealing with the practical consequences of reduced subsidies, which we have tried to achieve for some time, and has altered service levels because of the sitting hours. A welter of change is taking place—*[Interruption.]* I do not want to provoke the hon. Member for South Staffordshire (Sir Patrick Cormack).

Sir Patrick Cormack (South Staffordshire) (Con): My hon. Friend—I call him that deliberately today—will register that many of us long to return to those sane, civilised hours that allowed the House to function properly and allowed people to have good social contact with one another in the evening. They were the hallmark of a civilised Parliament, which now we do not have.

Sir Archy Kirkwood: I might be ruled out of order if I followed that, but the hon. Gentleman is an eloquent advocate, as always, of the time-served traditions and culture of Parliament. I have heard him on the subject before, and he is very persuasive.

Mr. Deputy Speaker: Order. I hope that we shall not go too far down this line.

Joan Ruddock (Lewisham, Deptford) (Lab): I could say something about the terribly civilised hours that we have now and how they could become even more civilised, but instead I shall make a point about the Refreshment Department. With the reduction in subsidies, it has come to light that a huge amount of money is spent in that area, and it seems to many of us that great inefficiencies are built into the system. There have been proposals to merge the Refreshment

Departments of the House of Lords and the House of Commons, and on the face of it that is an efficiency that should have been implemented a long time ago.

Sir Archy Kirkwood: I think that that point is recognised, but I ask the hon. Lady to be a little more patient, because we have to take a final decision about the hours before there can be a final conclusion on the Refreshment Department. However, I anticipate that that decision will not be long in coming. The Leader of the House may say something about that later. I am sure that the hon. Lady is right that there are possibilities for efficiencies. I just hope that the IS/IT joint programme that we are working on goes as sweetly as I pray it will, because it would be a good example of what could be achieved in other areas. However, we must hasten slowly, because there are many sensitivities between the two Houses, of which I am sure the hon. Lady is as aware as I am.

We have been talking about examples, and I was saying that there may well be a case for taking a limited look at things and perhaps even concluding before the end of this Parliament, so that we are in a position early in the new Parliament to introduce small but significant changes. I am thinking, for example, of how we might streamline the Domestic Committee structure and of how the advisory Committees work. More than anything else, we must ensure that individual Back Benchers believe that they can play a part in decision making and have a strong consumer input into what goes on.

I shall comment briefly on the Members' estimate. Hon. Members participating in this debate will be aware of the difference, but there is genuine and understandable confusion about where the administration estimate ends and where the Members' estimate begins. The Commission has responsibility for the administration estimate in its entirety, but it has no responsibility for the Members' estimate. That estimate, as hon. Members will know, covers the payment of parliamentary salaries and pensions, expenses, centrally provided IT equipment and associated items, including Short money. The Members' Estimate Committee, which we set up in January 2004, simply interprets House resolutions on allowances. It has no further remit on that. It cannot set levels or rules, but it can refine the administration and implementation.

The Commission has a restricted ability to finesse what is done in the Members' estimate. That estimate is laid by the Treasury, working within central Government expenditure guidelines. It works on the basis of estimates of future expenditure that are provided by the authorities here, but the expenditure on Members' expenses and allowances is driven by salary levels fixed by the House and by the take-up of allowances. It is worth remembering that although this aspect of the debate is important, we have only a glancing responsibility for the important spend in the Members' estimate.

I have said that so that I can put the following point on the record. We recently established a Members' Estimate Audit Committee to try to deal with some of these matters. The Committee is chaired by the hon. Member for North-East Hertfordshire (Mr. Heald), who is present and who does a first-class job. We also have the benefit of two external appointees, and I am sure that the hon. Gentleman would agree with me that those two experienced people play a very positive role. I am sure that the House would want to pay tribute to Sir Thomas Legg and Mr. David Taylor, because they give of their time freely and bring a valuable new perspective to the Members' Estimate Audit Committee.

There are four priorities in the current plan and they are the core of everything that we are trying to do. They set the strategy and can be found on pages 14 to 25. The first priority in relation to House functions is

"Supporting the House and its committees",

which involves ensuring that business is efficiently conducted—that it is business as usual. That sounds like an easy task, but it is not always.

Secondly, Members' support is covered in pages 26 to 30, and includes Members' staff.

Joan Ruddock: This may seem a small point and not entirely connected, but the question of recycling facilities in the House concerns many hon. Members who are keen environmentalists. Much progress has been made, but many hon. Members and their staffs are not doing enough, and even today there are places where the recycling facilities are not clearly marked and not very accessible. There is also a continuing concern about the recycling of all the machinery that we eventually throw out from this place—and not just from Members' offices.

Sir Archy Kirkwood: That is a valuable and important point, which anticipates what I was going to say in relation to the built environment. The whole question of maintaining the heritage has a much greater environmental performance dimension than it used to have. It is a question of getting Members to change their own culture. We try to set the targets; they are all in the annual report. The hon. Lady is, however, absolutely right that there is still a long way to go before we are perfect. Portcullis House, as a modern building, gives us the chance to improve matters. However, the rest of the precincts are a real challenge because of the Victorian heating systems that we had. We have just replaced the gas boilers and that has made a difference. We are solicitous of trying to improve, and the hon. Lady's point is well made.

I was talking about support for Members and their staff. It is undeniable that the work load of ordinary Back-Bench Members of Parliament has spiralled exponentially over recent years, in terms of their case load and the responsibilities that they carry. We try as best we can to mirror that increase and to match it with increased services, but that gets increasingly harder to do. We can do it only by finding more efficient ways of working, but it is an important core part of our activity.

Accessibility to the public—providing information and access for the public—is increasingly a priority area for us. That is covered on pages 31 to 38. In future, the Group on Information for the Public, and other associated parts of management within the institution, will have to do more and work harder, because we all recognise that there is public disenchantment, and an alienation from the electoral process. We need to make the building much more accessible. That is a key priority area, both for the rest of this programme and for the programme between 2005 and 2010.

Joan Ruddock: May I ask the hon. Gentleman for his indulgence again? I appreciate this opportunity—we have not had it before—to debate the report. I should like to make a point about the parliamentary website. Many members of the public find it extremely difficult to negotiate that site. One needs to be a parliamentary researcher to gain easy access to the things that we as Members need, but the site should be for the public and in my view it does not serve the public's purpose.

Sir Archy Kirkwood: For the third time, I concede the point that the hon. Lady makes.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op) *rose—*

Sir Archy Kirkwood: May I finish the point? It is true that one needs residual knowledge to get any real value out of the existing site. It is being redesigned; I promise that we are on that case. There is a huge volume of data on the site, but it is very difficult to navigate. We do not have any of the flash technology that young people in particular are used to, but it is coming. However, it will take a little while. I wanted to say a word about that later; again, the hon. Lady anticipated my remarks.

Mr. Lazarowicz: My point related to the point that my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) raised. I suspect that the hon. Gentleman, like me, is an occasional user of the Scottish Parliament's website. Although that website deals with an institution whose responsibilities are less comprehensive and complex than ours, does he agree that it is a good example of a website from which we could learn much? Perhaps that could be taken into account in the developments that he is talking about.

Sir Archy Kirkwood: I know that that is an example that we have been looking at. I am not too proud to take best practice from anywhere—even from the Scottish Parliament. We were able to build our building at slightly cheaper cost, on time and on budget; nevertheless there are lessons that we can learn.

The built environment is the fourth and final core task.

Mr. Drew: On access for the public, I would not want to lose the change to the tours, which has been very helpful. I speak as someone who used to get into a total panic about them. Some hon. Members still wish to take their parties round, and they can still do that, but the change has helped. The fact that, at the end, we can disappear into the Jubilee café and give our guests a cup of tea has radically changed things for the better for Members.

Sir Archy Kirkwood: I think that that is true. The Visitors' Unit that we have set up and the reception security unit, which we have now been given the authority to get on with—it is well under way, and I hope that it will come on stream soon—will provide a much better welcome for people queueing. I recently discovered that many of them think that they are coming into Westminster Abbey, so it will be quite handy to have someone asking, "Where are you headed? If it's a Committee Room, can I help you?" rather than have people standing for an hour and a half in the rain, only to be told that they should be across the road.

Mr. Drew: We could start charging.

Sir Archy Kirkwood: Do not say that twice; it might put the idea into someone's head.

Sir Patrick Cormack: We could give them evensong!

Sir Archy Kirkwood: Yes, we could even give them evensong. May I try to make a little progress? I have nearly finished.

Moving on from the four priorities, which we are still working on, and which we hope to develop and refine for the next five-year plan, we have to deal with significant change. Hon. Members would think it remiss of me not to mention the changing security environment, which has significant budgetary impact. We are trying to deal with that as best we can.

There are some circumstances in which the risk analysis from the professionals is such that there is almost a compulsitor to spend whatever money it takes to keep Members, their staff and the visiting public safe in the current environment. We are dealing with that; it is a difficult issue to deal with. Perhaps we need to do a little more to find a process that gives people confidence that they know what is going on without giving the game away to those with evil intent who are determined to do us down. We need to think about that process more carefully.

The Speaker is the person responsible for security, subject to advice from the Joint Committee on Security. The hon. Member for Coventry, North-East (Mr. Ainsworth), who chairs the JCOS, has accepted that we need to be a bit more open about the membership of the Committee, so that Members can approach the people serving on it who are doing that important work on behalf of the House. We need to find some way of giving people confidence that they know what is going on without making ourselves more vulnerable by making public the arrangements that we have in hand.

On change, the second item that I cannot escape mentioning is freedom of information. Transparency is absolutely essential. We were ahead of the game in our publication of allowances on 21 October. I think that that was the right thing to do, although it was quite an uncomfortable experience for some Members. It is impossible to anticipate the level of requests that we will receive come January 2005 when the Freedom of Information Act 2000 is fully implemented, but we will need to treat and consider each and every request carefully and deal with it in a professional manner. We have management processes in hand to deal with that.

The whole issue of corporate governance has changed since the introduction of resource management. We now do all our assessments on the basis of risk analysis, which is now a very sophisticated part of corporate planning. Things have changed enormously since the old days when the internal review service was the only way of keeping us secure in the knowledge that our processes were fit for purpose. We now have a much

more developed, in-depth system, which gives advice to the management team and the Clerk, and that will continue to be developed.

Finally, to look forward to changes, we are still in the process of acknowledging and dealing with the devolution settlement to Scotland and Wales, and we, as an institution, still have to keep our relationship with the European Parliament in mind and evolve it as the process unfolds. I was going to make a point about internet services, but we have probably covered it, except to say that, if one is looking for things to do this weekend, there are some really interesting browsing opportunities. There is www.parliamentlive.tv, which has webcasting; we can watch ourselves, and indeed can watch this very debate.

The Deputy Leader of the House of Commons (Mr. Phil Woolas): May I inform the hon. Gentleman that this debate is being watched on Catalonian TV through the website feed from Parliament?

Sir Archy Kirkwood: That encourages me greatly. It would be remiss not to say a word of welcome to our friends from Catalonia.

The Parliamentary Education Unit has been doing splendid work through www.explore.parliament.uk. I know from my constituency, and I am sure that it is reflected in other Members' experience, that schools are taking great advantage of their ability to find out much more about what we do in Parliament. That is obviously a good thing. Finally, the Hansard Society is doing excellent work with www.headsup.org.uk, a website specifically targeted at young people, which tries to make our business relevant to them.

There are challenges for the future. In the coming year, there will be preparations for a new Parliament, which is being and has been carefully thought about. In 2005 or 2006—whenever it comes—that transition will be done as efficiently as in the past, and that is a big challenge for the House management.

As I said earlier, we hope to make real progress with the visitor reception centre over the coming months. There have been two important new senior staff appointments. Major-General Anthony Peter Grant Peterkin will join us in January as the Serjeant at Arms and will be a significant influence on the development of services. We look forward to working with the new Librarian, John Pullinger; I am sure that the Library service will benefit from his fresh thinking.

Sir Patrick Cormack: Would this not be an appropriate moment to put on record our thanks to the retiring Serjeant at Arms for all he has done?

Sir Archy Kirkwood: I had that in mind so to do. I think that we will get a chance on Monday to record formally tributes to him, and I hope that colleagues will take the opportunity to do that. The Serjeant at Arms has been a faithful, loyal and efficient figure, with whom it has been easy to work on the development of services—certainly during my time in the Commission. We all look forward to the opportunity to pay tribute to him and to Priscilla Baines, one of the first people I met when I came to work for David Steel in this place in August 1971. I am older than I look. I used to be able to say that with confidence.

We are making progress, although not as far or fast as everyone would like. From time to time we all have our difficulties, whether with technology, catering services or whatever. However, we are now a much more professionally based service because of the professionalism of our staff. However, we need to do more and continue to get feedback from Members. We are often castigated as a shadowy body. Now, that might be true for—no, I will not say it. I carry no shadow myself. It is time that the Commission did more, within what is reasonable, to make our work more available to Members. Opportunities to get feedback, such as this debate, are important to enable us to improve.

3.3 pm

The Leader of the House of Commons (Mr. Peter Hain): Thank you, Mr. Deputy Speaker, for calling me so early in the debate. I shall make only a brief contribution. I regret that I cannot be present for the whole debate because of a ministerial commitment. My hon. Friend the Deputy Leader of the House will reply to any issues raised for me as Leader of the House; many may also be raised for the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), who speaks for the House of Commons Commission.

As a member of the Commission I welcome this debate, and as Leader of the House I was pleased to arrange it. I hope that it becomes an annual fixture. I hope, too, that it will arouse interest from right hon. and hon. Members when they realise that this is an important occasion, on which we can hold the Commission to account. I was grateful for the introduction by the hon. Member for Roxburgh and Berwickshire. I am sure that my fellow commissioners would agree that he will be sorely missed when he stands down at the end of this Parliament. [HON. MEMBERS: "Hear, hear."]

The hon. Gentleman mentioned that there was some uncertainty about sitting hours. Without going into detail, I can confirm that the Modernisation Committee's report on the sitting hours will be published in the week that we return after Christmas. I intend the House to have an opportunity firmly to resolve that matter before the February recess.

This debate provides us with an opportunity to acknowledge the excellent service that we are given by the staff of the House, as the hon. Gentleman said. The Commission's annual report for the financial year 2003–04 outlines the great range of activities that are carried out on our behalf and demonstrates how effectively the staff of the House have responded to the new challenges and changing needs. The change in sitting hours, for example, has required considerable change in working practices. So, too, has the reduction in the catering subsidy and the greater exploitation of information technology, which my hon. Friend the Member for Stroud (Mr. Drew) addressed earlier. I believe that hon. Members from all parties will join me in congratulating our staff on all that has been achieved. As Mr. Speaker said in his introduction to the report:

"There can be few groups of customers more demanding than 659 Members of Parliament"—

[Mr. Peter Hain]

excluding the Leader of the House, of course. It is, therefore, positive to report that customer feedback last year shows that 75 per cent. of Members who responded found the House a good or excellent place in which to work.

The report also highlights areas where further change is envisaged and I should like to mention three major challenges for the future. First, there is the matter of greater engagement with the public. In June, the Modernisation Committee, which I chair, published a report called "Connecting Parliament with the Public", which concluded that the House should do more to make itself more accessible to those outside, to make itself more easily understood and to make it easier for people to understand the work of Parliament, and should communicate information about its activity much more effectively.

This year was the most successful ever for visitor numbers. There were 93,314 visitors—7.5 per cent. more than last year. I pay tribute to all those involved in arranging such visits and tours. I am also grateful to my colleagues on the Commission for their recently published positive response to the Modernisation Committee's recommendations. Some of the recommendations have already been implemented and others, such as a radical and much-needed upgrade of the website, are in planning. Other recommendations involving significant new expenditure, such as a new voter's guide for all 18-year-olds, are matters for the House to decide. I hope that the House will respond positively to proposals for a full visitor centre to follow the new reception facility on Cromwell Green.

Mr. Lazarowicz: On the voter's guide, which I strongly support, it is right that the House should decide, but when will the House have an opportunity to make that decision?

Mr. Hain: I hope that that will happen at the same time as we debate sitting hours, when we have a chance to address House business. As I have said, I am an enthusiastic advocate of the voter's guide. I am worried about the degree to which young people are in almost complete ignorance of the way in which our parliamentary democracy works. There is a lack of engagement with it and a lack of knowledge about it. A letter from the Speaker, containing a short guide to the way that parliamentary democracy works and explaining young people's role as citizens and new adults, would be a good way to connect Westminster's work to the individual new voter.

Ian Stewart (Eccles) (Lab) *rose—*

Mr. Deputy Speaker: Order. Before I call the hon. Gentleman, I apologise to hon. Members. I have a terrible cold, so I am sorry if I keep exploding and spluttering. It is not in any way a response to anything that they might have said.

Ian Stewart: And if I cough and splutter back at you, Mr. Deputy Speaker, it is no reflection on your chairmanship.

Does my right hon. Friend the Leader of the House accept and understand that although getting the Speaker to write such a letter would be welcome and a step in the right direction, we need a consistent and persistent long-term educative strategy that raises public awareness in general about the relevant role of and need for an MP service and a parliamentary system?

Mr. Hain: I strongly agree with my hon. Friend. For too long, there has been a lack of citizenship education in our schools. As a Government, we are dealing with such matters and I am sure that the new Secretary of State will want to study the points outlined in the Modernisation Committee's report in that respect. If we are to have a fully functioning and live democracy, it is important that we engage whole swathes of young people who are not at all connected to parliamentary democracy. We should also make sure that this place makes more effort to engage with schools and youngsters generally.

When the Modernisation Committee visited the National Assembly for Wales, we found that it had a much bigger budget for education than that of the United Kingdom Parliament although it serves only 3 million, not 60 million people. We saw a class of youngsters engaging in a lively, non-party—but political—contest. The Assembly undertakes outreach work with schools, the like of which we have not even begun to consider. I see that as a major priority for our Parliamentary Education Unit if we can expand it and if the extra resources that we need can be invested in the unit.

Mr. Drew: I wish to congratulate the Parliamentary Education Unit. It is one of the best aspects of Parliament. It is so good because it strives for quality. In reality, we need more quantity. It chooses a few schools, but somehow we must get some balance into the way in which the unit works and ensure that materials are readily available for it. There are some good materials, but they are not accessible enough. All schools should have such materials available to them.

Mr. Hain: I can only agree with my hon. Friend. I join him in congratulating the Parliamentary Education Unit on its work. The burden of the Modernisation Committee's report, with my strong backing, is that the unit needs to do much more and to be given extra resources by the House to enable it to do so. That is an urgent priority because the democratic gap that is opening up in our society between young people and the rest of the democratic system is worrying. The IT access that the House provides needs to be updated. The website has been pretty abysmal. It needs to be much more user-friendly, accessible and attractive, especially to young people. The truth is that, however much outreach work is conducted by the unit or by schools that visit this place, they reach only a fraction of youngsters, whereas through the internet we could reach millions of youngsters if we could give people a much greater and more attractive access to the House's work.

Mr. Drew: I agree with my right hon. Friend. One way in which such matters can be pulled together is through the Youth Parliament. A view was taken that it was playing at politics. Through working with my member

of the Youth Parliament, I really believe that we are on to something. We ought to see the connectivity between what we are trying to do in our Parliamentary Education Unit and the fact that the Youth Parliament should be given more emphasis in generally bringing young people into the democratic process. We must make it clear that the parliament is making decisions that affect lives; it is not making superficial decisions. What does my right hon. Friend think about that?

Mr. Hain: My hon. Friend makes another valid point. The Modernisation Committee took evidence from members of the Youth Parliament and my hon. Friend the Deputy Leader of the House has engaged directly with it, too.

The second issue that I want to raise is security. We must reconcile greater accessibility with the need to maintain the security of this place in the face of the changing threat from terrorism. I have made my views on the security of the Palace well known. I welcome the recruitment of a parliamentary security co-ordinator who will cover both Houses.

The third main issue that I want to raise is our management processes. It is now five years since the Braithwaite review of management and services. I believe that in the next Parliament it may be time to revisit the issue and to consider whether our management structures require updating to fit the 21st century. We may also need to consider how best we ensure that hon. Members' views and needs are taken fully into account, while allowing professional managers sufficient freedom to manage effectively.

I welcome this opportunity to put a few points on the record and I look forward to reading the record of what I hope will be an excellent debate.

3.15 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): I, too, welcome this first debate of the Commission's annual report and I congratulate the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) on the comprehensive way in which he opened the debate. I should also like to join the tributes that have been paid to the Clerks and to other staff of the House, who do such an excellent job. I also want to mention Robert Rogers, who was the Secretary of the Commission for most of the period that we are covering, and his successor, David Natzler, who gives the Commission tremendous support.

I agree with the Leader of the House that we must ensure that Members of Parliament and those who visit this place are safe. I also welcome the decision to have a security co-ordinator. I am pleased that we have not changed the essential responsibilities within the House in that process. It is important that there is clarity both in the Serjeant at Arms Department and about the arrangements at the other end of the building, and that the responsibilities are well known. The additional co-ordination will bring something extra and something that is extremely useful to the process.

I could not agree more that we need to improve education and education facilities in the House. The Parliamentary Education Unit does a fantastic job, but it needs to have the resources to take that further and to be given precedence within the House in terms of accommodation and space, so that when it has parties here, it knows that it is not going to be bounced out of the room and that it can do what it needs to do. It should have that little bit of precedence. If it were a choice between a foreign delegation, a tourist or a group of young people who are learning about their democratic heritage, I would opt for the young people every time. We must connect with the young people of the country and ensure that they know what their heritage is.

I also think that we can do a lot more with the website, and I particularly like the idea of expanding the online forums. In relation to the Communications Bill two years ago, we had an excellent online forum, which was moderated by the Hansard Society. Everybody agreed that it was a fantastic success. It opened up the doors of Parliament to interest groups and individuals who wanted to contribute to the process of making law. We ought to take that lesson from that Bill, which involved such a success, and do more of it. It is a sadness that we have not been able to take that further. I know that work is being done on the website and that Ministers are also interested in the idea. I hope that it will lead to more open dialogue about Bills.

The hon. Member for Roxburgh and Berwickshire mentioned the Audit Committee, which I chair, and I should like to say a little about it. I want to thank Mark Egan, who is its secretary and who does a great deal of work. The Committee gives advice on internal review and audit matters to the Commission.

During the past year, we have been trying to concentrate on certain areas. One is risk management, where there is the need to get in place proper plans to ensure that the major risks to the system are properly appreciated in all Departments of the House. We will be continuing with that vigorously over the coming months. Other such areas are value-for-money studies and core audit work. We are determined that they should have a proper focus.

3.19 pm

Sitting suspended for a Division in the House.

3.34 pm

On resuming—

Mr. Heald: The Audit Committee is anxious to concentrate on risk management, value-for-money studies and core audit work. I pay tribute to the work undertaken by the Internal Review Service. In the past year, it has been thought right to introduce a new, independent, outside partner to strengthen the team and to give it a diversity of talents and skills. A new partner, PricewaterhouseCoopers, will be assisting us in the audit work that is necessary and the review work that the Internal Review Service undertakes.

I join in the tributes to Sir Tom Legg and David Taylor, our external members, who provide the Committee with invaluable advice, and to representatives of the National Audit Office, who attend our meetings and who provide a sounding board of what is the best practice externally. This year we agreed to an assessment of their effectiveness as our external auditors, so we will audit the auditors, which is a first for the Audit Committee. Although there is always more to

[Mr. Heald]

do, particularly so in the audit function and with the new risk management requirement coming on-stream, I feel that we have made good progress, and I thank the hon. Member for Roxburgh and Berwickshire, the other Member of Parliament on the Audit Committee.

I welcome this debate, which is the first of what I hope will become an annual event. I repeat my earlier points about connecting with Parliament, the Parliamentary Education Unit and the security co-ordinator.

3.36 pm

Ian Stewart (Eccles) (Lab): Through you, Ms Anderson, I send our compliments to Mr. Deputy Speaker, who had to leave the proceedings due to ill health—his nose was running.

Today's opportunity to discuss the House of Commons Commission and its work on our behalf is long overdue. I pay tribute to the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) and the Commission for all their work. I have to tell him, however, that it needs to be more accessible and still more transparent. That is the clear message from hon. Members who have spoken in the debate.

I compliment the hon. Gentleman on being the only Member of the House who was prepared to stand up and argue the case on behalf of hon. Members, explain our role and say why we need certain resources to carry it out.

Mr. Martin Salter (Reading, West) (Lab): The hon. Member for Roxburgh and Berwickshire did a fantastic job in standing up for Members of Parliament. Many of the rest of us took to the airwaves and defended the fact that we made a fundamental mistake in allowing the budgets that are used to pay our staff and run our offices to be called expenses, when in fact they are allowances, as we all know. Neither my hon. Friend the Member for Eccles (Ian Stewart) nor I pay our staff out of expenses; we pay our staff a wage to do a job of work on behalf of the people we represent. Does he not think that we should retitle that budget head?

Ian Stewart: I concur absolutely. We Back Benchers were doing exactly what my hon. Friend says, and my compliment was because the representative of one of our official bodies took the trouble to explain the matter. During that difficult phase for those of us who want the integrity with which we try to carry out our job to be seen, it struck me that we do not judge a bus driver's income on the basis of his or her salary plus the cost of the bus, the diesel and the maintenance. There is an educative case to be put, to which I will return.

Mr. Salter: Does my hon. Friend agree that you could judge the worth of a journalist, particularly a tabloid journalist, on the size of his expense account?

Ian Stewart: I could not possibly comment. However, I suspect that my hon. Friend is correct.

I shall comment on the subjects in the annual report in the order in which I found them, starting with Members' computing and IT support. IT support is something of a misnomer. Things have greatly improved over the last five years: Members used to have an allowance from which to pay staff salaries and rent for offices and, if there was anything left, they would decide what IT equipment to buy. Now, the House provides a set package, which is much more acceptable, although in my view the package is too limited. The misnomer is "support".

The Parliamentary Communications Department does an excellent job in restrained circumstances. It has a tight mandate—essentially, its job is to install equipment in Members' offices and to get the cables to the equipment. It is not to help Members with software problems or to install software that Members may wish to use. I call for the PCD to establish a Members' IT unit, like those units that I understand each Government Department has. We should enable the PCD to run a Members' IT unit, which would be a great step forward to people such as me who are computer illiterate. There has also to be a change of attitude in the House towards modern technology. I understand the caution: this place was not built for modern technology. The PCD was given a brief to build part-solutions on top of part-solutions and, in effect, that has been a mess. What other hon. Members have called for, which I support, is a complete review of our approach to modern technology in the Palace and our constituencies. That means giving the PCD the proper resources that it needs to carry that out.

I shall give some examples, although I know that time is limited today. The world of technology has become pervasive. Computers are now hand-held, and we are able to communicate effectively from one side of a Room to another, yet we still have a system in Committees and in the Chamber where Ministers have to send Parliamentary Private Secretaries with a piece of paper to the box where civil servants sit, and the PPS has to return with the answer on a piece of paper and give it to the Minister. There is no reason why there should not be tablet computers in the Dispatch Box or on the Table. The civil servants could write on to their tablet computer in their own handwriting and the answer would be then received in text by the Minister at the Dispatch Box. Pilots of such a system must be carried out. I understand Mr. Speaker's concern about misuse, but the time is now right to carry out pilots that would at least enable the House of Commons Commission and the relevant Committees to evaluate properly where we are with technology today and what use of it is appropriate in the House.

The next subject dealt with in the report is Members' salaries and allowances. I remind hon. Members that during the debate on the Senior Salaries Review Body report, it was made clear that not one Member of Parliament made a submission about their own terms and conditions—not one. In the main, the submissions were about Members' staff's terms and conditions—trying to sort out historical problems that mean that staff cannot be paid at the appropriate grades and/or benefit from staff development. The decisions that we as a House made in the face of the SSRB report have made a great improvement in terms of resources, but they are still not sufficient to meet the historical problem whereby senior members of staff with expertise and experience cannot accrue the right grade and the fact that there is still no mechanism for staff development. Those issues still need to be examined.

There is another issue about Members' staff and MPs' terms and conditions. When I wanted to make a verbal submission to the SSRB—I was the only Member to do that—I had to fight and complain to do so. Having got in to see people directly, I learned quite a bit from them, and I hope that they learned something from me. When I made an application to see all the data that the body had received about all the issues with which it was concerned, I was told that it was not allowed to give me access as a Member of Parliament. That is outrageous and I hope that the Commission will look into that situation. In the light of freedom of information legislation, it should be illegal. I hope that, when in the next Parliament an MP asks for access to information that the body is using to make its decisions and recommendations, we will all have equal access to it.

I fully support the House making publicly available information about our terms and conditions as MPs. I have always supported that transparency, but the lesson that we must learn from the recent exercise is that there is no use in laying bare basic statistics about salaries, expenses and allowances if we do not have an educative process to explain why MPs need them, what an MP's service means and what it costs to provide that service to our constituents. We must implement a long-term strategy to raise public awareness about what an MP's role is, what our service comprises, what it costs, why it costs that, and why it is necessary in view of the concept of citizenship and our parliamentary democracy.

We heard earlier in the debate from the hon. Member for Roxburgh and Berwickshire speaking on behalf of the Commission, the Leader of the House and others that Parliament has an Education Unit. Its work is first class, but understated. It is important that more and more MPs know of that work and make use of it. I am all in favour of the further dissemination of it through the internet and any other mechanism, but it cannot stand alone. It must be seen in the context of a wider educative strategy to raise public awareness about the role of Parliament, MPs and supporting staff.

A strange issue of space arose during the SSRB debate. The public have long been aware that there is an issue of space in the parliamentary estate, and my suspicion is that there will always be an issue about office and facility space. However, instead of manoeuvres such as forcing MPs either to dismiss staff in London or move them out to the regions, which may be completely impractical, we should be open, transparent and honest with the public about why we may need more space within or adjacent to the Palace boundaries. Some years ago, when Portcullis House was built, I predicted that within 10 years the 200 MPs housed there would have to be reduced to 100 because as electronic casework increases, the need for more members of staff will increase, which will mean less room for MPs. That is a consequence of the success of modern communications. I may be wrong in my judgment, but I am not wrong about the drift of my prediction. We need a proper assessment and transparency as part of the wider public educative strategy that I mentioned earlier.

My next and, hon. Members will be pleased to know, second to last point relates to medical services. Historically, we have had access to a GP in the House, but it has always struck me as strange that we have access to professional, qualified medical practitioners, yet they have never been able to prescribe for us on the health service or refer us to hospital if such attention is needed. I raised that with the appropriate Committee, which has made a deal with a local GP service in Westminster, but I have used that service and found that it is an acute service. It is somewhere to go to with a broken leg or finger, but it does not carry out the functions of a normal GP. I would transfer to a local GP, but we cannot get access to or register with them. Will the Commission see whether the service of the GP in the House can be enhanced to include prescribing and referral? There is a community of thousands of people here at Westminster, which is akin to what a local GP would have in any of our constituencies, so there is a rationale for examining the issue further.

My final comments regard training for MPs' staff and MPs. I was appalled when I came here in 1997 to find that there was no training for MPs. I was appalled that no one explained what our role was or how we should carry out our basic functions. Some of us had never run budgets or done casework before, and the truth is that most people were left to sink or swim based on their own experience or nous. That was not acceptable, so I encouraged others to set up an education and training system. Through self-interest, I intended it to be for MPs, but we soon realised that MPs' staff needed training first. That system was established through the European Union-funded ADAPT programme as an external social partnership. After the two-year pilot, we managed to get it into the House through the 2001 SSRB report.

To be frank, most MPs knew and perhaps still know nothing about it, but it is an in-house service—I will come back to the word "service" in a moment—currently called the parliamentary learning and development project. I drew attention to the word "service" because there are people who do not want MPs to have those facilities—to have access to training. That is why the system is called the parliamentary project. To me, the word "project" has a sniff of the temporary about it. I refer to it as a parliamentary service because I believe that it is a fundamental service and that it should be not only permanent but developed further.

Currently, the service provides with an external contractor training on how to use computers. It is excellent stuff, first-class training and very important, but the second and third phases of the idea have never been addressed or implemented. The first phase, which we are still in four years on, is about basic awareness of what facilities exist and how to use information and communications technology. The second phase was to develop what I refer to as core MP service materials—that is, training materials on how to do casework, how to set up an office, how to be a good employer, health and safety and so on. We need to reach that stage. I suppose that I am extreme in my view, but I would go to the third stage, which would involve a distance-learning system accessible by MPs and staff that allowed us to train in any parliamentary subject that we chose, to whatever level we saw fit. For example, I am not an economist; I cannot even count properly—*[Laughter.]*—but let us say that I wanted to major in Treasury matters because those matters concern every aspect of our work. Why should I not have access to training so that I as an MP can understand Treasury matters and take part in votes and debates on a more informed basis?

[Ian Stewart]

I am sorry that I have taken up so much time and covered so many issues, but I promise the hon. Member for Roxburgh and Berwickshire that if we make this debate an annual occurrence, I will try to restrict my comments. However, I will certainly still comment and I will welcome the opportunity to do so.

3.57 pm

Mr. Paul Tyler (North Cornwall) (LD): I am pleased to follow the hon. Member for Eccles (Ian Stewart) because I agree with many of his comments—I do not intend to repeat them—and I want to pay tribute to him. He has played a unique role as a pioneer in trying to ensure that we all, as hon. Members, and our staff are better trained for the extraordinarily difficult job that we now face in this place.

The hon. Gentleman made extremely important points about the future of the project, of which he is the godfather, if that is still a polite expression to use. I also agree with what he said about the Senior Salaries Review Body. We all, I hope, learned something from the exercise earlier in the autumn, and I hope the board did too. There were mistakes in how it went through the process of analysis, not least, as he said, the fact that it was not made clear to hon. Members who might have an interest what data it was taking into account in its recommendations.

I want to comment more widely. At the outset, my hon. Friend the Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) referred to the role that the hon. Member for Southampton, Test (Dr. Whitehead) and I have played. We have performed a duet of sorts over a number of months, across parties, in seeking such a debate. I congratulate the Leader of the House on making this opportunity available; we have waited 25 years for it.

I am a historian rather than a professional politician by background, and surely the greatest irony of all is that the House of Commons was set up to hold people to account for the expenditure of taxpayers' money, yet the work of the Commission was the one issue on which the House never had an opportunity, for all those years, to hold to account those who spend the taxpayers' money. It might be churlish to say so, but the debate is better late than never. I hope that in future years the Leader of the House, or his successor, ensures that such a debate takes place soon after the publication of the annual report, when the figures and information given are more relevant and up to date.

One or two Members have had to leave, but I want to pay tribute to Members who sit on the House of Commons Commission. It is an extraordinary fact that those who chair debates—not the most exciting of a Member of Parliament's duties—and those who sit on the Commission, but not ex officio, are not given any extra reward. Doing such things on behalf of the House is a role for unsung heroes and heroines. As a House, we apparently think it important to encourage career development for those who are not going to be Ministers, so we provide rewards for the Chairs of Select Committees. There must be a case for doing the same for those on the Commission and, Ms Anderson, for those who chair debates and Standing Committees.

On the whole, we get very good value for the money that taxpayers entrust to us for running this place. The cash outturn is £140 million—a big sum—but when we look at the report, we recognise the extraordinary range of activities that that has to fund. The key issue is that we should be given this opportunity annually to satisfy ourselves that we are getting good value. Given my role in the House, I happen to keep a close eye on a lot of the House's activities, but the report is a revelation. I thought I knew how this place operated, but I learnt an awful lot. I suspect that that would be even more the case for Back Benchers.

Before I turn to my main points on this report, I want to illustrate the deficiency—the lack of real accountability—by referring to the frequent items on the vexed issues of security and risk management. The relevant pages are 36, 40, 56, 58 and 62. The Leader of the House and my hon. Friend the Member for Roxburgh and Berwickshire referred to those issues. I sincerely believe that whatever eventual conclusions are reached as a result of the security review referred to in the report, it is essential that the House as a whole owns the measures taken. We should all feel involved in the exercise and feel that the right balance has been struck.

Obviously, it would be inappropriate to go into any detail, and in any case I am not in the loop. I am not involved and have no idea of the precise proposals under consideration. However, those in the loop must surely be conscious that this is no ordinary private or commercial institution; it is not even a Department. The report's very proper emphasis on the right of every British elector to access his or her parliamentary representative as freely as possible so as to know what we do here on their behalf and to seek to influence our decision making is crucial. That must be the overriding consideration, which becomes even more vital to the health of our parliamentary democracy when our basic freedoms seem to be under attack.

I hope that the decision-making process will ensure that the balance of the risk is studied with exemplary care. To take extreme examples, creating a fortress mentality with a metal, concrete or armed barricade that stretches right around Parliament—including around the frontage on the River Thames—seems to me as inappropriate as going to the opposite level of surveillance and simply scrapping all visitor identification passes.

In recent weeks there have been swarms of police and security officers in the building, most of them here for the first time, looking as lost as some of those whom they were seeking to guide and check. That has hardly increased Members' confidence. In the past, I sought to find out how many security passes—apparently, some 14,000 are issued for these buildings—go astray each year, and I thought that a reasonable request. However, although we had figures for Departments, we never managed to get a figure for the House. The peripheral security of the buildings is probably the most critical issue. I am not expert, however. All I say is that we all have a responsibility, as well as a right, to be involved in that process. Somehow or other, we have to find ways to make that happen. As is so evident from the report, those are difficult considerations to balance. I pay tribute to the care with which various groups—shadowy groups, admittedly—in both Houses have had to grapple with that dilemma.

Clearly, there are no simple and speedy solutions. However, handing over the responsibility for parliamentary security to the Home Office—even with a new Home Secretary—and to the Metropolitan police, rather than leaving it with the much maligned men in tights, was never going to be satisfactory, not least because the police failed to act on a clear tip of a likely security breakdown on the day of the hunting incursions.

I believe that our staff, who of course cannot speak up on their own behalf, owe us nothing in terms of how they have looked after us. They have often been in difficult, if not dangerous, situations and have been maligned for what might have happened rather than being given the credit and congratulations they deserve.

As the report makes clear, such matters remain political. The House must be given the opportunity to strike the right balance between risk and representative access. It must be a matter for the Commission to decide how best to build that consensus across the House, and I know that the members of the Commission are giving thought to it. I do not know the answer, but I beg them to think carefully whether, through the various party mechanisms, there may be a better way to ensure that we all feel involved in the exercise and feel that we own the outcome. Simply briefing the great and the good will not be sufficient.

My main theme is to relate the work of the Commission to the work of the Select Committee on Modernisation of the House of Commons, to which the Leader of the House, who chairs that Committee, made reference. In the difficult security context to which my hon. Friend the Member for Roxburgh and Berwickshire referred, I am most concerned that both Houses of Parliament should take positive steps to meet the challenge of people's disengagement with the political process.

I believe that there is no real evidence that the public are any less concerned than in previous generations about the big issues that affect them individually or as families, or about those that they see as being of national or international significance. The invasion of Iraq, whatever views people take on it, has demonstrated that there is just as active an involvement in issues in the body politic as there ever was. However, the problem is that so many people have lost confidence in the political institutions that they feel should represent them and address those issues.

There is also real confusion among all age groups about the relative responsibilities of the Government and Parliament. A number of hon. Members will have heard me say this before, and I hope they will forgive me if I refer to it again. I was intrigued when looking at the No. 10 website—it is excellent, and I hope that those who are redesigning the parliamentary websites take note of it—to see a lovely series of photographs showing a day in the life of the Prime Minister. Hon. Members will understand that what I am about to describe might be slightly out of date: the photographs show Alastair Campbell coming in before breakfast, then the Prime Minister spending five minutes with the Deputy Prime Minister, and Alastair Campbell coming back again after breakfast. So it continued through the day. It was fascinating.

However, perhaps at quarter to 12, suddenly there was no one sitting behind the desk at which one had seen the Prime Minister having all those discussions, and the caption underneath said, "The Prime Minister has now left to go to the House of Commons." There was no explanation of why he had gone to the House and no reason given for why the Prime Minister—everyone thinks he is the Government—should have any relationship at all to that place down the road. That was symbolic of the real but unfortunate confusion out there among the public about the relative roles of Parliament and the Government in a parliamentary democracy. We do precious little to help people to understand that.

That feature has been removed from the website, perhaps because it is now so difficult to keep up with the people going in and out of No. 10. Its sell-by date might therefore have been reached. However, I return to the point that the section on pages 31 to 38 on providing information and access to the public—to which my hon. Friend the Member for Roxburgh and Berwickshire made reference, as did the Leader of the House—and most specifically objective 6 on page 61, are critical for the reasons mentioned in interventions and by the hon. Member for Eccles.

It is fascinating that there is a group from both Houses within these buildings that is given the task of working out how best to promote and explain Parliament and listen to the public. That is the Group on Information to the Public—the GIP. The experts are all here this afternoon, but there are approximately 650 other Members and I bet that only a handful of them have any idea that the GIP exists, let alone to whom it is responsible. What is so interesting is that it is run by Officers of the House. There is no Member involvement at all.

Whatever else we Members of Parliament are good at, I should hope that we know something about the relationship of the political system to those it serves—the public. It is critical that the GIP should be given some responsibility by and accountability to a group of Members, and I hope that my hon. Friend the Member for Roxburgh and Berwickshire takes that point up. Since it serves both Houses, as I understand it, it would be interesting if the GIP were answerable to a Joint Committee, which would then be answerable to us as Members of the House. I do not mean any disrespect to the experts, but if that is such an important role in the two Houses of Parliament, Members should be involved in it.

I hope that I am not breaking some terrible rule by referring to this, but when the GIP's existence was mentioned during a meeting of the Modernisation Committee, we who had been studying the issue for some months in preparation for the report that came out in the summer were amazed at its role and one or two people looked as though they had never heard of it.

Our report makes a number of recommendations. It has been published since the Commission's annual report, so I would not have expected my hon. Friend the Member for Roxburgh and Berwickshire, who is speaking on behalf of the Commission, to refer to it, but I hope he finds time to mention it at the end of the debate.

We put the emphasis on the cost-benefit value of online contact, as opposed to trying to invest in elaborate facilities in this group of buildings. I played a

[Mr. Paul Tyler]

role in developing that and was delighted that the Leader of the House picked it up and ran with it. If we are lucky, the Chancellor, whoever he or she may be, will one day sign off a huge sum for a new visitor centre, but it will take time to get the money in place, find the right site and develop it. When it comes it will be of value, but I wonder whether in their school career 5 or even 2 per cent. of my constituents, or those of any hon. Member in the Chamber, will find it of benefit to go to the visitor centre and see Parliament. It will still be a rather remote place with rather remote things going on in it.

All the time, particularly as the hon. Member for Eccles emphasised, more people are becoming attuned to working online. My constituents in North Cornwall are far more likely to understand and input into what is happening in Parliament if that is online, rather than just going to a visitor centre. The parliamentary website already has 25 million hits, which is a huge number and an increase of 74 per cent. on the previous year. At the moment, that is an extrapolation beyond the usual connections. People are becoming used to getting information online when they want it and in the form they want it. Everything that has been said this afternoon by a number of hon. Members about improving the quality of our website, particularly the ease of navigation, is critical. It will be good value for money.

I am not saying that we should not have a visitor centre, but if we have a spare £1 million—I hope the Deputy Leader of the House has his cheque book in his back pocket—let us improve the website facility and ensure that the access across our nation is as good as it can be, whether in Eccles, Roxburgh and Berwickshire or North Cornwall, because that is the practical way to explain what we are doing and to enable our constituents, not least students, to input into it.

I endorse what has been said about the Education Unit. I brought a representative group of teachers, advisers and governors involved in the education process, all of whom are involved in the citizenship syllabus, to meet the Education Unit. First, they were not aware of its existence. Okay, Cornwall might be a bit backward, but those people had other considerations, such as examining other websites and material, which is flowing into those courses. Parliament did not seem to be very high on the list. Secondly, they were impressed with the quality of material. The hon. Member for Stroud (Mr. Drew) referred to that. The Education Unit produces superb material, but the problem is that it is simply not yet getting to where it needs to be. Thirdly, having seen the quality of it, they went back—I know, because I have met some of them since—and are now using it. However, they also endorse what has been said about the inadequacy of the online facilities to back up the material.

I want to discuss one other issue of importance and then return to where I started. Reference has been made to the extent to which there is a totally integrated approach between the two Houses of Parliament on the issues of security and IS/IT. One hon. Member—the hon. Member for Lewisham, Deptford (Joan Ruddock), I think—said, "Well, why didn't we get round to doing something about catering?". Clearly, there would be real economies to be made if we could bring the facilities together. I do not think that our noble Friends at the other end of the building have quite different dietary needs from ours; on the whole, the ones whom I meet are reasonably human. I hope it is possible to combine the catering facilities; there would be benefits.

Even more importantly, the way that information is provided in the two Houses could be brought together. That does not just mean the Libraries, which work as if there was a Berlin wall between them. The website is a joint operation, but all the information that emanates from Parliament should be provided in a co-ordinated, integrated way.

We have those examples and, in terms of updating the management structure, to which the Leader of the House referred, and the new strategic plan, to which my hon. Friend the Member for Roxburgh and Berwickshire referred, we should make it a cardinal objective that the two Houses of Parliament must work better together.

That brings me to my final point. This is not just a matter of good management-speak or of tidying up. To my mind, it is critical that Parliament as a whole is more effective at holding the Executive to account. Too often—this was particularly true in the debates on reform of the House of Lords, to which I hope we return before too long—there was some assumption that the two Houses were in competition. That should not be the case. There may be occasions when we have differing views, but Parliament as a whole has a responsibility together to ensure that the Executive of the day are doing their very best to serve the nation.

Surely the best way to improve the standing of Parliament is to ensure not only that the message that we produce is as impressive as it can be, but that the means by which it is communicated are as effective as possible. That must mean that the two Houses of Parliament have to work together, rather than against each other.

4.18 pm

Mr. Martin Salter (Reading, West) (Lab): I shall try to be brief. I am conscious that this debate is being webcast to Catalonia and that other hon. Members want to contribute.

I commend the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) and the Commission on the annual report, particularly on its clear and concise presentation and layout, which is really quite refreshing. In my maiden speech, back in July 1997, I called for House of Commons papers and publications to be written in intelligible, plain English and not in some sort of impenetrable code. Too many of our proceedings and too many of our publications are still shrouded in language and practices that are woefully out of date for a modern, 21st-century legislature. However, that does not apply to this annual report.

I shall concentrate on two issues referred to in the report that have also been the subject of extensive deliberation by the Modernisation Committee, of which I, like the hon. Member for North Cornwall (Mr. Tyler), am a member. They are the sittings of the House and how we communicate with the public. Both topics have been debated extensively by Parliament.

Page 31 of the annual report has an entire section on providing information and access for members of the public. I was pleased to find out that we have a

communications strategy. It is fairly recent, but it is informed by professional advisers and is to be commended. I was delighted to read that the House of Commons Information Office, received some 60,000 inquiries in 2003–04. That is down from 100,000 in 1999–2000, but as the report goes on to explain, that is probably due to the success of the parliamentary website. I understand the complaints made about the website and the difficulty that some people have in navigating around it—people who include my staff and myself, as I cannot switch on my computer. Notwithstanding that, it is remarkable that our Parliament has secured something like 25 million live and successful hits on its website.

I can remember debates about the dangers of broadcasting Parliament that took place when I was a British constitution student, I think, or perhaps during some other period of my life. I think that it was Joe Ashton who said that if we broadcast Parliament, we would be invaded by abseiling lesbians or some other form of lesbian. However, although Prime Minister's Question Time might not be much more than a pantomime, I have been pleasantly surprised by the tone, content and quality of debate in the House of Commons in the short period that I have been here. I see no evidence that the tone, content and quality of debate has been reduced in any way, shape or form as a result of Parliament's proceedings being broadcast.

Particularly for our audience in Catalonia, I should mention webcasting. I am not entirely sure what that is, but I am impressed to learn that during the one time when I thought that this place really was the cockpit of our democracy—that is, in March last year in the run-up to the votes on whether we should invade Iraq—some 600 people were logged on to the webcast from the Houses of Parliament at any one time. We have an audience out there; we have a fan base. A lot of people are interested in what we are doing, not just those from special interest groups or lobbying organisations. We should be proud of the progress that has been made in communicating what we do and the business of the House to the public.

My hon. Friend the Member for North Cornwall—I will call him that, because I consider him a friend—alluded to "Connecting Parliament with the Public", as did the Leader of the House. That report was not as strongly worded as some other Members or I would have liked. I will come to that later, particularly when we talk about postage and how we communicate with our constituents. The report certainly recognised the value of the Parliamentary Education Unit. When we took evidence from the staff of the unit, it was interesting to see the scales being lifted from the eyes of Committee members, who suddenly realised what a fantastic job the unit had done. With the limited resources available to it, the unit was able to provide 80 to 96 sessions as part of its autumn visits programme. If we divide that among 659 MPs, it is quite clear that some 16 to 19-year-olds are getting a fantastic service through the Parliamentary Education Unit, but that its resources are not nearly enough to allow it to reach out in the way that all of us who are serious about having citizenship education expanded would like it to.

One of the recommendations of the Modernisation Committee's report was that we and the Department for Education and Skills should

"reexamine the balance of the citizenship curriculum because, while we recognise that the other matters covered by the curriculum such as the balance of rights and responsibilities and community involvement are crucial aspects of citizenship education, an understanding of the country's democratic institutions is also of fundamental importance to today's young people, and to the engaged voters of tomorrow."

We have had debate after debate in this place about low voter turnout. I worry about that as much as anybody else. I have worked as hard as any Member to communicate and to make this place and the job that I do come alive to the people whom I represent. I never cease to be amazed at the look of wonderment on young people's faces when I bring them to the Houses of Parliament for the first time. We are taking something out of the newspapers and off the television screens and making it feel real. As we said in the Modernisation Committee report, we should be building into citizenship education as much access to this place and its workings as possible. That is why I very much support the idea of a live gallery. At the top of the Chamber are the areas—I think they are called Special Galleries—reserved for VIPs, who are not always that important. They occupy space that we could use to allow young people to go through the Chamber and see it in operation—perhaps from behind a glass screen, just to keep out Countryside Alliance and Fathers 4 Justice. Young people could actually see the place in operation as part of their tours.

It always seems a great shame to me that when young people or visiting parties come round the Houses of Parliament, they do not see it in action. They are actually seeing a building and seeing history—but this place is about making history, as well as a place where history was once made. That brings me on to a point that caused some consternation to the forces of reaction on the Modernisation Committee and among some of the more traditional elements within the Houses of Parliament: that is, the idea that perhaps Members of the UK Youth Parliament, or even citizens of this country, could, on occasion, actually be allowed to park their bottoms on the green benches.

We are very serious, as my hon. Friend the Member for Stroud (Mr. Drew) said, about encouraging the UK Youth Parliament and its representatives in our localities. If I or anybody else here visited the United Nations, I could probably sit where the Secretary-General sits. If I visited the Welsh Assembly, which I have done, I could sit where the First Minister sits. If I visited the Senate, I could occupy senators' seats. Is it not frankly offensive that that is not possible for visitors to the House of Commons, because we have tradition? Of course we have tradition. We have a tradition of putting people up chimneys. We have all sorts of traditions that we should have got rid of a long time ago—fox hunting was one of them. After long discussions with the people who organise the UK Youth Parliament, I believe it would be a tremendous asset if, from time to time—not on a Wednesday, but perhaps on a Saturday or a Sunday, or a Friday when we are not sitting—young people could have the experience of being on those green benches and debating as we do, in that cockpit, in the mother of parliaments, in the House of Commons.

[Mr. Martin Salter]

That is all about how Parliament as a whole communicates, but what about how we as Members of Parliament communicate with our constituents? For all the webcasting and broadcasting, Members of Parliament are still the gatekeepers of this place: we are still the primary point of contact between Parliament and our constituents. That is what we are here for. The annual report shows that despite all the advances, the good old-fashioned Royal Mail is still by far the most common means of contact, the most used method of communication between members of the public—our constituents—and parliamentarians. The Commission's annual report tells us that Parliament now boasts no less fewer than three post office counters and 17 main post boxes with a 7 o'clock collection. However, how effective, sensible and logical the rules governing the use of House of Commons stationery are has been a matter of great debate among members of the Modernisation Committee and MPs in general.

The current position is confusing, to say the least. I believe—and the Modernisation Committee conceded this point, although it did not come up with much of a recommendation—that the rules are in urgent need of clarification. They really do need to be made clear. We talked earlier in the debate about the Freedom of Information Act 2000 and the returns that were published. It is quite incredible that of 659 MPs, some showed a nil return on the use of House of Commons postage. I do not mean to insult anybody, but I have to ask: how can a Member of Parliament get through a year and not write a letter? If anyone can tell me, I really would like to know.

Ian Stewart: There is a misconception. Some Members of Parliament have stocks and so do not need to request more envelopes in a certain period.

Mr. Salter: And some Members of Parliament probably need to be put in stocks. That was a marvellously diplomatic explanation, well put by my hon. Friend.

The range is incredible. No business would give half its sales force a target of nothing and the other half a target of £41,000. I would query either end of the spectrum, although I am more sympathetic those at the high end. I pay tribute to those hon. Members who work hard to communicate with the people whom they represent. The disparity and the evidence that the Committee took tell us that hon. Members are interpreting the rules in many different ways.

I wish to state for the public record why I think the rules are confusing and where changes need to be made. Three main categories are laid down in the rules, the first of which is that Members' use of freepost

"is unlimited, although its use is monitored."

Secondly,

"Circulars may not be used for business or commercial activities, for fundraising, surveys, to encourage people to join a political party or for election campaigning."

I absolutely agree with that, except for the point about surveys. If we cannot carry out surveys of opinion—not political opinion, but opinion on an issue—how on earth can we be expected to respond to consultations, White Papers or Green Papers, on which the Government seek views and opinions and often do so through MPs?

Thirdly,

"Members may not use post-paid envelopes for circulars, but they may fund their delivery out of their Incidental Expenses Provision".

The note to the Select Committee continues:

"For the purposes of the House's rules, a circular is any letter sent in identical or near-identical form to a number of addresses, if it is unsolicited . . . What this means in practice is that, if a Member writes to a number of constituents who have already contacted them, then this communication falls outside the scope of the rules governing circulars, and may be distributed in post-paid envelopes. If, on the other hand, a Member wishes to contact a group of constituents who have not already contacted them, then the cost of distributing the communication must be met out of the IEP—a cash-limited budget which must also cover office accommodation and equipment, bought-in services and certain staff-related costs. Another route open to Members is to engage the services of a distribution company, which is permitted under the rules governing the IEP. As many MPs routinely overspend their IEP, this means that circulars are ultimately funded either out of their own pockets, or at the expense of other services to constituents which would otherwise be funded . . . The prohibition on using the House's postal services for political campaigning, fundraising or business correspondence is entirely proper. But the blanket prohibition on sending unsolicited mailings creates a crazy contradiction: a Member may send as many post-paid circulars as she likes to constituents who have contacted her, but must use a limited budget to contact those who have not. It is precisely those constituents who do not write to their MP who might be better engaged with the political process if their MP were to contact them from time to time."

Let me give some absurd examples. I am an enthusiastic user of the House of Commons freepost. I have a large database containing the names of people who have contacted me. I have gone out of my way to ensure that petitions, tear-off slips and survey forms come back through my constituency office, so that I have such contacts. I am therefore in a lucky position in that I can consult my constituents legitimately, using the House of Commons freepost. But should I have to do all that? Should we be running around collecting signatures on petitions against sin to build our databases, so that we can have a sensible dialogue with the people whom we represent?

There have been proposals to close four post offices in my constituency, although I managed to win one of the fights. Huge public interest was shown in the matter. I am supposed to report back to Postwatch and the Royal Mail with the views of my constituents, yet I cannot write to people in the area to ask what those views are.

Janet Anderson (in the Chair): Order. I remind the hon. Gentleman that the Commission has no direct responsibility for the use of free postage. I have allowed him some freedom to elaborate on his point because I understand how important it is to hon. Members, but I should now be grateful if he would conclude his argument fairly briefly.

Mr. Salter: I was flowing really well. Not only was I right, but I was about to conclude my remarks. To repeat—no, I will not. As elected representatives, we are put in the position of doing a lot more than was expected of us many years ago. When my right hon. Friend the Foreign Secretary, then the Home Secretary, introduced

a debate on electoral reform—a debate that I am glad to say we have not had for a long time—he cited figures from the House of Commons post office for which the House of Commons Commission has some responsibility. They showed that, in the 1950s, the average number of communications with Members of Parliament was between 50 and 20 per week. In those days, a communication would have been a letter. My mum and dad would not have written to a Member of Parliament; they might have asked the vicar or a doctor to do so on their behalf, but they would not have done so themselves. That was something that the gentry did. Life has moved on, however, and the latest figures show that between 300 and 500 communications—faxes, e-mails or letters—are received a week. Our resources have expanded. We have a lot more staff, which is good. We have excellent facilities in much of the Palace of Westminster to house our staff. But do we have the wherewithal through the postal system to be effective representatives? I argue that we do not.

I am conscious that other hon. Members want to speak. I conclude my central argument by saying that in the United States of America there is unlimited ability to communicate in a non-partisan, non-party political way with a congressman or senator's constituents. In New Zealand, representatives are allowed two mailings a year and in Canada, four mailings a year. I am not arguing that the taxpayer should fund party political campaigning, but that if it is okay to distribute something through the IEP, it must be okay to distribute it through the House of Commons postage-paid service. The rules need clarifying so that we can provide the communication and representation that should be expected from us in a modern democracy.

4.36 pm

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Like others who have spoken in the debate, I welcome the opportunity to discuss the work of the House of Commons Commission. I endorse the suggestion that we should have a yearly debate on the Commission's annual report. As the only hon. Member left in the Chamber who is not involved with what the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) probably wishes he had not called "shadowy committees", I am provided with a useful opportunity to raise issues that would otherwise not be so easy to raise.

Although for some unaccountable reason the press benches are empty, this is one of the most important debates this week, as it is about improving the way in which we operate as an institution, and, above all, the way in which we communicate with the public and have a dialogue with our electors. That is one of the most pressing tasks of all who are concerned about the health of our democracy, for reasons that several hon. Members have already given.

I want to concentrate on the third core task of the Commission: providing information and access to the public. In doing so, I pay tribute to work that is done by the staff of the House. I also pay tribute to the work of the hon. Member for Roxburgh and Berwickshire and to the members of the Commission. I was elected to Parliament at the last general election, three and a half years ago, and I have very much appreciated the advice and support that the staff gave to me as a new Member finding my way round this institution.

I shall concentrate not just on information issues and access to the public but on the kind of issues that are relevant to me and the people whom I represent. My constituency is geographically situated 400 miles from London—in a part of the UK where, as a result of devolution, the democratic parliamentary system is much more complex.

In that respect, I am glad that the Modernisation Committee report "Connecting Parliament with the Public", referred to several times in the debate, points out in paragraphs 24 to 27 that only a small proportion of students or members of the public are able to visit Parliament. The report refers to ways in which it is possible, through various forms of outreach work, to reach members of the public throughout the UK. The report contains some very interesting material about the work done by the National Assembly for Wales—the fact that it has an education officer based in north Wales, for example—and reference to work done by the Scottish Parliament with a partner network of local authority libraries.

I was pleased with the content of at least the first half of paragraph 27 of the Modernisation Committee's report, which states:

> "Outreach work is the core of the Education Unit's work, and rightly so . . . To supplement existing resources such as the website, outreach facilities such as a Parliamentary roadshow could have the potential to reach many more young people than currently are able to visit Parliament."

I agree with all that, but it is a little surprising that a somewhat illogical jump appears to be made in the next sentence of the recommendation from the Modernisation Committee:

> "We recommend that before any further consideration is given to establishing an educational roadshow, the House should examine the scope for a Parliamentary partnering scheme with, for example, local authorities."

I fully support the idea of such a scheme, but it is a bit odd that, having spoken positively about the possibility of undertaking some form of outreach work, and in particular an educational roadshow, the Committee goes on to say that that is not the right thing to do at this time. Perhaps it is simply that I am unable to understand the inherent logic in the Committee's recommendations, or perhaps some late drafting amendments have given rise to a lack of consistency in the recommendations. If any hon. Member can enlighten me on that point, I shall be happy to hear from them.

Mr. Tyler: I hope that I can help. What we had particularly in mind was that there were already units, staff and mechanisms undertaking similar, or at least parallel, educational activities. As I think hon. Members are aware, we saw what the National Assembly for Wales was doing with local authorities and we thought that, instead of jumping in de novo and not benefiting from that experience, it might be useful to work with it to ensure that the whole hierarchy of governance is fully explained to Of course, that would apply in Scotland too.

Mr. Lazarowicz: I am grateful to the hon. Gentleman for explaining the rationale behind the Committee's thinking—although, with respect to the Committee, I have to say that "jumping in" is not the phrase that first comes to mind when considering the speed with which

[Mr. Lazarowicz]

the House is adopting a strategy of openness towards the public. It is important to make use of resources and other organisations with which we can work to give more information about our work as a Parliament. I see nothing wrong with the suggestion that we try an educational roadshow and I urge the Modernisation Committee, and the Commission, as the body to which it directs its recommendations, to consider that point again.

In the face of a generally good report from the Commission, I shall refer briefly to the Commission's response to the Modernisation Committee's recommendations in the report to which I referred. I am disappointed that the Commission has only agreed to go as far as funding an additional staff post in the education unit. The Commission says that it will consider the views of the House before any further consideration of an educational roadshow is undertaken. Clearly, my view is that we should consider that type of work sooner rather than later.

As I have suggested, these issues are important for the UK and UK hon. Members generally, but they are particularly important for those of us who come from parts of the UK that have devolved systems of government. It is important that electors and young people in my part of the UK, in Wales and in Northern Ireland understand the role of the Westminster Parliament—the UK Parliament—in the context of the new devolved arrangements. I referred earlier to the Scottish Parliament's website. I may be seen as someone who is prepared to defend the Scottish Parliament in all respects, but in fact I am not one to defend everything that the Scottish Parliament has done in the past few years. Certainly, the experience with the building was not one of its high points. I understand that the Palace of Westminster took some 40 years to build in the 19th century and went over budget many times, so I am not sure that we are in any better position.

I am not going to defend everything that the Scottish Parliament has done, but one of its success stories has been its outreach work, including its dialogue with the public, with the community and with schools and other education outlets throughout Scotland, which I note the Modernisation Committee examined with some interest. Without going into its recommendations and report in detail, the Committee provided some very interesting material describing some of the work done by the Scottish Parliament and the National Assembly for Wales, and I hope that the Commission will consider the experience of Scotland and Wales in more detail, because there is much that can be learnt from it.

We read that the National Assembly for Wales organises stands at public events. Why can we not do that sort of thing from the House of Commons? I was interested to see that the Scottish Parliament sent one of its Committees to a meeting outside Edinburgh in a more remote part of Scotland as a way of extending its activity outside the Scottish capital. Its education unit also organised a whole series of activities before the Committee went out to that particular locality, including meetings with schools and other organisations, to explain what the Committee would do to allow the local communities a wider context to understand the Committee's work.

Committees at Westminster visit different parts of the United Kingdom from time to time, partly as a way of showing our wish not to be too London-centred. I would not quite call these visits royal visits, but in my experience they are often visitations from the centre, whose context and connection with the local community is at that point often very tenuous and depends very much on the work of the local MP, who may or may not choose to publicise that Committee's involvement and arrival in his or her constituency. So let us learn from the successes of parliamentary institutions and Assemblies in other parts of the UK.

Of course issues of cost are involved. We cannot spend unlimited amounts of money trying to improve our engagement with the public—although engaging properly with the public is so important that we could usefully spend money on it—but we could work with local authorities. Some local authorities are good at publicising what they do; others need to do more to publicise what they do. The Electoral Commission also needs to do more to publicise voter registration. Why do we not talk about a roadshow, perhaps as a trial, at a major railway station in London or another major city, giving information about voter registration from government at different levels, and see how that more direct engagement with the public works? We might then overcome what many Members have described as the alienation and distancing of the public from government.

Again, let us consider the work done by the National Assembly for Wales and the Scottish Parliament at their own information centres. Could we not work with those organisations, if they were happy to, to ensure that information about Westminster is available in the information centres of the National Assembly for Wales and the Scottish Parliament? There was not much information at the last information centre I visited, which was in Edinburgh. Equally, there is not much information in Westminster about the devolved institutions. We should perhaps be talking about ways of trying to use these outlets to explain more widely the workings of our parliamentary system, particularly the parliamentary system as changed by devolution, which is relevant to Members from those parts of the UK with devolved institutions.

That leads me on to a point on which I would appreciate a response from the hon. Member for Roxburgh and Berwickshire, either today or in due course if he cannot reply in the debate. I am concerned that when we are talking about work with schools, it should not be work with schools just in England and should not be directed to fit in only with the English national curriculum. That is clearly where most of its work will be directed, but the national curriculum does not apply in Scotland. I am pleased to see that the Commission accepts in its response to the Modernisation Committee's report that there should be an additional staff post in the education unit whose principal focus is to build links with local education authorities. I hope that I can get an assurance that that will include authorities in Scotland, Wales and Northern Ireland and not just those in England.

The Modernisation Committee recommended that Ministers in the Department for Education and Skills re-examine the balance of the citizenship curriculum. My hon. Friend the Member for Reading, West

(Mr. Salter) referred to that earlier. Of course, the curriculum is a devolved matter in Scotland, and one would not be surprised if in Scotland the major focus in that subject was the Scottish Parliament rather than Westminster. However, we should seek to ensure that an element of that curriculum covers the work of the UK Parliament. I hope that the Commission and the Leader of the House will make an approach to the devolved Administration to ensure that as the curriculum develops to take on citizenship issues in Scotland, it will take account of the role of Westminster and UK MPs. It is unacceptable that we make no attempt to explain to school students and young people in my constituency how the UK Parliament relates to them. As a Member, I clearly do that, but we should also do that from Parliament.

I have one word of slight reproach to the Deputy Leader of the House, who has otherwise played an excellent role in supporting the wider access that I want to see. I am a little concerned that when I asked for representations to be made to Education Ministers to the effect that more emphasis should be placed on Parliament in the school citizenship syllabus, the written answer that I received referred only to the Secretary of State for Education and Skills. My question had been specifically directed at "Education Ministers" to make the point that I was not asking just about Ministers in the UK Parliament. I hope that the Deputy Leader and Leader of the House look at how such an approach can be made to Ministers in devolved Administrations as well.

My final point as a Scottish Member is to suggest that we consider some way of making it easier for groups of electors and potential electors—including school and other students, and young people—to visit Parliament and see it in operation. I agree with my hon. Friend the Member for Reading, West that although it is true that many more millions of people can see what we do through the information that is available online and that we should be trying to improve that kind of accessibility, it is equally true that a visit to the House of Commons by individuals and groups of electors is something for which there is no real online substitute.

It is obviously easier for my hon. Friend's constituents to take the 25-minute journey from Reading to Paddington and then come here than it is for my constituents and others who are further afield. Is there not a way of providing some form of financial assistance to make it a little easier for groups from further away to have educational visits to the House to see how we operate and have the direct experience that is so important? All sorts of difficulties would be involved in such a scheme, and we would have to ensure that people did not misuse it, but we should certainly examine ways of doing it. I understand that the European Parliament has a scheme in which some support can be given for such a visit.

I shall give an example of why that is worth examining. In my constituency, there is an excellent group called the Pilton Elderly Project that works with the elderly. Over the past few months, it has run a pensioners political education group, with about 20 pensioners studying local government as well as the Scottish and Westminster Parliaments. Councillors, the MSP and I have been to talk to them, and they have carried out other educational activities. They intend to visit the council and the Scottish Parliament, and they want to visit Westminster. Various forms of sponsorship may be available to them, and I am helping them in their attempts, but it is not that easy for a group of about 20 pensioners to visit London to see Parliament operate. We should consider ways of making that possible, perhaps even through the establishment of an independent trust to support organisations wanting to see Parliament in operation.

Those issues are of particular concern to me as a Scottish Member, but I shall finish with general comments about the trend of the recommendations of the Modernisation Committee, the proposals in the Commission's report and the subjects that we have been discussing today. My general message to the Commission and the Modernisation Committee would be "full steam ahead". The Modernisation Committee has made many good recommendations. Some have been diluted a little once they have been filtered through the House of Commons Commission, and by the time they get to the House they could be diluted further.

We must try to take account of the wide range of Members' views on how to modernise, change our practices and open up to the public. However, we must avoid allowing those Members who are the least open to change to determine the speed at which we move forward. Many Members want us to open up the way that we relate to the public, and they want change to happen more quickly. I have been here only for three and a half years and was under no illusion that this was the kind of place in which operational change occurs over-rapidly. Nevertheless, the speed of change should not be determined by the slowest animals in the pack, particularly when some of those animals, with deepest respect, are dinosaurs.

4.58 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): First, I apologise to the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) and to you, Ms Anderson, for not being present for the whole of the hon. Gentleman's speech, particularly his kind words to me, which I would have appreciated hearing. I also apologise to the citizens of Catalunya for the repeated reference to them as the citizens of Catalonia as we broadcast to them, but I am sure that they will forgive us for that.

I am pleased that the Leader of the House found time for this debate. It is important for two reasons, over and above the intrinsic merit of discussing the contents of the report in front of us. The hon. Member for North Cornwall (Mr. Tyler) referred to the Lib-Lab pact that we engaged in when looking at requests for debates on the work of the House of Commons Commission. There seems to be a lacuna in the rules of the House when it comes to securing such debates. After a number of requests, I eventually hit on the idea of requesting a debate on the House of Commons (Administration) Act 1978, which gave rise to the Commission, and including the Commission's report in that debate, but that was getting away from the point.

The hon. Member for Roxburgh and Berwickshire answers written and oral questions from Members, but if a request for an Adjournment debate on the content of any of those questions is made, it falls, because the

[Dr. Alan Whitehead]

Chairman of the Commission is not a Minister, and a request for a debate must be matched with a relevant Minister to answer it. There is no Minister to answer such a debate, ergo there cannot be a debate. I find it a little puzzling that Members are not able to debate—

5 pm

Sitting suspended for Divisions in the House.

5.30 pm

On resuming—

Janet Anderson (in the Chair): I remind hon. Members that the debate could, in theory, continue until 6.15 pm. However, Members may want to bear in mind that there is likely to be a Division at 6 o'clock.

Dr. Whitehead: Thank you, Ms Anderson.

I was saying a moment ago that I found it a little puzzling that there can be no debate if there is no Minister to answer it. It seems that Members cannot debate on our own initiative matters that centrally concern the way in which we work and the service that we provide to the British public. A review of House rules may resolve the issue at some point. However, in lieu of such a resolution, having this debate today—albeit at the instigation of the Leader of the House—is very welcome. In the absence of a procedure that allows Members themselves to instigate debates, the Leader of the House might consider making a debate such as this on the House of Commons Commission an annual fixture. That has been mentioned by a number of hon. Members this afternoon, and I warmly endorse that idea.

This debate is important not only in providing a forum through which we can review the Commission's work over the past year, but in placing that work in the wider context of the overall direction and development of the management of the House. As this year's report states in paragraph 13:

"The Board of Management continues to work within the framework recommended by the 1999 Braithwaite report."

The 2001–02 report indicated that it continued to work within the development of a strategic approach to planning House services. That report tells us that a five-year strategic plan covering the years 2001 to 2006 was drafted and adopted in October 2001. The outline of that plan is set out in pages 12 and 13 of this year's annual report. However, the report does not make clear what work has been done to develop strategic planning beyond 2006, which, it will be noted, is fast approaching. On pages 52 and 53 of the report, it is suggested that some strands of work are under way, but not a new version of the 2001 strategic plan.

To return to the Braithwaite report, that was commissioned in October 1998 and reported to the House of Commons Commission in June 1999. Its brief was to look at all aspects of House management and produce recommendations, and it produced some 99 of those. The thrust of many of them was that the House of Commons should move towards corporate working, and that there was an urgent need to address the challenge of the IT age and the increasing demands on the House to undertake reform of the structures of House management so that that could be achieved.

As hon. Members have mentioned, that followed an earlier review—the Ibbs review—some 10 years before, now about 15 years ago. One might say that that started the process. The report came at a time when change was clearly desirable. Although, as far as I am aware, we have not had any debate on the House of Commons Commission annual report, we did have one in 2000 on the Braithwaite report, during which a number of items relating to the Commission were raised. During that debate the hon. Member for Hazel Grove (Mr. Stunell) said:

"There are many flaws and problems, most of which were identified in the Ibbs report . . . At that time, 'unco-ordinated', 'unaccountable' and just about every other adjective expressing derision were heaped on the running of the system . . . it must be said in all honesty that the shambles of 10 years ago has simply become the incomplete shambles that we have now."—[*Official Report*, 20 January 2000; Vol. 342, c.1081.]

Of course, I merely quote that and do not necessarily endorse it. However, it is fair to say that there has been great progress in the modernisation of the management of the House since then, and the report reflects that. Many, if not most, of the Braithwaite report's recommendations have, over time, been implemented. Among other things, that is reflected in the increasingly positive views, mentioned in the annual report, of House management and services.

My question is about how we progress for the future. The Braithwaite report set out one recommendation that has to date not been implemented: the last recommendation, number 99, which states:

"As a matter of good practice, a review similar to our own should take place in about five years' time."

That was written in 1999. It is now almost 2005, a year from the end of the 2001 five-year plan. Would it not be good practice if a further review were commissioned? Such a review would, I am sure, reflect on the enormous steps forward that the House management has already taken. However, it might look not only at the generality of management but at some specifics.

Let me cite a few examples.The committees and Departments of the House are set out in an annexe to the report, but they do not match in any way the House Committees that enable Members to perform a role as far as accountability is concerned. The problem, as I see it, is that a number of decisions seem, in effect, to fall between committees. They are properly discussed and progressed by the management structure within the House management, and within the workings of the House of Commons Commission. However, for various reasons, they do not emerge, or emerge only partially on House committees.

One example of that is the recent proposal to put the postal service within the House out to potential private contract. That is a potential decision of considerable importance to Members, although I understand that that has not reached the agenda of any Members' Committee. Is that a problem? Does structure seriously undermine accountability? Are there better ways in which the work of permanent staff and that of Members' Committee might be aligned? I do not know the clear answer to that issue, but a review might be able to consider it.

Do we need a person who is clearly and unequivocally designated as chief executive? I notice in the annual report this year that the Clerk of the House is designated in brackets as being also the chief executive. Would there be particular advantages in a separate person being designated the chief executive? Is the Clerk finding those multiple roles difficult? Would the prediction in the 2000 debate of my hon. Friend the Member for Hammersmith and Fulham (Mr. Coleman) perhaps be true? He suggested:

"In a few years' time, we shall have come full circle. The chief Clerk will ask for a deputy to deal with the managerial side. We might as will call that person the chief executive. That is why I say that there is a danger. It is as though the report has set up, almost by accident, the model that I described; matters will drift in that direction if the chief Clerk is treated as a chief executive as the report recommends."—[*Official Report*, 20 January 2000; Vol. 32, c.1072.]

Do we need a separate chief executive? I do not know the answer to that question either, but it is a proper thought for a further review—a new Braithwaite—to bear in mind.

Hon. Members have asked whether there should be a strategic expansion of the education unit to cater with the demand from schools, both within the House and proactively through roadshows. Will there be more media strategy in future, so that in addition to Departments, Parliament can place its affairs into a proactive, 24-hour media world? Those are meaty questions for the future of the management of our House and for the workings of the House of Commons Commission.

We have also had debates elsewhere in this House on the future of security and, in that and other contexts, the issue of working with the management of the other place. So there are a number of issues that are of strategic importance to the Commission and we would be well served by a new Braithwaite report, which the original Braithwaite report itself suggested should be undertaken after five years. I believe that it would be to the advantage of the working of the Commission and the future of the House if that were done.

5.39 pm

The Deputy Leader of the House of Commons (Mr. Phil Woolas): I want to make a few remarks, because I believe that this debate is unique. As my hon. Friend the Member for Southampton, Test (Dr. Whitehead) and the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) said, it will be wound up, quite rightly, by the spokesman for the House of Commons Commission, not by a Minister. My right hon. Friend the Leader of the House has asked me to confirm the Government's commitment to have an annual debate on the House of Commons Commission report, preferably as soon after its publication as possible, so that hon. Members can be involved in that debate. We see great advantage to all concerned in doing that.

Secondly, my right hon. Friend asked me to emphasise our commitment to take up recommendation 99 of the Braithwaite report—that it be subject to a review. That was intended to be done in five years, which would have been in July this year, but my right hon. Friend believes that the beginning of the next Parliament provides the best opportunity for that review. It is interesting to note that although the Braithwaite report was a report to the House of Commons Commission, it was requested by the then Leader of the House. Only in that way could we have the debate on it. That reflects the difficulties facing us. I am sure that the spokesman for the Commission is well aware of that point.

I will make a couple of general points and a couple of specific ones. There has been a great consensus in the debate that we need to update our management and accountability structures. If I say "modernise", I might alienate some hon. Members—although I see that the hon. Member for South Staffordshire (Sir Patrick Cormack) is not in his place, so I shall say "modernise". We need to do that, not only for reasons of efficiency and effectiveness, but because the assumption that the general population in this country support our particular system of parliamentary democracy is, as time goes by, withering. It is withering because the main intellectual context in which this House has always been able to command huge support among the population is provided by the second world war—the era that re-established the sovereignty and the importance of this place. There is no hon. Member left in this House who fought in that war. Time goes by and younger generations come through, and if we assume that they have the same commitment to and understanding of the benefits of our parliamentary democracy system, we are deluding ourselves.

The collapse of the Berlin wall is also important. Like many hon. Members present, I am one of the generation who were brought up hearing our parents utter the very good political adage: "If you don't like it here, you can go and live in Russia." Russia did not have parliamentary democracy, and I understood what they meant.

Mr. Heald: They were Conservatives.

Mr. Woolas: They were good, working-class, Labour people, but that type of support for parliamentary democracy can no longer be taken for granted. A vacuum is being created that anti-democratic forces will fill unless we as a Parliament, and the political parties in here, justify the system that we have.

The Commission's report is excellent and, as has been said, is very well presented. It is full of positive information and has a strong story to tell, but underlying the report is an increasing need to promote the benefits of parliamentary democracy and of the role of Members of Parliament. My right hon. Friend the Leader of the House has two particular priorities. One is the Education Unit and the work that it does—the outreach work and the education. The second is the communications strategy. That takes in the point made by the hon. Member for North Cornwall (Mr. Tyler) about the number of people who can have access through electronic as well as physical means. We want to push those two priorities forward.

My hon. Friend the Member for Eccles (Ian Stewart), who has followed these matters, particularly in relation to the Senior Salaries Review Body and the provision of hon. Members' staff, facilities and salaries, made some important points. Although the SSRB is an independent body and I do not wish in any way to undermine the

[Mr. Woolas]

independence of its operation, I assure Members that the Government are seeking to ensure that the appropriate lessons from the recent SSRB review are learned. We are discussing the review with the SSRB.

Some of the points that my hon. Friend raised fall under the remit of the Members Estimate Committee—a new body whose membership parallels that of the House of Commons Commission. Increasingly, there is an overlap between the responsibilities of that Committee and the Commission. The hon. Member for Roxburgh and Berwickshire is well aware of that and will want to reflect on it.

Finally, the Government see the way forward as a process of evolution, in line with many of the things that my hon. Friend the Member for Southampton, Test said. If anyone wants some interesting reading over the Christmas period away from modern political biographies or 1990s political diaries, they could read the 1968 publication of Ted Short's memoirs. The book explains in detail how he and the then Leader of the House, Herbert Bowden, had a fight on behalf of MPs in the House of Commons with the then Lord Chamberlain, who was responsible for all matters to do with Members' estimates and the provision of facilities for MPs. Such things were not even the responsibility of the House of Commons then, but of the House of Lords, and in those days, Members had to pay for their own postage. We have post offices in the Palace because Members had to buy stamps when they wrote to their constituents.

Our system has evolved through the creation of the House of Commons Commission, the 1978 Act and the Ibbs and Braithwaite reports. The logical next step would be further transparency; clarity of structure for decision making and policy making in the House by Members and Members' Committees under the auspices of the Speaker and the Commission, which is the executive body for the running of the House of Commons; and a management structure that reflects that and leads to the chief executive officer that hon. Members have proposed.

I shall finish by thanking you, Ms Anderson, for calling me to make those few remarks, and by wishing everyone a happy Christmas.

5.48 pm

Sir Archy Kirkwood: With the permission of the House, in these final moments I wish to wrap up our important and helpful exchange. I would prefer to deal more extensively in writing with the majority of the detailed points that Members have made. I guarantee that I will do some homework on, think carefully about and respond to the many valuable contributions.

First, just a couple of things off the top of my head: I would want to leave the House with a clearer impression than was perhaps suggested by my hon. Friend the Member for North Cornwall (Mr. Tyler), who said that there is a Berlin wall between the two Houses. I understand why he says that—it certainly was true in the distant past—but there are now some good examples of joint activity and joint management initiatives in areas such as joint purchasing and the Refreshment Department. The Libraries work together much more closely, and, as I said earlier, the information services and information technology services are in the middle of creating a new, completely fresh bicameral service for both Houses. We should watch and learn lessons from that model.

On security, we need to think carefully about processes. My hon. Friend said that perhaps the Whips or someone else should be involved. We understand that a gap needs to be filled and we should reflect on that at our leisure—but not be too leisurely—to deal with it.

The question of postage is important. I agree with the hon. Member for Reading, West (Mr. Salter) that there is complete and total confusion, and it is important that we get this right. He might like to know that the Administration Committee is actively engaged in an inquiry on the matter, and I hope that that will result in clarity and guidance for us all. Those will be welcome when they come.

I understand from the comments that hon. Members have made that they want to press ahead and develop the Education Unit, because there is much potential there to develop. As has been acknowledged, we have approved an outreach officer for the unit. As a member of the Commission, I would be disappointed if that outreach officer did not come back with some well founded, well researched projects that would require additional funding, which the Commission could take forward in a relatively short time. I look forward to that happening.

The roadshow is potentially an important idea, but we would prefer to wait and see what the National Assembly for Wales makes of the evaluation of its project. That may involve some delay, but if we can get the benefit of that experience, it will encourage us to develop the idea for ourselves more fully.

The Education Unit is a UK-wide unit. The hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) was right in saying that we must ensure that it is equally accessible and caters for everyone. We take visits from Scottish schools, and the unit's promotional literature has—to be fair, only recently—been made compatible with all parts of the constituent nations of the United Kingdom. That is an important marker of the fact that the unit has links across the whole United Kingdom and that we must reflect that carefully in everything it does.

I would characterise the debate as indicating that there is a great deal of overlapping activity, which the Commission sometimes struggles to deal with by itself. We have only the administration vote in our power and, more than anything else, we deal with the consequences of other people's decisions. If people decide that the sitting hours are going to change, we have to reflect that. If the catering arrangements change, we have to deal with that. If the security arrangements or the rules on freedom of information change, we have to reflect that and respond to it. We cannot control the Members' vote.

I join in the tributes that were paid to the hon. Member for Eccles (Ian Stewart) for the work that he has done on training. For much of that work to be done properly, there would need to be an overlap between the Members' vote, over which we have no control, and the administration. The administration vote could put the services in place, but it would be difficult to achieve

an MPs' service of the kind to which he aspires—as we all do, because that would be a sensible move. We are constrained in our ability just to say, "Let's do that, plan it and pull the money from both those votes, because taken together we could get more than double the advantage by using the money sensibly." We cannot do that.

Returning to the sensible point made by the hon. Member for Southampton, Test (Dr. Whitehead), perhaps in the Braithwaite 2 period, from 2005 to 2010, we should say to ourselves, "Is there a case for bringing the Members' vote in-house?" That is strong meat, Ms Anderson, because it would mean taking control of our own allowances, our own pay, our own pensions and all the rest of it. That is not something one would want to do casually. However, it is one of the main blocks facing the Commission in trying to achieve aspirations that have been rehearsed this afternoon. Braithwaite 2 might be the opportunity to do just that. If we have the acknowledgement of the Leader of the House that that is necessary, that is positive.

As I said earlier, there is work that can be done in the run-up to the next election. We do not know how long that will give us, but there may be enough time to make some marginal improvements. However, come 2005–10 and early in the new Parliament, we must all participate in the new project—I hope that everyone present will participate positively, as they have this afternoon. It will take place over a five-year period, during which some of those much bigger issues can be addressed more systematically.

Ian Stewart: I thank the hon. Gentleman for his acknowledgement and for his explanation. However, if we wait until 2010, some of us will have left the House. Is it not within the ability of the powers that be—those who administer both votes—to talk to each other about such matters? In the SSRB debate, we changed some things that were recommended by the SSRB, so we have that power. Let us have the sense to act more quickly.

Sir Archy Kirkwood: I want to respond to that bona fide plea; I promise to respond to it. However, we will think about the matter more carefully, because it is not as easy as the hon. Gentleman suggests.

I did not know that the SSRB had denied the hon. Gentleman access to the data and that is something I want to reflect on. We all want to reflect on the SSRB process because it did not give people a proper chance to see what was coming this time; I think everyone recognised that. Pressure was put on the Government when the problem was not their fault and even the SSRB was not particularly satisfied with the process. We need to reflect and the next triennial review will have to be much more open so that people have a chance to make timeous representations and we are not left with a result that satisfies no one.

This has been a helpful debate for the Commission and I am grateful to colleagues who made suggestions for improvement. We will go away and provide detailed answers in so far as I can provide them with the help of the staff. We have made progress and it is excellent news if such a debate is to be an annual event. If that is a commitment, it is worth having. If there is an opportunity for marginal change in the short term and, more importantly, a Braithwaite 2 report covering 2005–10, that is a target we should keep in mind.

We should encourage all hon. Members here today to participate actively in that review because it will do nothing but good and will be a continued improvement to the governance of the House of Commons.

Question put and agreed to.

Adjourned accordingly at Four minutes to Six o'clock.